

Sheldon Holdings Limited

Strategic report

for the year ended 31 January 2024

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

Principal activities

Sheldon 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 £1,489,786,000 (2022/23: loss of £94,052,000). The profit for the year primarily from increased dividend payments year-on-year, a reduction in finance costs year-on-year and a prior year impairment charge which did not recur in the current period.

The Company has received £1,499,546,000 (2022/23: £14,228,000) in dividend income and recognised £nil (2022/23: £84,372,000) in impairment losses in relation to investment in subsidiaries.

Net assets at the year end were £5,160,444,000 (2022/23: £4,170,658,000). This is predominately composed of investments in subsidiaries.

The Company continues to hold a non-current tax asset in relation to a charging notice from HM Revenue & Customs, which is considered to be ultimately recoverable - see note 8.

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 provides 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 59 to 64 of the 2023/24 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 160 to 163 in note 25 of the 2023/24 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 loss. The Group's development, performance and position is discussed in the 2023/24 Kingfisher plc Annual Report and Accounts, which does not form part of this report.

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 the Company 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 23 of the 2023/24 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.

Sheldon Holdings Limited

Strategic report (continued)

Future developments

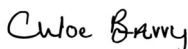
The Directors expect the general level of activity to remain consistent with 2023/24 in the forthcoming year and no changes to principal activities are expected.

Post balance sheet events

On 25 June 2024, the issued share capital of Martin Pecheur Holdings Limited was reduced from EUR 135,083 to EUR 0.77 and Martin Pecheur Holdings Limited paid a cash dividend of EUR 5,291,586 to Sheldon Holdings Limited. On 26 June 2024, Martin Pecheur Holdings Limited transferred the issued share capital of Sheldon Euro Investments Limited to Sheldon Holdings Limited by way of distribution.

Approved by the Board of Directors and authorised for issue on 31 July 2024. Signed on its behalf by

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C. Barry
Director