

Registered number: 07761084

# ABF HK Finance Limited

Annual Report and Unaudited Financial Statements

16 September 2023

ABF HK Finance Limited  
Annual Report and Financial Statements  
16 September 2023  
Registered number 07761084

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## **Strategic Report for the Period from 18 September 2022 to 16 September 2023**

The directors present their strategic report on ABF HK Finance Limited (the “company”) for the period from 18 September 2022 to 16 September 2023.

### **Review of the company's business**

The principal activity of the company is that of a finance company and holding company within the Associated British Foods plc group (the “group”).

During the period, the main activities of the company remained unchanged and the directors anticipate that the company will continue to operate on the same basis.

### **Principal risks and uncertainties**

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a wholly owned subsidiary, are disclosed on pages 68 to 75 of the 2023 Annual Report, which is available at [www.abf.co.uk](http://www.abf.co.uk).

### **Trading results and transfer to reserves**

The company's profit for the year is reflected in the Statement of Total Comprehensive Income on page 5. The loss on ordinary activities after taxation amounted to RMB 39 million (2022: profit of RMB 6 million). No dividend was declared and paid in the period (2022: nil).

### **Engaging with our stakeholders - Section 172 Statement**

The directors are required to act in a way which they consider, in good faith, is most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The company is a subsidiary of Associated British Foods plc and, as such, the company has adopted and directors have due regard to applicable group policies and procedures which impact on the company's stakeholders. Please also see the Associated British Foods plc section 172 statement on pages 40 to 45 of the 2023 Annual Report.

### **Stakeholders and engagement**

The key stakeholders with whom engagement is fundamental to the company's ongoing success are:

- subsidiaries of the company
- its shareholder

### ***Subsidiaries of the company***

The company forms part of the group of companies headed by Associated British Foods plc and the company's accounts are consolidated into the Associated British Foods plc accounts. Group companies can provide financial and other support to the company and the sharing of best practice and know-how between the businesses within the broader group is actively encouraged. The company is kept up to date on key businesses activities and decisions of its subsidiaries and provides all necessary support.

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**Strategic Report for the Period from 18 September 2022 to 16 September 2023  
(continued)**


**Engaging with our stakeholders - Section 172 Statement**

*Shareholder*

The company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

13 June 2024

Approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
.....D5973F2E49EA401.....  
AA Smith  
Director

**Registered office**      Weston Centre  
10 Grosvenor Street  
London  
W1K 4QY

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## **Directors' Report for the Period from 18 September 2022 to 16 September 2023**

The directors present their annual report and the unaudited financial statements for the company for the period from 18 September 2022 to 16 September 2023.

### **Dividends**

No dividend was paid in the current period (2022: nil). The directors do not recommend the payment of a further dividend in the current period.

### **Going concern**

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Interim Results Announcement dated 2 March 2024 and available at [www.abf.co.uk](http://www.abf.co.uk)), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to the end of the 2025 financial year, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

### **Directors of the company**

The directors who held office during the period and as at the date of approval of this directors' report were:

AA Smith

RG Cahill

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**Directors' Report for the Period from 18 September 2022 to 16 September 2023  
(continued)**

**Directors' indemnities**

The directors have benefited from the Associated British Foods plc group Directors and Officers Insurance policy.

**Health and safety**


The company, and the broader group of which it forms part, keeps its health, safety and environmental performance and levels of legal compliance under regular review and ensures that its risk management controls are appropriate and effective.

**Auditor**

The company is exempt from the requirements of the Companies Act 2006 (the 'Act') relating to the audit of individual accounts pursuant to section 479A of the Act.

13 June 2024

Approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
.....D5973F2E49EA401.....  
AA Smith  
Director

**Registered office** Weston Centre  
10 Grosvenor Street  
London  
W1K 4QY

**Statement of Total Comprehensive Income**  
*for the Period from 18 September 2022 to 16 September 2023*

	Note	2023 RMB'M	2022 RMB'M
Impairment of investment	5	(10)	-
Impairment of loan		<u>(36)</u>	<u>-</u>
<b>Operating loss</b>		(46)	-
Interest receivable and similar income		<u>7</u>	<u>7</u>
<b>(Loss)/profit before tax</b>		(39)	7
Taxation	4	<u>-</u>	<u>(1)</u>
<b>(Loss)/profit for the period</b>		(39)	6
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<u><u>(39)</u></u>	<u><u>6</u></u>

The notes on pages 8 to 12 form an integral part of these financial statements.

**Balance Sheet**  
*at 16 September 2023*

	Note	2023 RMB'M	2022 RMB'M
<b>Fixed assets</b>			
Investments	5	76	85
<b>Current assets</b>			
Debtors	6	1,526	1,521
Cash at bank and in hand		<u>1</u>	<u>37</u>
<b>Net current assets</b>		1,527	1,558
<b>Creditors:</b> Amounts falling due within one year		<u>-</u>	<u>(1)</u>
<b>Net current assets</b>		<u>1,527</u>	<u>1,557</u>
<b>Net assets</b>		<u><u>1,603</u></u>	<u><u>1,642</u></u>
<b>Capital and reserves</b>			
Share capital	7	1,450	1,450
Profit and loss account		<u>153</u>	<u>192</u>
Shareholders' funds		<u><u>1,603</u></u>	<u><u>1,642</u></u>

For the year ended 16 September 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

13 June 2024

Approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
D5973F2E49EA401:.....

AA Smith  
Director

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The notes on pages 8 to 12 form an integral part of these financial statements.



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### Statement of Changes in Equity

*for the Period from 18 September 2022 to 16 September 2023*

	<b>Share capital</b>	<b>Profit and loss</b>	<b>Total</b>
	<b>RMB'M</b>	<b>account</b>	<b>RMB'M</b>
		<b>RMB'M</b>	<b>RMB'M</b>
At 19 September 2021	1,450	186	1,636
Profit for the period	-	6	6
Total comprehensive income	-	6	6
At 17 September 2022	1,450	192	1,642
	<b>Share capital</b>	<b>Profit and loss</b>	<b>Total</b>
	<b>RMB'M</b>	<b>account</b>	<b>RMB'M</b>
		<b>RMB'M</b>	<b>RMB'M</b>
At 18 September 2022	1,450	192	1,642
Loss for the period	-	(39)	(39)
Total comprehensive income	-	(39)	(39)
At 16 September 2023	1,450	153	1,603

The notes on pages 8 to 12 form an integral part of these financial statements.

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## Notes to the Unaudited Financial Statements

### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of ABF HK Finance Limited are prepared for the 52 week period ended 16 September 2023.

The company's financial statements are presented in Chinese Renminbi, rounded to the nearest million, except where otherwise indicated. They are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and the Companies Act 2006.

The company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to financial instruments, capital management, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements of Associated British Foods plc.

The company has also taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc and its results are included in the parent company's consolidated financial statements. These consolidated financial statements are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. They are also available for download on the group's website at [www.abf.co.uk](http://www.abf.co.uk).

The company is a private limited company incorporated in Great Britain and domiciled in England and Wales.

#### Going concern

As set out in note 8, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in the Interim Results Announcement dated 2 March 2024 that its directors have a reasonable expectation that the Associated British Foods plc group has adequate resources to continue in operational existence for the foreseeable future.

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of 12 months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Interim Results Announcement dated 2 March 2024 and available at [www.abf.co.uk](http://www.abf.co.uk)), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to the end of the 2025 financial year, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

## Notes to the Unaudited Financial Statements (continued)

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Finance income and costs

Interest on financial assets held at amortised cost is recognised in the statement of total comprehensive income using the effective interest method.

#### Foreign currency transactions and balances

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The directors consider the Chinese Renminbi to be the company's functional and presentational currency as assets and income derived from these assets are denominated in Chinese Renminbi (“RMB”).

#### Dividends

Dividends, both payable and receivable, are recognised in the period in which they are paid or received.

#### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Investments

The company values its investments in subsidiaries at cost less any provision for impairment.

## Notes to the Unaudited Financial Statements (continued)

### 2 Accounting policies (continued)

#### Financial assets and liabilities

Financial assets are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost. Where financial assets are non-interest bearing these are repayable on demand.

Allowance for doubtful debts is recognised based on management's expectation of losses without regard to whether an impairment trigger happened or not (an "expected credit loss" model).

#### Interest-bearing loans

All loans are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest method.

### 3 Directors' remuneration

Key management, which is limited to the named directors of the company, received no emoluments in respect of their services to this company in either the current or the prior period, as those services were inconsequential to the company.

### 4 Taxation

Tax charged in the profit and loss account

	2023 RMB'M	2022 RMB'M
<b>Current taxation</b>		
Current tax	-	1

The total tax charge for the period is lower than the standard rate of corporation tax in the UK of 21.8% (2022: lower than the standard rate of corporation tax in the UK of 19%).

The differences are reconciled below:

	2023 RMB'M	2022 RMB'M
(Loss)/profit before tax	<u>(39)</u>	<u>7</u>
Tax charge at UK corporation tax rate of 21.8% (2022: 19%)	(8)	1
Expenses not deductible/(income not taxable)	10	-
Group relief not paid for	<u>(2)</u>	<u>(1)</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

The UK corporation tax rate increased from 19% to 25% from 1 April 2023.

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## Notes to the Unaudited Financial Statements (continued)

### 5 Investments

<b>Subsidiaries</b>	<b>RMB'M</b>
At 18 September 2022	85
Impairment of investment	(9)
	76
At 16 September 2023	76

A list of the related undertakings of the company as at 16 September 2023 is given below:

<b>SUBSIDIARY UNDERTAKINGS</b>	<b>% effective holding if not 100%</b>
<b>China</b>	
<b>AB Agri Animal Nutrition (Shaanxi) Co., Ltd</b>	
No 28, South Shunjin Road, Yintai District, Tongchuan, Shaanxi Province, China	
<b>AB Agri Pumeixin Tech (Jiangsu) Co., Ltd.</b>	
Room 7-1068, No. 68 Shijiu Hubei Road, Chunxi Street, Gaochun District, Nanjing City, Jiangsu Province, China	
<b>AB Agri Pumeixin Tech (Jiangxi) Co., Ltd.</b>	
Chuangxin Road, Tonggu Industry Zone, Sandu Town, Tonggu County, Jiangxi Province, China	
<b>ABNA Feed (Anhui) Co., Ltd.</b>	
Shu Shan Modern Industrial Zone of Shou County, Huainan City, Anhui Province, China	

All subsidiary undertakings are directly owned by the company.

In the opinion of the directors the investments in subsidiaries are worth at least the amount at which they are stated in the balance sheet.

### 6 Debtors

	<b>2023</b>	<b>2022</b>
	<b>RMB'M</b>	<b>RMB'M</b>
Debtors from group undertakings	1,316	1,356
Loan from intermediate holding company	210	165
	1,526	1,521
	1,526	1,521

Amounts due from group undertakings include amounts which are both interest-bearing and not interest-bearing.

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## Notes to the Unaudited Financial Statements (continued)

### 7 Share capital

	16 September 2023		17 September 2022	
	Number	RMB'M	Number	RMB'M
<b>Issued and fully paid</b>				
Ordinary shares of RMB 0.6000000	2,417,049,262	1,450	2,417,049,262	1,450
Ordinary share of £1 each	1	-	1	-

### 8 Holding company

The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group of undertakings for which group accounts are drawn up (within which the results of the company are consolidated) and of which the company is a member is headed by Wittington Investments Limited. The smallest such group of undertakings is headed by Associated British Foods plc, which is incorporated in the United Kingdom and registered in England and Wales.

The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, 10 Grosvenor Street, London, W1K 4QY, which is the registered office of each of Wittington Investments Limited and Associated British Foods plc. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at [www.abf.co.uk](http://www.abf.co.uk).