

# **Kimberly-Clark Intercontinental Holding Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2021**

Registered number 10106745



# Kimberly-Clark Intercontinental Holding Limited

## Annual Report and Financial Statements for the year ended 31 December 2021

---

### Contents

	Page
Strategic Report	1
Directors' Report	3
Directors' responsibilities statement	5
Independent auditor's report	6
Profit and loss account	10
Balance sheet	11
Statement of changes in equity	12
Notes to the financial statements	13

---

### Directors

C R Burniston

S Mir

### Registered office

Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS

### Company number

10106745

### Independent auditor

Deloitte LLP, Statutory Auditor, Hill House, London, United Kingdom

# Kimberly-Clark Intercontinental Holding Limited

## Strategic Report for the year ended 31 December 2021

---

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 2021.

### **Review of the business and future development**

The Company's principal activity is to hold and manage investments. The directors expect the Company to continue acting in its current capacity for the foreseeable future.

### **Key performance indicators**

The directors consider the net asset position to be a key performance indicator. Net assets as at 31 December 2021 were \$176,476,000 (2020: \$176,474,000) 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 intercompany receivable is limited, given 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 Secured Overnight Financing Rate (SOFR). This exposure is not hedged as the directors do not consider it to be cost effective.

#### **COVID-19:**

During 2021, the COVID-19 pandemic continued to have an impact on the global economy. Following increased demand in 2020, within our K-C Consumer business, due to customers increasing their home inventory in response to the pandemic, demand has returned to a normal level in 2021. Our global K-C Professional business continues to experience lower volume compared to pre-pandemic levels reflecting the reduction in away from home demand. All key global facilities have remained operational throughout the pandemic.

Kimberly Clark Intercontinental Holding Limited is a holding company, which did not directly suffer any financial or operational consequences of the Covid-19 pandemic through the current or prior years. The directors do not consider COVID-19 to have any material impact on the entity's ability continue as a going concern for a period of 12 months from the date of approval of the financial statements.

# Kimberly-Clark Intercontinental Holding Limited

Strategic Report (continued)  
for the year ended 31 December 2021

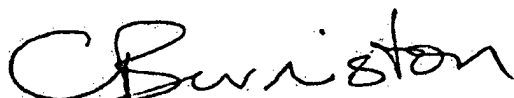
---

## Section 172(1) Statement

Engaging and building trust with key stakeholders that interact with, or are impacted by, our business is key to delivering our strategy and ensuring our success over the long term. As there are no third-party customers, employees or vendors, the majority of the decisions pertain to the corporate organisation structure and dividend repatriation opportunities to the ultimate parent company, Kimberly-Clark Corporation. During the year, dividend repatriation opportunities were considered however none were identified.

As Kimberly-Clark Intercontinental Holding Limited is a holding company our key stakeholder groups are limited to engaging financing and investment activities between parent and subsidiary undertakings. Management will act decisively pending the trading and regulatory environment. For the period ended 31 December 2021, no new financing activities were required.

This report was approved by the board on 30 September 2022 and was signed on its behalf by:



C R Burniston  
Director

# Kimberly-Clark Intercontinental Holding Limited

## Directors' Report for the year ended 31 December 2021

---

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 2021.

### Going concern

The Company remains in a net asset position which is underpinned by investments in the wider Kimberly-Clark group. Based on this the board has concluded that the Company is expected to be able to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. As a result, the directors believe the going concern basis continues to be appropriate in preparing the financial statements (see note 1 for further details).

Management has considered the impact of COVID-19 and do not consider it to have an effect on a conclusion to prepare the accounts on a basis of going concern. It was concluded no additional cash-flow needs or material financial impacts are expected.

Kimberly-Clark Luxembourg Finance S.à r.l., as a member of the Kimberly-Clark Group has confirmed via a letter of support that it will provide adequate finance for the foreseeable future and at least for the 12 months from the date on which the financial statements are signed. In addition, Kimberly-Clark Corporation, the ultimate parent company, has confirmed via a letter of support to provide finance to Kimberly-Clark Luxembourg Finance S.à r.l. to ensure it can trade in its current form, and to meet its obligation, for at least 18 months from the 27 September 2022. Kimberly-Clark Corporation continues to perform strongly with \$740,000,000 cash from operations from the 2022 Q2 financial overview.

### Future developments and events after the balance sheet date

No significant post balance sheet events reported. 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.

In February 2022 there was political unrest between Ukraine and Russia which resulted in warfare causing global tensions. As Kimberly-Clark Intercontinental Holding is a holding entity and has no investments in these regions, no impact was incurred.

### Financial risk management objectives and policies

No significant post balance sheet events reported. 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 (2020: \$nil). The directors do not recommend payment of a final dividend (2020: \$nil).

### Directors

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

C R Burniston

S Mir

### Directors' indemnities

The Group has made qualifying third party indemnity provisions for the benefit of its directors (which extend to the performance of any duties as a director of any associated company) and these remain in force at the date of this report.

# Kimberly-Clark Intercontinental Holding Limited

## Directors' Report (*continued*) for the year ended 31 December 2021

---

### 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 30 September 2022, and was signed on its behalf by:



C R Burniston  
Director

# Kimberly-Clark Intercontinental Holding Limited

## Directors' responsibilities statement for year ended 31 December 2021

---

### 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; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Kimberly-Clark Intercontinental Holding Limited

## Independent auditor's report for the year ended 31 December 2021

---

### 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 of 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 2021 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; and
- the related notes 1 to 14.

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 12 months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

##### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other



# Kimberly-Clark Intercontinental Holding Limited

## Independent auditor's report (*continued*) for the year ended 31 December 2021

---

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

### **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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

# Kimberly-Clark Intercontinental Holding Limited

## Independent auditor's report (*continued*) for the year ended 31 December 2021

---

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **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.

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.

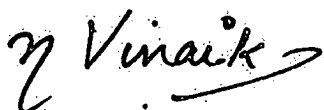
# Kimberly-Clark Intercontinental Holding Limited

Independent auditor's report (*continued*)  
for the year ended 31 December 2021

---

## 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.



Nipun Vinaik  
(Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
30 September 2022

# Kimberly-Clark Intercontinental Holding Limited

## Profit and loss account for the year ended 31 December 2021

---

	Note	2021 \$'000	2020 \$'000
Net finance income	7	2	5
<b>Profit before taxation</b>		<b>2</b>	<b>5</b>
Tax charge on profit	9	-	(1)
<b>Profit for the financial year</b>		<b>2</b>	<b>4</b>

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 2021  
Registered number 10106745

	Note	2021 \$'000	2020 \$'000
<b>Fixed assets</b>			
Investments	8	175,093	175,093
		<b>175,093</b>	175,093
<b>Current assets</b>			
Debtors: due within one year	10	1,383	1,381
Creditors: amounts falling due within one year		-	-
<b>Net current assets</b>		<b>1,383</b>	1,381
<b>Total assets less current liabilities</b>		<b>176,476</b>	176,474
<b>Net assets</b>		<b>176,476</b>	176,474
<b>Capital and reserves</b>			
Called-up share capital	12	5	5
Share premium account	12	175,084	175,084
Profit and loss account	12	1,387	1,385
<b>Shareholders' funds</b>		<b>176,476</b>	176,474

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 30 September 2022.



C R Burniston  
Director

# Kimberly-Clark Intercontinental Holding Limited

## Statement of changes in equity for the year ended 31 December 2021

	Note	Called-up share capital \$'000	Share premium account \$'000	Profit and loss account \$'000	Total \$'000
<b>At 1 January 2020</b>		5	175,084	1,381	176,470
Profit for the financial year		-	-	4	4
<b>Total comprehensive income</b>		-	-	4	4
<b>At 31 December 2020</b>		5	175,084	1,385	176,474
Profit for the financial year		-	-	2	2
<b>Total comprehensive income</b>		-	-	2	2
<b>At 31 December 2021</b>		5	175,084	1,387	176,476

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

---

### 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 is consolidated in the financial statements of its ultimate parent, Kimberly-Clark Corporation Inc. which can be obtained from PO Box 619100, Dallas, Texas, 75261-9100, USA.

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 strategic report and 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 performance, show that the Company should be able to operate using its cash balance. The Company also remains in a net asset position which is underpinned by investments in the wider Kimberly-Clark group. Based on this the board has concluded that the Company is expected to be able to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. As a result, the directors believe the going concern basis continues to be appropriate in preparing the financial statements.

Kimberly-Clark Luxembourg Finance S.à r.l., as a member of the Kimberly-Clark group has confirmed via a letter of support that it will provide adequate finance for the foreseeable future and at least for the 12 months from the date on which the financial statements are signed. In addition, Kimberly-Clark Corporation, the ultimate parent company, has confirmed via a letter of support to provide finance to Kimberly-Clark Luxembourg Finance S.à r.l. to ensure it can trade in its current form, and to meet its obligation, for at least 18 months from the 27 September 2022. Kimberly-Clark Corporation continues to perform strongly with \$740,000,000 cash provided by operations from the Q2 2022 financial overview.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence from 12 months from the date of approval for the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 1. Accounting policies (continued)

#### 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.

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.



# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 1. Accounting policies (continued)

#### c. Financial instruments (continued)

##### (i) Financial assets and liabilities (continued)

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.

#### 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.

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

---

### 1. Accounting policies (continued)

#### e. Taxation (continued)

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 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 and estimates

The directors were not required to make any material judgements in the preparation of these Financial Statements.

#### Key sources of estimation uncertainty

There are no sources of estimation uncertainty.

### 3. Turnover

The Company had no turnover in the current or prior year.

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 4. Auditor's remuneration

Auditor's remuneration for the auditing of the Company's financial statement of \$19,500 (2020: \$19,000) was borne by a group company. There were no non-audit fees incurred in the current or prior 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 the current or prior year.

### 7. Net finance income

	2021	2020
	\$'000	\$'000
Interest receivable from group undertakings	2	5
	<u>2</u>	<u>5</u>

### 8. Fixed Asset Investments

	Investments in subsidiary undertakings \$'000
<b>Cost and carrying value</b>	
At 1 January and at 31 December 2021	175,093

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

Company	% held	Class	Country of incorporation
Kimberly-Clark Atlantic Holding Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS	100.0	Ordinary	UK
Kimberly-Clark Holding Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS	100.0	Ordinary	UK
Kimberly-Clark Finance Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS *	100.0	Ordinary	UK
Kimberly-Clark Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS *	100.0	Ordinary	UK
Kimberly-Clark Europe Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS *	100.0	Ordinary	UK
Kimberly-Clark European Services Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS *	100.0	Ordinary	UK

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 8. Fixed Asset Investments (continued)

Kimberly-Clark Magyarország 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 EMEA Holdings Limited, Walton Oaks, Dorking Road, Tadworth, Surrey, England, KT20 7NS	*	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, Wielicka 28B/C, 30-552 Krakow, Polska	*	100.0	Ordinary	Poland
Kimberly-Clark Venezuela C.A., Zona Industrial La Hamaca, Maracay, Aragua, Venezuela		99.0	Ordinary	Venezuela

### 9. Tax charge on profit

	2021 \$'000	2020 \$'000
<i>Analysis of tax charge in the year:</i>		
<i>Current tax:</i>		
UK corporation tax on profits of the year	-	1
Total charge on profit	-	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:

	2021 \$'000	2020 \$'000
Profit before taxation	2	5
Tax on profit at standard rate of corporation tax in the UK 19.00% (2020: 19.00%)	-	1
Effects of:		
Non-taxable dividend income	-	-
Tax charge for the year	-	1

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 9. Tax charge on profit (continued)

#### *Factors that may affect future tax charges*

Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Act 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances on 31 December 2021. Deferred tax has been measured at the rate it is expected to reverse.

On 23 September 2022, the Chancellor of the Exchequer announced that the UK corporation tax rate will remain at 19% from 1 April 2023 - reversing a previously enacted measure to increase the rate to 25%. The announcement of the reversal in the tax rate from 1 April 2023 was not enacted or substantively enacted at the balance sheet date and accordingly has no impact on the tax balances at 31 December 2021 date.

### 10. Debtors

	2021 \$'000	2020 \$'000
Amounts owed by group undertakings		
- due within one year:	1,383	1,381
	<u>1,383</u>	<u>1,381</u>

The balance represents the cash held on a Current Account in Kimberly-Clark Luxembourg Finance S.à r.l. (the In-House Bank of Kimberly-Clark Group). The Current Account is used to facilitate funding and repayment of advances and loans under the financial service agreement between the Company and Kimberly-Clark Luxembourg Finance S.à r.l. The cash balance is repayable on demand. The interest rate for a positive balance on Current Account is SOFR plus 0.45 bps, no interest income was accrued in the year.

### 11. Financial Instruments

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

	2021 \$'000	2020 \$'000
<b>Financial assets</b>		
Measured at undiscounted amount receivable		
- Amounts due from group undertakings (note 10)	1,383	1,381
	<u>1,383</u>	<u>1,381</u>

# Kimberly-Clark Intercontinental Holding Limited

## Notes to the financial statements for the year ended 31 December 2021

### 11. Financial Instruments (continued)

	2021 \$'000	2020 \$'000
<b>Financial liabilities</b>		
Measured at amortised cost		
- Amounts due to group undertakings	-	-
	<u>-</u>	<u>-</u>

### 12. Called-up share capital

	2021 No	2020 No	2021 \$'000	2020 \$'000
<i>Allotted, called-up and fully paid</i>				
Ordinary shares of \$1 each	5,001	5,001	5	5

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 \$175,084,027. Balance for this reserve at 31 December 2021 is \$175,084,027 (2020: \$175,084,027).

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments. Balance for this reserve at 31 December 2021 is \$1,387,000 (2020: \$1,385,000).

### 13. 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.

### 14. Ultimate holding company and 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 P O Box 619100, Dallas, Texas, 75261-910, USA.