

Kimberly-Clark Intercontinental Holding Limited

Annual Report and Financial Statements

For the year ended 31 December 2018

Registered number 10106745



Kimberly-Clark Intercontinental Holding Limited

Annual Report and Financial Statements for the year ended 31 December 2018

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Directors

K S Dhillon

S W Casey

Company secretary and registered office

S W Casey, Douglas House, Reigate, Surrey, United Kingdom, RH2 9QP

Company number

10106745

Independent auditor

Deloitte LLP, Statutory Auditor, St Albans, United Kingdom

Kimberly-Clark Intercontinental Holding Limited

Strategic Report for the year ended 31 December 2018

The directors, in preparing the strategic report, have complied with s414C of the Companies Act 2006.

The directors present their strategic report, together with the financial statements and auditor's report for the year ended 31 December 2018.

Review of the business and future development

The Company's principal activity is to act as a holding Company.

The directors expect the Company to continue acting in its current capacity for the foreseeable future.

The Company's income continues to primarily consist of dividends from its subsidiary undertakings.

There are no post balance sheet events to report.

Key performance indicators

The directors consider the net asset position to be a key performance indicator. Net assets as at 31 December 2018 were \$176,451,000 (2017: \$176,435,000) and is in line with expectations.

Principal risks and uncertainties

The Company regularly assesses whether any potential risks exist and takes appropriate mitigating action.

Currently the directors consider the principal risks and uncertainties facing the Company to be as follows:

Credit risk:

The Company's principal monetary assets are receivables from other group companies, and the Company's credit risk is primarily attributable to these receivables.

The credit risk on the inter-Company receivable is limited because the counterparties are group companies with strong credit ratings.

Interest rate risk:

Interest bearing assets and liabilities are held at a variable rate, which is linked to LIBOR. This exposure is not hedged as the directors do not consider it to be cost effective.

This report was approved by the board on 11 June 2019, and was signed on its behalf by:



K S Dhillon
Director

Kimberly-Clark Intercontinental Holding Limited

Directors' Report for the year ended 31 December 2018

The directors present their annual report on the affairs of the Company, together with the audited financial statements and auditor's report, for the year ended 31 December 2018.

Going concern

The Company operates as a holding Company. Its main source of income is investment income from subsidiaries. The directors have assessed the Company's ability to meet its liabilities as they fall due, and as a result the board has concluded that the Company is expected to be able to continue in operational existence for the foreseeable future, being a year of at least 12 months from the date of approval of the financial statements. Therefore, the directors believe the going concern basis continues to be appropriate in preparing the financial statements.

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the strategic report on page 1 and form part of this report by cross-reference.

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the strategic report on page 1 and form part of this report by cross-reference.

Dividends

No interim dividend was paid during the year (2017: \$200,000,000). The directors do not recommend payment of a final dividend (2017: nil).

Directors

The directors of the Company, who served throughout the year and to the date of this report, unless otherwise stated, were:

K S Dhillon
S W Casey

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Kimberly-Clark Intercontinental Holding Limited

Directors' Report (*continued*) for the year ended 31 December 2018

Auditor

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed a willingness to act as auditor and appropriate arrangements have been put in place for them to be deemed as auditor in the absence of an Annual General Meeting.

This report was approved by the board on 11 June 2019, and was signed on its behalf by:



K S Dhillon
Director

Kimberly-Clark Intercontinental Holding Limited

Directors' responsibilities statement for year ended 31 December 2018

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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; 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 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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Kimberly-Clark Intercontinental Holding Limited

Independent auditor's report for the year ended 31 December 2018

Independent auditor's report to the members of Kimberly-Clark Intercontinental Holding Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements Kimberly-Clark Intercontinental Holding Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Kimberly-Clark Intercontinental Holding Limited

Independent auditor's report (*continued*) for the year ended 31 December 2018

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Kimberly-Clark Intercontinental Holding Limited

Independent auditor's report (*continued*) for the year ended 31 December 2018

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception.

Under the Companies Act 2006 we are required to report in respect of the following matters 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 respect of these matters.

Use of our report

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.



Heather Bygrave FCA
(Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
11 June 2019

Kimberly-Clark Intercontinental Holding Limited

Profit and loss account for the year ended 31 December 2018

	Note	2018 \$'000	2017 \$'000
Income from shares in subsidiary undertakings		-	200,000
Net finance income	7	20	7
Profit before taxation		20	200,007
Taxation charge on profit from ordinary activities	9	(4)	(1)
Profit for the financial year		16	200,006

All results relate to continuing operations.

There are no items of comprehensive income other than the profit for the financial year stated above and accordingly no statement of other comprehensive income is presented

Kimberly-Clark Intercontinental Holding Limited

Balance Sheet as at 31 December 2018
Registered number 10106745

	Note	2018 \$'000	2017 \$'000
Fixed assets			
Investments	8	175,089	175,089
		<u>175,089</u>	<u>175,089</u>
Current assets			
Debtors - due within one year	11	1,366	1,346
Creditors: amounts falling due within one year	12	(4)	-
Net current assets		<u>1,362</u>	<u>1,346</u>
Total assets less current liabilities		<u>176,451</u>	<u>176,435</u>
Net assets		<u>176,451</u>	<u>176,435</u>
Capital and reserves			
Called up share capital	14	5	5
Share premium account	14	175,084	175,084
Profit and loss account	14	1,362	1,346
Shareholders' funds		<u>176,451</u>	<u>176,435</u>

The financial statements of Kimberly-Clark Intercontinental Holding Limited, Company registration number 10106745, were approved by the Board of Directors and authorised for issue on 11 June 2019.



K S Dhillon
Director

Kimberly-Clark Intercontinental Holding Limited

Statement of changes in equity for the year ended 31 December 2018

	Note	Called-up share capital \$'000	Share premium account \$'000	Profit and loss account \$'000	Total \$'000
At 1 January 2017		5	175,084	1,340	176,429
Profit for the financial year		-	-	200,006	200,006
Total comprehensive income		-	-	200,006	200,006
Dividend Paid	10	-	-	(200,000)	(200,000)
At 31 December 2017		5	175,084	1,346	176,435
Profit for the financial year		-	-	16	16
Total comprehensive income		-	-	16	16
At 31 December 2018		5	175,084	1,362	176,451

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements for the year ended 31 December 2018

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

a. General information and basis of accounting

Kimberly-Clark Intercontinental Holding Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and is registered in England. The Company's registered address is shown on the contents page. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Kimberly-Clark Intercontinental Holding Limited is considered to be the USD because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in USD.

Kimberly-Clark Intercontinental Holding Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The Company was, at the end of the current year, a wholly-owned subsidiary of another Company incorporated outside the EEA and in accordance with section 401 of the Companies Act 2006 is exempt from consolidation.

b. Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' report further describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate using its cash balance.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs). If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

1. Accounting policies (continued)

c. Financial instruments (continued)

(i) Financial assets and liabilities (continued)

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current year or prior years.

Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in subsidiaries and associates are measured at cost less impairment.

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

1. Accounting policies (continued)

d. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

e. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Group relief received from or surrendered to related companies not paid for is accounted for as a capital contribution.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

f. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Other exchange differences are recognised in profit or loss in the year in which they arise.

g. Dividend and interest income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

1. Accounting policies (continued)

g. Dividend and interest income (continued)

rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

Management have not made any critical judgements.

Key sources of estimation uncertainty

Management has estimated the future cash flows of its investments in order to evaluate whether any impairment to those investments was required.

3. Turnover

The Company had no turnover in either year.

4. Auditor's remuneration

Auditor's remuneration for the auditing of the company's financial statement of \$18,000 (2017: \$17,000) was borne by a group Company. There were no non-audit fees incurred in the year.

5. Directors' emoluments

No director received any emoluments from the Company in either year, due to remuneration not being separately identifiable for the service performed. All emoluments were paid to a director by another group company, Kimberly-Clark Europe Limited.

6. Staff costs

There were no employees or staff costs incurred in either year.

7. Net finance income

	2018	2017
	\$'000	\$'000
Interest receivable from group undertakings	20	7
	<u>20</u>	<u>7</u>

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued)
for the year ended 31 December 2018

8. Fixed Asset Investments

Investments in
subsidiary
undertakings
\$'000

Cost and net book value

At 1 January 2018 and at 31 December 2018

175,089

Due to the continuing deterioration of economic conditions in Venezuela, the company took the decision in 2016 to indefinitely suspend all business operations in the country. As a consequence the investment acquired in 2016 was considered fully impaired and subsequently written off to the profit and loss account.

The Company's shareholdings (direct and indirect) are as follows: (* Indirect Holdings)

Company	% held	Class	Country of incorporation
Kimberly-Clark Atlantic Holding Limited, Douglas House, Reigate, Surrey, RH2 9QP	100.0	Ordinary	UK
Kimberly-Clark Holding Limited, 1 Tower View, Kingshill, West Malling, Kent, ME19 4HA	100.0	Ordinary	UK
Kimberly-Clark Finance Limited, 1 Tower View, Kingshill, West Malling, Kent, ME19 4HA	* 100.0	Ordinary	UK
Kimberly-Clark Limited, 1 Tower View, Kingshill, West Malling, Kent, ME19 4HA	* 100.0	Ordinary	UK
Kimberly-Clark Europe Limited, Douglas House, Reigate, Surrey, RH2 9QP	* 100.0	Ordinary	UK
Kimberly-Clark European Services Limited, Douglas House, Reigate, Surrey, RH2 9QP	* 100.0	Ordinary	UK
Kimberly-Clark Magyarorszag Kft, 1143 Budapest, Stefania ut 101-103, Hungary	* 100.0	Ordinary	Hungary
Kimberly-Clark Kereskedelmi Kft, 1143 Budapest, Stefania ut 101-103, Hungary	* 100.0	Ordinary	Hungary
Yuhan-Kimberly Limited, 504 Teheran-ro, Gangnam-gu, Seoul, 135-725, South Korea	* 70.0	Ordinary	Korea
Kimberly-Clark Denmark Holding ApS., Havneholmen 29, 1561Kobenhavn V, Denmark	* 100.0	Ordinary	Denmark
Kimberly-Clark Scandinavia ApS., Vadstrupvej 22, 2880 Bagsvaerd, Denmark	* 100.0	Ordinary	Denmark
Kimberly-Clark EMEA Holdings Limited, Douglas House, Reigate, Surrey, RH2 9QP	* 100.0	Ordinary	UK
Kimberly-Clark Maghreb SARL, Sidi Maarouf Business Centre, 1100 Bd El Qods, Casanearshore Shore 1, Sidi Maarouf, 20270, Casablanca, Morocco	* 100.0	Ordinary	Morocco
Kimberly-Clark EMEA GBS Services sp. z.o.o, Al. Jerozolimskie 56 C, 00-803 Warszawa, Polska	* 100.0	Ordinary	Poland
Kimberly-Clark Venezuela C.A., Zona Industrial La Hamaca, Maracay, Aragua, Venezuela	99.0	Ordinary	Venezuela

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

9. Taxation on profit from ordinary activities

	2018 \$'000	2017 \$'000
<i>Analysis of tax charge in the year:</i>		
<i>Current tax:</i>		
UK corporation tax on profits of the year	4	1
Total charge on profit from ordinary activities	4	1

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2018 \$'000	2017 \$'000
Profit on ordinary activities before taxation	20	200,007
Tax on profit at standard rate of corporation tax in the UK 19.00% (2017: 19.25%)	4	38,501
Effects of:		
Non-taxable dividend income	-	(38,500)
Tax charge for the year	4	1

Factors that may affect future tax charges

The main rate of UK Corporation Tax reduced from 20% to 19% from 1 April 2017 and will reduce from 19% at the balance sheet date to 17% from 1 April 2020. These rate reductions were substantively enacted into law by the balance sheet date and are reflected in the calculation of deferred tax at the balance sheet date.

10. Dividends on equity shares

	2018 \$'000	2017 \$'000
Interim Dividend for the year ended 31 December 2018 was nil (2017: \$39,992) per ordinary share	-	200,000

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

11. Debtors

	2018 \$'000	2017 \$'000
Amounts owed by group undertakings		
- due within one year	1,366	1,346
	<u>1,366</u>	<u>1,346</u>

12. Creditors: amounts falling due within one year

	2018 \$'000	2017 \$'000
Amounts owed by group undertakings		
- due within one year	4	-
	<u>4</u>	<u>-</u>

13. Financial Instruments

The carrying values of the company's financial assets and liabilities are summarised by category below:

	2018 \$'000	2017 \$'000
Financial assets		
Measured at undiscounted amount receivable		
- Amounts due from group undertakings (note 11)	1,366	1,346
	<u>1,366</u>	<u>1,346</u>

	2018 \$'000	2017 \$'000
Financial liabilities		
Measured at amortised cost		
- Amounts due to group undertakings (note 12)	4	-
	<u>4</u>	<u>-</u>

Kimberly-Clark Intercontinental Holding Limited

Notes to the financial statements (continued)
for the year ended 31 December 2018

14. Called up share capital

	2018	2017	2018	2017
	No	No	\$'000	\$'000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of \$1 each	<u>5,001</u>	<u>5,001</u>	<u>5</u>	<u>5</u>

The company has one class of ordinary shares which carry no right to fixed income.

The company's other reserves are as follows:

The share premium reserve arose from the following event. On 06 April 2016, a contribution was made by the parent company, Kimberly-Clark Puerto Rico Inc. of all the issued shares owned in Kimberly-Clark Holding Limited in exchange for the allotment and issue by Kimberly-Clark Intercontinental Holding Limited to Kimberly-Clark Puerto Rico Inc. of one new ordinary share of \$1. The value of the contribution was \$175,084,000.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

15. Related parties

The Directors have taken advantage of the exemption under FRS 102 from disclosing transactions with other wholly-owned group-members. There are no other related party transactions.

16. Controlling party

The directors regard Kimberly-Clark Puerto Rico Inc., a Company incorporated in Delaware, United States of America, as the immediate parent Company and Kimberly-Clark Corporation Inc., a Company incorporated in Delaware, United States of America, as the ultimate parent Company and controlling entity. This is the smallest and largest group in which Kimberly-Clark Intercontinental Holding Limited is consolidated. Copies of the consolidated financial statements of Kimberly-Clark Corporation Inc. can be obtained from PO Box 619100, Dallas, Texas, 75261-9100, USA.