

Kingfisher International Holdings Limited

Strategic report

The Directors, in preparing this strategic report, have complied with section 414C of the Companies Act 2006.

Principal activities

Kingfisher International Holdings Limited (the "Company") operates as an investment company within the Kingfisher plc group (the "Group").

Business review

The profit for the year, after taxation, amounted to £67,968,000 (2021/22: £1,011,647,000).

The Group is undergoing an internal reorganisation to eliminate a number of legacy entities and to enable efficient repatriation of funds across the Group. As part of this reorganisation the Company has received dividend income of £35,957,000 (2021/22: £9,686,109,000) and recognised impairment losses of £2,929,000 (2021/22: £8,672,525,000) in relation to investments in subsidiaries.

Net assets at year end were £2,009,469,000 (2021/22: £1,941,501,000). This is predominately composed of amounts owed by Group undertakings, partly offset by amounts owed to Group undertakings.

Principal risks and uncertainties

The Company is a wholly-owned subsidiary of Kingfisher plc. From the perspective of the Directors, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The review of the business of Kingfisher plc and its subsidiaries which provide a comprehensive analysis of the main trends and factors likely to affect the development, performance and position of the business, and a description of the principal risks and uncertainties facing the business can be found on pages 51 to 58 of the 2022/23 Kingfisher plc Annual Report and Accounts.

Financial risk management

The Company operates as an investment company within the Group, and as such is exposed to a variety of financial risks, which include interest and currency risk, liquidity and credit risk.

As part of the Group these risks are managed centrally by Group Treasury, which has in place a Kingfisher plc Board approved Treasury Policy and a risk management programme that ensures that the impact of such risks is minimised. Further information on the Group's financial risk management policies can be found on pages 151 to 152 in note 25 of the 2022/23 Kingfisher plc Annual Report and Accounts.

Key performance indicators

The Directors manage the Company's operations on a group basis and so the Directors of the Company believe that analysis using key performance indicators for the Company is not necessary for an understanding of the development, performance or position of the business of the Company, other than the above mentioned net assets and profit. The Group's development, performance and position is discussed in the 2022/23 Kingfisher plc Annual Report and Accounts, which does not form part of this report.

Kingfisher International Holdings Limited

Strategic report (continued)

Section 172(1) and stakeholder engagement statement

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with Section 172 (s172) of the Companies Act 2006 (the Act).

When making decisions, Directors have regard to the matters in s172, including the interests of stakeholders relevant to the Company, the impact of the Company's operations on the community and environment, and the Company's desire to maintain a reputation for high standards of business conduct as well as its long-term success. Actions and behaviours are governed by the robust governance framework of the Group, which includes, but is not limited, to Group policies and the Kingfisher Code of Conduct.

The purpose of Kingfisher International Holdings Limited is primarily to act as an investment company within the Group and the Company's key stakeholders are its affiliates within the Group in which it operates. While there may be cases where the Board judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both stakeholders and the Group, means that generally stakeholder engagement best takes place at an operational or Group level. As well as being a more efficient and effective approach, this also helps the Company achieve a greater positive impact on environmental, social, and other issues than by engaging as an individual company. Please see pages 17 to 22 of the 2022/23 Kingfisher plc Annual Report and Accounts for details of operational and Group-level stakeholder engagement with the Company's stakeholders as well as those of the Group.

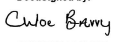
Future developments

The Directors expect the Company to continue its principal activity as an investment company.

Post balance sheet events

On 27 April 2023, Kingfisher Insurance Designated Activity Company declared a dividend of £10m Pound Sterling to Kingfisher International Holdings Limited. This was paid in two equal instalments of £5m Pound Sterling, the first instalment was paid on 19 June 2023 and the second instalment was paid on 20 June 2023.

Approved and authorised for issue by the Board of Directors:

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C. Barry
Director
24 July 2023