

CRODA OVERSEAS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



CRODA OVERSEAS HOLDINGS LIMITED
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COMPANY INFORMATION

Directors	Mr R Tanna Mr T M Brophy
Company secretary	Mr T M Brophy
Registered number	3360096
Registered office	Cowick Hall Snaith Goole East Yorkshire DN14 9AA
Independent auditor	KPMG LLP Chartered Accountants 1 Sovereign Square Sovereign Street Leeds West Yorkshire LS1 4DA
Country of incorporation	United Kingdom, England
Domiciled	United Kingdom, England
Legal form	Private company limited by shares

CONTENTS

	Pages
Strategic Report	1
Directors' Report	2 - 3
Independent Auditor's Report	4 - 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 20

CRODA OVERSEAS HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The Directors present their strategic report of the Company for the year ended 31 December 2020.

Business review

The Company made a profit of €112,520,000 for the financial year (2019: €115,972,000).

Principal risks and uncertainties

From the perspective of the Company, the principal risks relate to the impairment of the carrying value in subsidiary undertakings (note 9) and to the non-payment of amounts owed by group undertakings (note 10).

Financial key performance indicators

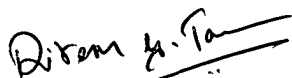
Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Directors' statement of compliance with duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires the Directors to take into consideration the interests of the stakeholders in their decision making. The Directors have regard to the interests of the Company's employees and other stakeholders, including its impact on the community, the environment and its reputation, when making their decisions. The Directors consider what is likely to promote the success of the Company for its members in the long term in all their decision making.

Further information on our engagement with our stakeholders can be found in the Corporate Governance Report of Croda International Plc on pages 58 and 59 of the Group's Annual Report and Accounts.

This report was approved by the board on 18 June 2021 and signed on its behalf.



Mr R Tanna
Director

CRODA OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report and the financial statements for the year ended 31 December 2020.

Principal activities

The Company's principal activity during the year continued and will continue to be as an investment holding company.

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The profit for the year, after taxation, amounted to €112,520,000 (2019: €115,972,000).

During the year the Company paid dividends of €109,152,000 (2019: €105,647,000). The Directors do not recommend payment of a final dividend (2019: €Nil).

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Mr R Tanna
Mr T M Brophy

Directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their positions to the extent permitted by law. These indemnities are qualifying third party indemnities (as defined in section 234 of the Companies Act 2006) and were in force during the financial year and at the date of approval of the financial statements. In addition, the Company maintained Directors' and Officers' liability insurance cover throughout the year.

Financial risk management

The Company's operations expose it to a variety of financial risks. Croda Overseas Holdings Limited's ultimate parent undertaking, has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company. This is disclosed on pages 147 and 148 of the Group's Annual Report and Accounts.

CRODA OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

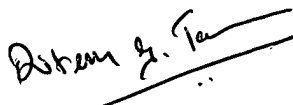
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report was approved by the board on 18 June 2021 and signed on its behalf.



Mr R Tanna
Director

CRODA OVERSEAS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA OVERSEAS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Croda Overseas Holdings Limited ("the Company") for the year ended 31 December 2020, which comprise the balance sheet, the profit and loss account, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Accounting Standards, including FRS 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of Directors and inspection of policy documentation as to Croda International Plc's policies and procedures to prevent and detect fraud that apply to this Group company as well as enquiring whether the Directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA OVERSEAS HOLDINGS LIMITED

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This Company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The Directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon. Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

CRODA OVERSEAS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA OVERSEAS HOLDINGS LIMITED

Directors' responsibilities

As explained more fully in their statement set out on page 3, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Chris Heard (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square
Sovereign Street
Leeds
West Yorkshire
LS1 4DA

18 June 2021

CRODA OVERSEAS HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 €000	2019 €000
Administrative expenses		(447)	-
Operating (loss)/result		(447)	-
Income from shares in group undertakings		812,210	115,623
Amounts written off investments		(699,639)	-
Interest receivable and similar income	5	1,691	1,166
Interest payable and similar expenses	6	(1,328)	(789)
Profit before taxation		112,487	116,000
Tax on profit	7	33	(28)
Profit for the financial year		112,520	115,972

There were no recognised gains and losses for 2020 or 2019 other than those included in the profit and loss account.

The notes on pages 10 to 20 form part of these financial statements.

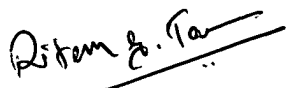
All amounts relate to continuing operations.

CRODA OVERSEAS HOLDINGS LIMITED
REGISTERED NUMBER: 3360096

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 €000	2019 €000
Non-current assets			
Investments	9	1,268,835	564,079
Current assets			
Debtors	10	234,752	89,544
Cash at bank and in hand		-	5,000
Creditors: amounts falling due within one year	11	(221,800)	(224,668)
Net current assets/(liabilities)		12,952	(130,124)
Net assets		1,281,787	433,955
Capital and reserves			
Called up share capital	13	-	-
Share premium account		870,263	25,506
Profit and loss account		411,524	408,449
Total shareholders' funds		1,281,787	433,955

The financial statements on pages 7 to 20 were approved and authorised for issue by the board and were signed on its behalf on 18 June 2021.



Mr R Tanna
Director

The notes on pages 10 to 20 form part of these financial statements.

CRODA OVERSEAS HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital €000	Share premium account €000	Profit and loss account €000	Total shareholders' funds €000
At 1 January 2020	-	25,506	408,449	433,955
Comprehensive income/(expense) for the year				
Profit for the financial year	-	-	112,520	112,520
Currency translation differences	-	-	(293)	(293)
Total comprehensive income for the year	-	-	112,227	112,227
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(109,152)	(109,152)
Shares issued during the year	-	844,757	-	844,757
Total transactions with owners	-	844,757	(109,152)	735,605
At 31 December 2020	-	870,263	411,524	1,281,787

The notes on pages 10 to 20 form part of these financial statements.

During the year the Company issued 12 ordinary shares at a value of €844,756,969 resulting in a share premium of €844,756,957.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital €000	Share premium account €000	Profit and loss account €000	Total shareholders' funds €000
At 1 January 2019	-	25,506	398,124	423,630
Comprehensive income for the year				
Profit for the financial year	-	-	115,972	115,972
Total comprehensive income for the year	-	-	115,972	115,972
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(105,647)	(105,647)
Total transactions with owners	-	-	(105,647)	(105,647)
At 31 December 2019	-	25,506	408,449	433,955

The notes on pages 10 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. Details of new standards, amendments and interpretations can be viewed on page 122 of the Group's Annual Report and Accounts.

The Company is a wholly owned subsidiary of Croda Investments No 3 Limited and is included in the consolidated financial statements of Croda International Plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

1.3 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Company has generated profit for the financial year of €112,520k and as at 31 December 2020, has net current assets of €12,952k. The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its ultimate parent company, Croda International Plc, to meet its liabilities as they fall due for that period.

Due to the timing of cash flows, forecasts are dependent on Croda International Plc providing additional financial support during that period. Croda International Plc has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.4 Investments

Investments held are shown at cost less provision for impairment.

1.5 Financial risk factors

The Group accounting policy for financial risk factors is also relevant to the preparation of the Company financial statements and is disclosed on pages 147 and 148 of the Group's Annual Report and Accounts.

2. Accounting estimates and judgements

The significant accounting policies under Adopted IFRSs of the Croda International Plc Group have been set by management with the approval of the Audit Committee. The application of these policies requires estimates and assumptions to be made concerning the future and judgements to be made on the applicability of policies to particular situations. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Under Adopted IFRSs an estimate or judgement may be considered critical if it involves matters that are highly uncertain or where different estimation methods could reasonably have been used, or if changes in the estimate that would have a material impact on the Group's results are likely to occur from period to period.

These judgements can be viewed on pages 121 and 122 of the Group's Annual Report and Accounts, however none are relevant to the financial statements of Croda Overseas Holdings Limited.

3. Auditor's remuneration

The audit fee for the year of €5,625 (2019: €1,000) was borne by the ultimate parent company, Croda International Plc.

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Staff costs

The Company has no employees (2019: None) other than the Directors, who did not receive any remuneration (2019: €Nil).

5. Other interest receivable and similar income

	2020 €000	2019 €000
Interest receivable from group companies	1,691	1,166

6. Interest payable and similar expenses

	2020 €000	2019 €000
Loans from group undertakings	1,328	789

7. Tax on profit

	2020 €000	2019 €000
Corporation tax		
Current tax on profits for the year	154	28
Adjustments in respect of previous periods	(82)	-
Total current tax	72	28
Deferred tax		
Deferred tax - current year	69	-
Deferred tax - prior year adjustments	(156)	-
Deferred tax - rate changes	(18)	-
Total deferred tax	(105)	-
Taxation on profit	(33)	28

CRODA OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Tax on profit (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: *lower than*) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	2020 €000	2019 €000
Profit before tax	<u>112,487</u>	<u>116,000</u>
Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	21,373	22,040
Effects of:		
Impairment of investments	132,931	-
Expenses not deductible for tax purposes	85	-
Adjustments to tax charge in respect of prior periods	(238)	-
Deferred tax rate changes	(18)	-
Non-taxable income	(154,320)	(22,012)
Other differences leading to an increase (decrease) in the tax charge	154	-
Total tax (credit)/charge for the year	<u><u>(33)</u></u>	<u><u>28</u></u>

Factors that may affect future tax charges

The main rate of UK corporation tax reduced from 20% to 19% from 1 April 2017. A further reduction to the UK tax rate was announced to reduce the rate to 17% by 1 April 2020, and was substantively enacted on 6 September 2016. In the March 2020 Budget it was announced that the main rate of UK corporation tax would be remaining at 19%, and this was substantively enacted 17 March 2020. In the March 2021 Budget, it was announced that the main rate of UK corporation tax would increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date, the deferred tax asset would have increased by €33k

8. Dividends

	2020 €000	2019 €000
Dividend paid on equity capital of €6,064,000 (2019: €17,607,833) per share	<u><u>109,152</u></u>	<u><u>105,647</u></u>

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments

	Investments in subsidiary companies €000	Other investments €000	Total €000
Cost			
At 1 January 2020	564,079	-	564,079
Additions	1,402,780	1,662	1,404,442
Disposals	(47)	-	(47)
At 31 December 2020	<u>1,966,812</u>	<u>1,662</u>	<u>1,968,474</u>
Impairment			
Charge for the period	699,639	-	699,639
At 31 December 2020	<u>699,639</u>	<u>-</u>	<u>699,639</u>
Net book value			
At 31 December 2020	<u><u>1,267,173</u></u>	<u><u>1,662</u></u>	<u><u>1,268,835</u></u>
At 31 December 2019	<u><u>564,079</u></u>	<u><u>-</u></u>	<u><u>564,079</u></u>

Investments in subsidiary companies

On 24 November 2020, the Group acquired 100% of the shares and voting interests of Fragrance Spanish Topco, S.L. trading as Iberchem ('Iberchem'), a leading global fragrances and flavours (F&F) company. Headquartered in Murcia, Spain, Iberchem has approximately 850 employees, 14 manufacturing facilities, 10 R&D centres and a commercial presence in 120 countries. Following acquisition a group restructuring exercise was undertaken to simplify the legal entity structure of the Iberchem group. For the Company, this resulted in the acquisition of Fragrance Spanish Topco, S.L. and its subsidiary Iberchem SA both for €701.4m, with a subsequent impairment of the Fragrance Spanish Topco, S.L. investment of €669.6m following the receipt of a dividend of €701.4m. [Subsequent to the year end, Fragrance Spanish Topco, S.L. is in the process of being liquidated].

During the year the Company also disposed of its investment in Croda Belgium BVBA.

Other investments

on 21 August 2020, the Group acquired a 9% minority shareholding in Entekno Materials, an innovative Turkish company who have invented MicNo™ Zinc Oxide technology for solar protection applications.

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company. Those marked with * are directly owned:

Name	Registered office	Class of shares	Holding
Croda Investments Inc *	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Croda Spol s.r.o *	Praha 5, Pekarská 603/12, 150 00, Czech Republic	Ordinary	100
Croda Italiana SpA *	Via P. Grocco 915, 27036 Mortara, Italy	Ordinary	100
Croda Ibercia SA *	Plaza. Francesc Macià, 7, 7ºB, 08029 Barcelona, Spain	Ordinary	100
Croda Argentina SA *	Office Dardo Rocha 2044, 1640, Martinez, Buenos Aires, Argentina	Ordinary	94
Croda GmbH *	Herrenpfad Süd 33, 41334 Nettetal, Germany	Ordinary	85
Croda do Brasil Ltda *	Rua Croda, 580, Distrito Industrial, Campinas, São Paulo, CEP 13.074- 710, Brazil	Ordinary	100
IonPhasE (Guangzhou) Special Polymers Co., Ltd	Room 3010, Guangzhou International Trade Center, No. 1, LinHe Road West, Guangzhou, China	Ordinary	100
Croda Kimya Ticaret Limited Sirketi *	Nidakule Göztepe Is, Merkezi, Merdivenköy Mahallesi, BoraSokak, No: 1 Kat:2/5 Kad?köy 34732, Istanbul, Turkey	Ordinary	99
Croda Investments Limited *	Cowick Hall, Snaith, Goole, East Yorkshire, DN14 9AA, UK	Ordinary	100
PT Croda Indonesia *	Kawasan Industri Jababeka, Jl. Jababeka IV Blok V Kav74-75, Cikarang Bekasi 17530, Indonesia	Ordinary	0.03
Croda Holdings France SAS *	Futura III, 1, avenue de Westphalie, 78180 Montigny-le-Bretonneux, France	Ordinary	100
IonPhasE Oy *	Hepolamminkatu 29, 33720 Tampere, Finland	Ordinary	100

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
IonPhasE (H.K.) Limited	Kreston CAC CPA Ltd, Rooms 2702-3, 27th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong	Ordinary	100
Croda Chile Ltda	Los Militares 4611, 17th Floor - 7560968, Las Condes, Santiago, Chile	Ordinary	100
Croda Colombia	Calle 90 # 19-41 Office 601, Bogotá, Colombia	Ordinary	100
Croda México SA de CV	Hamburgo 213, Piso 10, Colonia Juárez, Delegacion Cuauhtémoc, D.F., C.P. 06600, Mexico	Ordinary	100
Croda Peruana S.A.C	Av. Juan de Aliaga 425 Of. 401, Magdalena del Mar, Peru	Ordinary	100
Croda Inc	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Croda Americas LLC	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Croda Finance Inc	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Croda Inks Corp	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Sederma Inc	777 Scudders Mill Road, Building 2, Suite 200, Plainsboro, NJ 08536, USA	Ordinary	100
Croda Investments No 2 Limited	Cowick Hall, Snaith, Goole, East Yorkshire, DN14 9AA, UK	Ordinary	100
Croda Chocques SAS	1, rue de Lapugnoy, 62920 Chocques, France	Ordinary	100
Sederma SAS	29 rue du Chemin Vert, 78610, Le Perray en Yvelines, France	Ordinary	100
Crodarom SAS	Zone artisanale, 48230 Chanac, France	Ordinary	100

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Croda France SAS	Futura III, 1, avenue de Westphalie, 78180 Montigny-le-Bretonneux, France	Ordinary	100
AM Coatings BV	Buurtje 1, 2802 BE Gouda, Netherlands	Ordinary	100
Croda EU BV	Buurtje 1, 2802 BE Gouda, Netherlands	Ordinary	100
Croda Nederland B.V.	Buurtje 1, 2802 BE Gouda, Netherlands	Ordinary	100
Sederma GmbH	Herrenpfad Süd 33, 41334 Nettetal, Germany	Ordinary	100
Croda Japan KK	7-1 Nishi-shinjuku 3-chome, Shinjuku-ku, Tokyo 163-1001, Japan	Ordinary	7
Croda SI&T Nigeria Limited*	Landmark Towers, 5B, Water Corporation Road, Victoria Island, Lagos, Nigeria	Ordinary	1
Avanti Polar Lipids, LLC	700 Industrial Park Drive, Alabaster, AL 35007, USA	Ordinary	100
Fragrance Spanish Topco, S.L.*	Avenida del Descubrimiento, Parcela 9/9, Polígono I, 30820 Alcantarilla, Murcia, Spain	Ordinary	100
Fragrance LuxCo1 S.à.R.L.	25C Boulevard Royal, L-2449, Luxembourg	Ordinary	100
Fragrance LuxCo2 S.à.R.L.	25C Boulevard Royal, L-2449, Luxembourg	Ordinary	100
Iberchem SA*	Avenida del Descubrimiento, Parcela 9/9, Polígono I, 30820 Alcantarilla, Murcia, Spain	Ordinary	100
Iberchem South Africa (Pty) Ltd	5 Marconi Nook, Hennospark, Centurion, 0157, South Africa	Ordinary	100
Iberchem Far East Pte LTD	62 Ubi Road 1, No. 01-36 Oxley BizHub 2, Singapore 408734	Ordinary	100
PT Scentium Flavours	Pusat Niaga Terpadu, Jl. Daan Mogot Raya Km 19, 6Blok GG8N, 15122 Tangerang, Indonesia	Ordinary	100
Iberchem Mexico SA de CV	Alfredo Nobel No. 3, 3 y 4, Col. Fraccionamiento Industrial Los Reyes, Estado de México, 54073 Tlalnepantla	Ordinary	100

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Iberchem India Ltd	38/A, Radhe Industrial Estate, Tajpur Road, Changodar 382213, Ahmedabad, India	Ordinary	100
Iberchem Colombia SAS	Aut. Medellín km. 7, Bodega 88-02, Celta Trade Park, Funza, Cundinamarca, Colombia	Ordinary	100
Iberchem Brazil Participações Ltda	AFAS Adviser Consultores Associados Ltda, Rua Manuel de Nóbrega, 1.280, 10º andar, Paraíso, São Paulo, CEP 04001-902	Ordinary	100
Iberchem Thailand Ltd	No. 41/87 Moo 6 Bangna Trad Road Km. 16.5, Bangchalong-Sub District, Bangplee District, 10540 Bangkok, Samutprakarn Province, Thailand	Ordinary	100
The Essence of Nature F&F Trading LLC	Units 2601 & 2602, Al Manara Tower, AlAbraj St., Business Bay, P.O. Box 191160, Dubai, UAE	Ordinary	100
Guangzhou Iberchem, Co. Ltd.	191 Dong Jiang Street, GET Development Zone, 510730 Guangzhou, China	Ordinary	100
Iberchem Italia SRL	Italy – Via del Commercio, 2, Desio (MB), Italy	Ordinary	100
Flavor Inn Corporation Sdn Bhd	6 Jalan Anggerik Mokara 31/54, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia	Ordinary	100
Iberchem Tunisie S.A.R.L.	39, rue Jamel Abdennaceur, Z.I. Borj Cédria, Bir El Bey, BP 69, 2055 Ben Arous, Tunisia	Ordinary	63.7
Scantium Flavours, S.L.	Avenida de Holanda, Parcela 12/14, Polígono Industrial Las Salinas, 30840 Alhama de Murcia, Murcia	Ordinary	98.6

CRODA OVERSEAS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
PT Iberchem Indonesia Fragrances	Pusat Niaga Terpadu, Jl. Daan Mogot Raya Km 19, 6Blok GG8N, 15122 Tangerang, Indonesia	Ordinary	98.0
Nanchang Duomei Bio-Tech Co.,Ltd	2nd Industrial Road (E), Changleng Foreign InvestmentIndustrial Park II, Xinjian County, Nanchang City, Jiangxi, 330100, China	Ordinary	70

The Directors agree that the carrying value of the investments is supported by their underlying net assets.

10. Debtors

	2020	2019
	€000	€000
Amounts owed by group undertakings	234,647	89,544
Deferred taxation (see note 12)	105	-
	234,752	89,544

Of the amounts owed by group undertakings €143,367,070 attracts interest of 2.75% (2019: Nil) per annum and has no fixed term of repayment. The remaining amount is unsecured, non-interest bearing with no fixed term of repayment. Although the amounts owed by group undertakings have no fixed terms of repayment, €200,038,000 (2019: €50,901,000) is expected to be collected after one year.

11. Creditors: amounts falling due within one year

	2020	2019
	€000	€000
Amounts owed to group undertakings	221,681	224,573
Other creditors	93	95
Accruals and deferred income	26	-
	221,799	224,668

Of the amounts owed to group undertakings €178,930,208 (2019: €178,930,208) attracts interest of 0.7% (2019: 0.4285%) per annum and has no fixed terms of repayment. The remaining amount is unsecured and non-interest bearing with no fixed terms of repayment.

CRODA OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Deferred taxation

	2020 €000
At 1 January	-
Credited to profit or loss	105
At 31 December	105

The provision for deferred tax is made up as follows:

	2020 €000	2019 €000
Tax losses	105	-
Net deferred tax asset	105	-

13. Called up share capital

	2020 €	2019 €
Allotted, called up and fully paid		
18 (2019: 6) Ordinary shares of £1.00 each	22	10

During the year the Company issued 12 ordinary shares at a value of €844,756,969 resulting in a share premium of €844,756,957.

14. Related party transactions

The Company has taken advantage of the exemption available under FRS 101 from disclosing transactions with other Group undertakings. There were no other related party transactions during the year.

15. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Croda Investments No 3 Limited, a company registered in England. The ultimate parent undertaking and controlling party is Croda International Plc, a company registered in England. Croda International Plc Group is the largest and smallest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of the Group financial statements can be obtained from the Company Secretary at the registered office of the Company detailed on the Company information page.