

---

**H. J. Heinz Finance UK Plc**

**Annual Report and Financial Statements**

**Financial Period to 31 December 2022**

**Company number: 03841869**



**CONTENTS**

	<b>Page</b>
COMPANY INFORMATION	2
STRATEGIC REPORT	3
DIRECTORS' REPORT	4 — 5
INDEPENDENT AUDITORS' REPORT	6 — 10
STATEMENT OF COMPREHENSIVE INCOME	11
STATEMENT OF FINANCIAL POSITION	12
STATEMENT OF CHANGES IN EQUITY	13
NOTES TO THE FINANCIAL STATEMENTS	14 — 22

**COMPANY INFORMATION**

**Board of directors**

Chris Page  
Adam Rathbone

**Immediate Parent Company**

Fall Ridge Partners LLP  
The Shard  
32 London Bridge Street  
London  
England  
SE1 9SG

**Registered office**

The Shard  
32 London Bridge Street  
London  
SE1 9SG

**Registered number:** 03841869

**Ultimate Parent Company**

The Kraft Heinz Company  
PO Box 57  
Pittsburgh  
Pennsylvania 15230-0057  
United States of America

**Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
40 Clarendon Road,  
Watford,  
WD17 1JJ

**STRATEGIC REPORT  
FOR THE 53-WEEK PERIOD TO 31 DECEMBER 2022**

The directors have pleasure submitting their strategic report on the company to the members together with the audited financial statements of the Company for the 53-week period ended 31 December 2022.

**Principal Activities**

The principal activities of the Company are raising finance for acquisitions for the group and to assist funding of working capital for other group companies. All subsidiaries of the ultimate parent The Kraft Heinz Company are considered to be related parties and part of the Kraft Heinz Group, this includes the Company.

The Company has a debenture loan representing a bond of \$151,237 thousand denominated in sterling of £125,000 thousand and listed on the Luxembourg Stock Exchange. The Company holds intercompany loan receivable of \$47,886 thousand as at 31 December 2022 (25 December 2021: \$34,659 thousand). The borrower is in a net liability position but receives confirmation of ongoing support from the parent company.

**Business review and future developments**

For the 53-week period ended 31 December 2022, the Company has made a loss before taxation of \$45,843 thousand (52-week period ended 25 December 2021: \$334 thousand loss). The loss for the period was mainly driven by taking an impairment charge of \$38,733 thousand on its investment in H.J. Heinz Company (New Zealand) Limited as well as the reduction of interest income from the lending activity. During the preceding financial period, the Company has invested USD 145,915 thousand for a 35% stake in H.J. Heinz Company (New Zealand) Limited. This leaves an intercompany receivable of USD 20,932 thousand to generate interest income (see Note 10). As a result, the Company anticipates to make losses in the foreseeable future. An ongoing capital injection from the parent company is planned, in order to ensure the ongoing annual interest obligation is met. As at 31 December 2022, the Company has net liability of \$25,308 thousand (25 December 2021: net assets of \$2,918 thousand).

As the Company has accumulated losses, an ongoing capital injection from the parent company is planned, in order to ensure the ongoing annual interest obligation is met. The Directors do not expect any changes to the principal activities of the Company in the future, and the turnover for future periods is expected to be nil.

An impairment charge of \$38,733 thousand (2021: \$Nil) represents a 35% share of the impairment in the carrying amount of Heinz Watties Limited, a subsidiary of H.J. Heinz Company (New Zealand) as a result of an impairment loss against the goodwill held.

Since February 2022 the invasion of Ukraine has brought about macroeconomic instability across the globe. To date, we have not seen a material impact on the operations of this Company however the Directors continue to monitor the situation. No changes to the activities of the Company are foreseen in the near future.

**Principal risks and uncertainties**

The principal risks and uncertainties of the company relate to the recoverability of the amounts owed by other group companies. During the period the Directors managed these risks and uncertainties through regular review of the performance of the relevant businesses. Further financial risks of the Company are included in Directors' Report.

Given the nature of the Company and its activities, the directors do not believe that a further analysis of the Company's key performance indicators is necessary to provide a fair and balanced view of the development and performance of the Company's business during the period.

On behalf of the Board



Christine Page (Jun 29, 2023 14:43 GMT+1)

Ms C Page

Director

Date: 29 June 2023

**DIRECTORS' REPORT  
FOR THE 53-WEEK PERIOD TO 31 DECEMBER 2022**

The Directors of the Company have pleasure in presenting their report together with the audited financial statements of the Company for the 53-week period to 31 December 2022, registered number **03841869**

**1. Directors**

The following directors held office during the period and up to the date of signing the financial statements:

Ms C Page  
Mr A Rathbone

**2. Dividends**

No dividend has been paid during the period (52-week financial period ending 25 December 2021: \$Nil) and the directors do not recommend the payment of a final dividend for the period (52-week financial period ending 25 December 2021: \$Nil).

**3. Going Concern**

Since February 2022 the invasion of Ukraine has brought about macroeconomic instability across the globe. To date, we have not seen a material impact on the operations of this Company however the Directors continue to monitor the situation. No changes to the activities of the Company are foreseen in the near future.

The Company has net liability of \$25,308 thousand. Kraft Heinz Foods Company, the indirect parent, guarantees financial support to the Company such that the Company is able to operate as a going concern and to settle its liabilities as they fall due.

**4. Business review and future developments**

The Business review and future developments are disclosed within the Strategic Report on page 3.

**5. Financial risk management**

The company's operations expose it to a variety of financial risks.

***Cash flow interest rate risk***

The Company has interest bearing assets and liabilities. The financial exposure on the 6.25% fixed rate debenture loan payable is partially offset with the 6.50% fixed rate intercompany loan receivable. The Kraft Heinz Company has a centralised treasury department that manages the financial risks on a group basis rather than on a statutory entity basis.

The company is supported by Kraft Heinz Foods Company, the indirect parent, in relation to the financial exposure on the 6.25% fixed rate debenture loan payable.

***Exchange rate risk***

The Company is subject to currency exposure as the majority of the underlying transactions are denominated in British Pounds. The company manages its exchange rate risk by entering into relevant hedge instruments to mitigate the exchange risk.

***Price risk***

The Company has no exposure to equity securities price risk, as it holds no listed or other traded equity investments. Nor does the Company have any exposure to commodity price changes.

***Liquidity risk***

The liquidity risk on \$151,237 thousand debenture loans is low as they are falling due in more than five years. In addition, liquidity risk is managed by the centralised treasury department on a group basis rather than on a statutory entity basis. The company intends to hold this debenture until maturity.

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE 53-WEEK PERIOD TO 31 DECEMBER 2022**

**6. Qualifying third-party indemnity**

The directors have the benefit of a third-party indemnity provision as defined by Section 234 of the Companies Act 2006. This provision was in force throughout the current financial period and is currently in force. Directors' and officers' liability insurance in respect of the Company and its directors has been maintained throughout the financial period.

**7. Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each 53-week period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

**8. Independent auditors**

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

**9. Disclosure of information to auditors**

Each of the persons who are a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all the steps that he/she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

*Christine Page*

Christine Page (Jun 29, 2023 14:43 GMT+1)

Ms C Page

Director

Date: 29 June 2023

# Independent auditors' report to the members of H. J. Heinz Finance UK Plc

## Report on the audit of the financial statements

### Opinion

In our opinion, H. J. Heinz Finance UK Plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the 53 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Our audit approach

#### Overview

##### Audit scope

- We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates. The audit was scoped to ensure all material financial statement line items were included within the audit plan.

##### Key audit matters

- Carrying value of investments in subsidiaries

## Materiality

- Overall materiality: US\$1,561,000 (2021: US\$1,805,000) based on 1% of total assets.
- Performance materiality: US\$1,170,000 (2021: US\$1,354,000).

## The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

## Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Change in functional and presentation currency, which was a key audit matter last year, is no longer included because of the functional and presentation currency are similar in current and comparative period. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<i>Carrying value of investments in subsidiaries</i> Investments in subsidiaries of US\$107 million are accounted for at cost less impairment in the balance sheet as at 31 December 2022 (25 December 2021: \$146 million). Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. The value of the investment is supported by its net assets and the cash flows generated indirectly by the directly held subsidiaries of the company's investments as disclosed in Note 10 of the financial statements. A valuation was performed on the investment in May 2023 and the directors have concluded that impairment indicators exist for the reporting period. Based on the assessment, the directors determined that an impairment of \$38.7 million was required as at 31 December 2022 for the investment.	Based on evidence gained in the audit, we concur with management's assessment that the impairment indicators existed at 31 December 2022. We performed the following: • Utilised the Valuations specialists to assess the reasonableness of the discount rate and the growth assumptions used • Checked the mathematical accuracy of the model. • Assessed the disclosures made in the financial statements including judgements. We are satisfied that these disclosures are appropriate.

## How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors.

## The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators



of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the company's financial statements.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<i>Overall company materiality</i>	US\$1,561,000 (2021: US\$1,805,000).
<i>How we determined it</i>	1% of total assets
<i>Rationale for benchmark applied</i>	The entity is a non-trading entity which provides financing for other group entities. As such an assets based measure is an appropriate benchmark to enable users to assess the performance of the entity. This is a generally accepted auditing benchmark.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to US\$1,170,000 (2021: US\$1,354,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above \$78,000 (2021: \$90,200) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the directors' latest going concern assessment and conclusions with respect to the company's ability to continue as a going concern for at least 12 months from the signing of these financial statements and as part of that assessment, the company has obtained a letter of support;
- Assessing if the letter of support obtained from the parent company covers the financial requirements for a period of 12 months from the date of issuance of this report
- Discussing with management the critical estimates and judgements applied in their latest assessments so we could understand and challenge the rationale underlying factors incorporated.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the period ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent

manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussion with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing and testing journal entries that present characteristics that could potentially manipulate financial results.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.



David Beer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford  
29 June 2023

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 53-WEEK PERIOD TO 31 DECEMBER 2022**

	Note	53-week period to 31 December 2022 \$000's	52-week period to 25 December 2021 \$000's
Administrative income	5	727	853
Impairment Expense	7	(38,733)	—
<b>Operating (loss) / profit</b>		<b>(38,006)</b>	<b>853</b>
Interest receivable and similar income	8	2,059	9,642
Interest payable and similar expenses	8	(9,896)	(10,829)
<b>Loss before taxation</b>		<b>(45,843)</b>	<b>(334)</b>
Tax on loss	9	393	63
<b>Loss for the financial period</b>		<b>(45,450)</b>	<b>(271)</b>
Other comprehensive income		—	22
<b>Total comprehensive expense</b>		<b>(45,450)</b>	<b>(249)</b>

The notes on pages 14 to 22 are an integral part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**as at 31 DECEMBER 2022**

	Note	As at 31 December 2022 \$000's	As at 25 December 2021 \$000's
<b>Fixed Assets</b>			
Investments	10	107,182	145,915
<b>Current assets</b>			
Debtors	11	48,925	34,682
		<u>48,925</u>	<u>34,682</u>
<b>Creditors: amounts falling due within one year</b>	12	(30,800)	(11,259)
<b>Net current assets</b>		<u>18,125</u>	<u>23,423</u>
<b>Total assets less current liabilities</b>		<u>125,307</u>	<u>169,338</u>
<b>Creditors: amounts falling due more than one year</b>	12	(150,615)	(166,420)
<b>Net (liabilities) / assets</b>		<u>(25,308)</u>	<u>2,918</u>
<b>Capital and reserves</b>			
Called up share capital	13	68	68
Capital Contribution	14	17,224	—
(Accumulated losses)/Retained earnings		<u>(42,600)</u>	<u>2,850</u>
<b>Total Equity</b>		<u>(25,308)</u>	<u>2,918</u>

The notes on pages 14 to 22 are an integral part of these financial statements.

The financial statements of the Company (registered number: 03841869) on pages 11 to 22 were authorised for issue by the Board of Directors and signed on its behalf by:

*Christine Page*

Christine Page (Jun 29, 2023 14:43 GMT+1)

Ms C Page  
Director  
Date: 29 June 2023

**STATEMENT OF CHANGES IN EQUITY  
FOR THE 53-WEEK PERIOD TO 31 DECEMBER 2022**

	Note	Called up share capital \$000's	Capital Contribution \$000's	Retained earnings \$000's	Total shareholder s' funds \$000's
<b>Balance as at 26 December 2020</b>		<b>68</b>	<b>—</b>	<b>3,099</b>	<b>3,167</b>
Loss for the financial period		—	—	(271)	(271)
Other comprehensive income for the financial period		—	—	22	22
<b>Balance as at 25 December 2021</b>		<b>68</b>	<b>0</b>	<b>2,850</b>	<b>2,918</b>
Loss for the financial period		—	—	(45,450)	(45,450)
Capital Contributions	14	—	17,224	—	17,224
<b>Balance as at 31 December 2022</b>		<b>68</b>	<b>17,224</b>	<b>(42,600)</b>	<b>-25,308</b>

The notes on pages 14 to 22 are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Financial Period to 31 December 2022**

**1. STATUTORY INFORMATION**

H. J. Heinz Finance UK Plc ('The Company') is a private company limited by shares, incorporated and domiciled in England, the United Kingdom. The address of its registered office is The Shard, 32 London Bridge Street, London, SE1 9SG.

The principal activities of the Company are raising finance for acquisitions for the group and to assist funding of working capital for other group companies.

**2. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently throughout all periods in dealing with items which are considered material in relation to the Company's financial statements. Preparation of financial statements requires the use of certain accounting estimates. For details of areas involving a higher degree of judgement or assumptions and estimates significant to the financial statements, please see note 4.

**a. Accounting convention**

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the requirements of Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

**b. Investments**

Investments in subsidiary undertakings are recorded at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

**c. Cash flow statement**

The Kraft Heinz Company, incorporated in the USA, is the ultimate parent undertaking and controlling party of the Company. The Company's results are included in the consolidated financial statements of The Kraft Heinz Company that is the highest entity where financial statements are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102, Section 7 "Statement of Cash Flows".

**d. Related party disclosures**

All subsidiaries of the ultimate parent The Kraft Heinz Company, 3G Special Situation Fund III LLP and Berkshire Hathaway Inc. are considered to be related parties. The Company has taken advantage of the exemptions conferred by FRS 102, Section 33.1A "Related Party Disclosures" not to make disclosures concerning transactions that are part of The Kraft Heinz Company, which is incorporated in the USA, whose financial statements are publicly available.

The Company has taken advantage of the exemption in FRS 102.1.12(e) Reduced disclosures for subsidiaries. Key management remuneration has not been disclosed as the company is a member of a group where the parent, The Kraft Heinz Company, prepare publicly available consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Financial Period to 31 December 2022

**3. ACCOUNTING POLICIES (CONTINUED)**

**e. Consolidated financial statements**

In accordance with section 400 of the Companies Act 2006, the Company has not prepared consolidated financial statements as its results are included in the consolidated financial statements of its ultimate parent company, The Kraft Heinz Company, a company incorporated in the United States of America. Copies of these consolidated financial statements can be obtained from 1 PPG Place, Suite 3400, Pittsburgh, Pennsylvania 15222, U.S.A or on its website [www.kraftheinzcompany.com](http://www.kraftheinzcompany.com).

**f. Taxation**

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

**g. Going concern**

During the period ended 31 December 2022 management have performed a detailed assessment of the ability for the business to continue as a going concern and on the basis of that assessment, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Management has also reviewed the recoverability of internal and external debtors at period end. At the date these financial statements were approved by the board, Management deem that there is no material impact to the Company. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Kraft Heinz Foods Company, the indirect parent, guarantees financial support to the Company such that the Company is able to operate as a going concern and to settle its liabilities as they fall due.

**h. Financial instruments**

The Company is taking advantage of the exemptions related to requirement to present financial instrument disclosures, required by sections 11 and 12 of FRS 102.

Basic financial assets, including amounts owed by group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Loan note issue costs are accounted for as a deduction from the amount of consideration received and amortised over the term of the loan so as to produce a constant rate on the outstanding amount.

**i. Interest cost**

Interest costs are charged to retained earnings or loss over the term of the borrowings. Any amounts not yet settled are accrued on a straight-line basis.

**j. Interest income**

Interest income is recorded within the retained earnings or loss over the term of the borrowings. Any amounts not yet settled are accrued on a straight-line basis.

**k. Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Financial Period to 31 December 2022

**4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY**

The Company makes estimates and judgements concerning the future. 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. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below.

a. Critical judgements in applying the Company's accounting policies.

An area of judgement is the recoverability of the amounts owed by other group companies as well as the Company's ability to repay the debt when the bond reaches maturity. During the period the Directors managed these judgements through regular review of the financial performance of counterparties. The Directors believe that there are no factors or circumstances that would suggest that the amounts owed by other group companies should be impaired. See note 10 for details.

Where there is an indication that investments are impaired, they are tested for impairment by calculating the actual future expected discounted cash flows to be received. Where this is lower than carrying value, an impairment is recognised. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from forecasts. The recoverable amount is most sensitive to the discount rate used in the discounted cash flow model as well as the expected cash inflows and the growth rate used for extrapolation purposes. See note 10 for details of the carrying value.

**5. OPERATING PROFIT**

Operating profit is stated after crediting:

	<b>53-week period to 31 December 2022 \$000's</b>	<b>52-week period to 25 December 2021 \$000's</b>
Currency Gain	<b>727</b>	853

The auditors' remunerations for audit services for the 53-week period to 31 December 2022 were borne by fellow group subsidiary H.J. Heinz Foods UK Limited and amounted to \$4k. There were no other services rendered to the Company by the Company's auditors. (52 - week period to 25 December 2021: no other services rendered to the Company by the Company's auditors). This amount will not be recharged to this Company.

The Company had no employees throughout this or the previous period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Financial Period to 31 December 2022

**6. DIRECTORS' EMOLUMENTS**

The average number of directors providing services to the Company during the period was 2 (52-week period ended 25 December 2021: 2). There were no (52-week period ended 25 December 2021: \$nil) fees charged by the Directors in respect of their services provided during the period and costs were borne by a fellow subsidiary, H. J. Heinz Foods UK Limited. It is not possible to make an accurate apportionment of the emoluments for the purpose of disclosure in these financial statements in 53-week period ended 31 December 2022 and 52-week period ended 25 December 2021.

**7. IMPAIRMENT**

During the 53-week period, the Company had an impairment charge totalling \$38,733 thousand (52-week period ended 25 December 2021: \$Nil).

The \$38,733 thousand impairment charge (2021: \$Nil) represents a 35% share of the impairment in the carrying amount of Heinz Watties Limited, a subsidiary of H.J. Heinz Company (New Zealand) as a result of an impairment loss against the goodwill held.

**8. NET INTEREST**

	<b>53-week period to 31 December 2022</b>	<b>52-week period to 25 December 2021</b>
	<b>\$000's</b>	<b>\$000's</b>
Interest receivable on amounts owed by group undertakings	<b>2,059</b>	<b>9,642</b>
Interest receivable and similar income	<b>2,059</b>	<b>9,642</b>
Interest payable on debenture loans	<b>(9,807)</b>	<b>(10,731)</b>
Amortisation of issue costs of debenture loans	<b>(89)</b>	<b>(98)</b>
Interest payable and similar expenses	<b>(9,896)</b>	<b>(10,829)</b>
Net interest (payable)	<b>(7,837)</b>	<b>(1,187)</b>

**9. TAX ON LOSS**

a) Analysis of credit in the financial period

	<b>53-week period to 31 December 2022</b>	<b>52-week period to 25 December 2021</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Analysis of tax credit in the period</b>		
UK corporation tax on loss for the financial period	<b>139</b>	<b>(63)</b>
Adjustments in respect of prior year	<b>(532)</b>	<b>—</b>
Total current tax	<b>(393)</b>	<b>(63)</b>
Tax on loss	<b>(393)</b>	<b>(63)</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Financial Period to 31 December 2022**
**9. TAX ON LOSS (CONTINUED)**

## b) Reconciliation of tax credit

The tax assessed for the period is equal to (52-week period to 25 December 2021: equal to) the standard rate of corporation tax in the UK of 19.00% (52-week period to 25 December 2021: 19.00%). Differences are explained below:

	53-week period to 31 December 2022 \$000's	52-week period to 25 December 2021 \$000's
<b>Loss before taxation</b>	<b>(45,843)</b>	<b>(334)</b>
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (25 December 2021: 19.00%)	(8,710)	(63)
Expenses not deductible for tax purposes	8,849	—
Adjustments in respect of prior year	(532)	—
<b>Total tax credit</b>	<b>(393)</b>	<b>(63)</b>

## c) Tax rate changes

In the Spring Budget of 2021 it was announced that the rate of UK corporation tax would increase from 19% to 25%, effective from 1 April 2023.

**10. INVESTMENTS**

	Investments \$000's
<b>Cost and Net Book value: as at 25 December 2021</b>	<b>145,915</b>
<b>Impairment charge</b>	<b>(38,733)</b>
<b>as at 31 December 2022</b>	<b>107,182</b>

On 1 November 2021, the Company bifurcated an intercompany loan note which was denominated in GBP of £125,000 thousand, \$168,276 thousands, with Heinz Transatlantic Holding Company into 2 separate notes. Note A - \$145,915 thousand and Note B - \$22,361 thousands. On 2 November 2021, the Company used Note A, as consideration to purchase 35% of the issued and outstanding shares of H.J. Heinz Company (New Zealand) Limited. This comprised of 22,750 redeemable preference shares and 35 ordinary shares. Upon reviewing the carrying value of the investment, the Company has taken an impairment charge of \$38,733 thousand (2021: \$Nil) which represents a 35% share of the impairment in the carrying amount of Heinz Watties Limited, a subsidiary of H.J. Heinz Company (New Zealand) as a result of an impairment loss against the goodwill held.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Financial Period to 31 December 2022

**10. INVESTMENTS (CONTINUED)**

The directors carries out its sensitivity analysis of the impairment test by considering reasonable changes in the main assumptions used in calculating value in use assuming the following increases or decreases in the assumptions, expressed in percentage points:

<b>Assumption</b>	<b>Change</b>	<b>Impairment (\$'000)</b>
Discount rate increase	1%	12,394 increase
Terminal growth rate decrease	1%	9,380 increase

The directors believe that the carrying value of the investment is supported by the underlying net assets and the cash flows generated indirectly by the directly held subsidiaries of the Companies investment

Details of Investments:

<b>Subsidiary/ related undertaking</b>	<b>Type of business</b>	<b>% Ordinary share capital held</b>	<b>Class of share</b>	<b>Country of incorporation</b>
H.J. Heinz Company (New Zealand) Limited	Trading	35% direct	Ordinary	New Zealand
Heinz Wattie's Limited	Trading	35% indirect	Ordinary	New Zealand
Thompson & Hills Limited	Dormant	35% indirect	Ordinary	New Zealand
Heinz Watties Japan YK	Dormant	35% indirect	Ordinary	Japan
La Bonne Cuisine Limited	Dormant	35% indirect	Ordinary	New Zealand
Master Chef Limited	Dormant	35% indirect	Ordinary	New Zealand
Top Taste Company Limited	Dormant	35% indirect	Ordinary	New Zealand
Cerebos Gregg's Limited	Trading	35% indirect	Ordinary	New Zealand
Cerebos Skellerop Limited	Trading	35% indirect	Ordinary	New Zealand

**Name of subsidiary**

Cerebos Gregg's Limited  
Cerebos Skellerop Limited

All other subsidiaries incorporated in New Zealand

All Subsidiaries incorporated in Japan

**Registered office**

2 Nuffield Street, Newmarket, Auckland, 1023, New Zealand

513 King Street North, Hastings 4122, New Zealand

1-32-3 Taito, Taito-ku, Tokyo 110-0016 Japan

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Financial Period to 31 December 2022**
**11. DEBTORS**

	As at 31 December 2022 \$000's	As at 25 December 2021 \$000's
<b><i>Debtors – amounts falling due within one year</i></b>		
Amounts owed by group undertakings	47,886	34,659
Deferred unamortised costs	622	—
Corporation tax	417	23
	<b>48,925</b>	<b>34,682</b>

On 1 November 2021, The Company bifurcated its GBP intercompany note of £123,000 thousand, \$168,276 thousand, with Heinz Transatlantic Holding Company into 2 separate notes, Note A - \$145,915 thousand and Note B - \$22,361. Note A was used as consideration for the purchase of an investment in the subsidiary of H.J. Heinz Company (New Zealand) Limited. Note B loan receivable remained with Heinz Transatlantic Holding Company.

Of the \$47,886,000 (as at 25 December 2021: \$34,659 thousand) falling due within one year owed by other group undertakings, \$20,932 thousand (as at 25 December 2021: \$21,881 thousand) is unsecured loan, denominated in sterling, and accruing interest at a rate of 6.50% per annum, 2021: 6.50% per annum; \$2,168 thousand (as at 25 December 2021: \$206 thousand) represents the accrued interest of the unsecured loan. The loan is on an annual rolling contract, with an option for repayments at each term end.

The remaining balance of \$24,786 thousand (as at 25 December 2021: \$12,572 thousand) represents another unsecured loan, denominated in sterling, and accruing interest at SONIA minus 12.5 bps (2021: LIBOR 0.895% minus 0.346%).

**12. CREDITORS****Amounts falling due within one year**

	As at 31 December 2022 \$000's	As at 25 December 2021 \$000's
Accruals	8,246	—
Amounts owed to group undertakings	22,554	11,259
	<b>30,800</b>	<b>11,259</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Financial Period to 31 December 2022

**12. CREDITORS (CONTINUED)**

Amounts falling due after more than one year

	As at 25 December 2021 \$000's	As at 26 December 2020 \$000's
£125,000,000 6.25% secured debenture loan due year 2030 (Maturing in more than 5 years)	150,615	166,420
	<u>150,615</u>	<u>166,420</u>

The Debenture loan represent a listed bond of \$151,237 thousand (as at 25 December 2021: \$167,206 thousand), denominated in sterling £125,000 thousand, at a fixed rate of 6.25% per annum (2021: 6.25% per annum). The bond is listed on the Luxembourg Stock Exchange. The Company incurred total issue costs of \$2,736 thousand in respect of the thirty-year notes. These costs together with the interest expense are allocated to the statement of comprehensive income over the thirty-year term at a constant rate. The amount of unamortised cost carried at end of the period is \$622 thousand (as at 25 December 2021: \$786 thousand). The loan is repayable as a lump sum on 18 February 2030.

**13. CALLED UP SHARE CAPITAL**

	As at 31 December 2022 \$000's	As at 25 December 2021 \$000's
<b>Authorised, allotted and fully paid</b>		
50,000 Ordinary (25 December 2021: 50,000) shares of £1 each	68	68
	<u>68</u>	<u>68</u>

**14. CAPITAL CONTRIBUTION**

During the 53-week period to the 31 December 2022 the Company received an additional capital contribution from the parent company of \$17,224 thousand (25 December 2021: \$Nil) in order to fund its operations.

**15. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemptions conferred by paragraph 33.1A of FRS 102, "Related Party Disclosures" not to make disclosures concerning transactions that are part of the Kraft Heinz Group, on the basis that it is a wholly owned subsidiary of a Group headed by The Kraft Heinz Company, incorporated in the United States of America, whose financial statements are publicly available.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Financial Period to 31 December 2022**

**16. ULTIMATE PARENT UNDERTAKING AND RELATED PARTIES**

The Kraft Heinz Company, incorporated in the USA, is the ultimate parent undertaking and controlling party of the Company. The immediate parent undertaking is Fall Ridge Partners LLP, a Company incorporated in England.

The smallest and largest group in which the results of the Company are consolidated is that of The Kraft Heinz Company which was the ultimate parent undertaking at the period end. Copies of these consolidated financial statements can be obtained from 1 PPG Place, Suite 3400, Pittsburgh, Pennsylvania 15222, U.S.A or on its website [www.kraftheinzcompany.com](http://www.kraftheinzcompany.com).