

**LOGICOR FINANCING SARL**

2A, Rue Eugène Ruppert  
L-2453 Luxembourg

Subscribed capital: EUR 12,000.00  
R.C.S. Luxembourg : B228613

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

# Audit Report - LOGICOR FINANCING SARL

To the Board of Managers of  
Logicor Financing SARL  
2A, Rue Eugène Ruppert  
L-2453, Luxembourg

## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

### Opinion

We have audited the financial statements of Logicor Financing S.à r.l. (the "Company"), which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union .

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *réviseur d'entreprises agréé*" for the Audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Managers for the financial statements

The Board of Managers is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards as adopted by the European Union , and for such internal control as the Board of Managers determines 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 Board of Managers is 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 Board of Managers either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Audit Report - LOGICOR FINANCING SARL (continued)

### Responsibilities of the “réviseur d’entreprises agréé” 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 a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.
- Conclude on the appropriateness of Board of Managers use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d’entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d’entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

**Christian van Dartel, Réviseur d’entreprises agréé**

Partner

February 26, 2024

# Statement of Comprehensive Income

For the year ended 31 December 2023

	Note	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
Administrative expenses	4	–	(2)
<b>Operating loss</b>		<b>–</b>	<b>(2)</b>
Finance income	5	<b>139</b>	131
Finance costs	5	<b>(131)</b>	(130)
<b>Profit/(loss) before tax</b>		<b>8</b>	<b>(1)</b>
Taxation	6	–	–
<b>Total comprehensive income/(loss) for the year</b>		<b>8</b>	<b>(1)</b>

**Pawel Bartos**  
Manager

**Martine Knoch**  
Manager

The notes on pages 8 to 19 are an integral part of these financial statements.

# Statement of Financial Position

As at 31 December 2023

	Note	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
<b>Non-current assets</b>			
Loans to parent companies	7	4,911	5,674
Loans to affiliated companies	7	689	674
		<b>5,600</b>	<b>6,348</b>
<b>Current assets</b>			
Cash and cash equivalents		9	3
Loans to parent companies	7	915	62
Loans to affiliated companies	7	30	46
		<b>954</b>	<b>111</b>
<b>Total assets</b>		<b>6,554</b>	<b>6,459</b>
<b>Current liabilities</b>			
Trade and other payables	8	(20)	(2)
Borrowings	9	(852)	(60)
		<b>(872)</b>	<b>(62)</b>
<b>Non-current liabilities</b>			
Borrowings	9	(5,666)	(6,389)
Deferred tax	6	(2)	(2)
		<b>(5,668)</b>	<b>(6,391)</b>
<b>Total liabilities</b>		<b>(6,540)</b>	<b>(6,453)</b>
<b>Net assets</b>		<b>14</b>	<b>6</b>
Share capital	10	–	–
Retained earnings		14	6
Other reserves	11	–	–
<b>Total equity</b>		<b>14</b>	<b>6</b>

The financial statements on pages 4 to 19 were approved by the Board of Managers on 26 February 2024.

**Pawel Bartos**  
Manager

**Martine Knoch**  
Manager

The notes on pages 8 to 19 are an integral part of these financial statements.

## Statement of Changes in Equity

For the year ended 31 December 2023

	Share capital (€m)	Other reserves (€m)	Retained earnings (€m)	Total equity (€m)
<b>Balance at 1 January 2022</b>	–	–	<b>7</b>	<b>7</b>
Loss for the year	–	–	(1)	(1)
<b>Balance at 31 December 2022</b>	–	–	<b>6</b>	<b>6</b>
Profit for the year	–	–	<b>8</b>	<b>8</b>
<b>Balance at 31 December 2023</b>	–	–	<b>14</b>	<b>14</b>

**Pawel Bartos**  
Manager

**Martine Knoch**  
Manager

The notes on pages 8 to 19 are an integral part of these financial statements.

# Statement of Cash Flows

For the year ended 31 December 2023

	Note	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
<b>Cash flows from operating activities</b>			
Profit/(loss) before tax		8	(1)
<b>Adjustments for:</b>			
Net finance income	5	(8)	(1)
Decrease in trade and other payables		(1)	(7)
<b>Net cash outflow from operating activities</b>		(1)	(9)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	9	–	1,488
Proceeds from RCF	9	350	225
Repayment of RCF	9	(200)	(75)
Repayment of borrowings	9	–	(1,000)
Repurchase of bonds	9	(92)	–
Loans granted to parent companies		(30)	(5,388)
Loans repaid by affiliated companies		–	4,779
Loans received from affiliated companies		16	–
Financing fees paid		(8)	(22)
Interest received		87	96
Interest paid		(116)	(92)
<b>Net cash inflow from financing activities</b>		7	11
<b>Net increase in cash and cash equivalents</b>		6	2
Cash and cash equivalents at beginning of the year		3	1
Foreign exchange gain on cash and cash equivalents		–	–
<b>Cash and cash equivalents at end of the year</b>		9	3

**Pawel Bartos**  
Manager

**Martine Knoch**  
Manager

The notes on pages 8 to 19 are an integral part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 December 2023

## Note 1. General information

Logicor Financing SARL (hereafter 'the Company') was incorporated on 11 October 2018 and is organised under the laws of Luxembourg as a Private Limited Company 'Société à responsabilité limitée' for an unlimited period. The registered office of the Company is established at 2A, Rue Eugène Ruppert L-2453 Luxembourg. The Company's parents are Eurocor II SARL and Eurocor III SARL (the 'Top Companies'), with the ownership split 82% and 18% respectively. The ultimate parent of Eurocor II SARL is China Investment Corporation and the ultimate parents of Eurocor III SARL are investment funds operated by Blackstone Inc.

Eurocor II SARL and Eurocor III SARL hold major portfolios of investment properties across Europe, under the trading name 'Logicor' (the 'Logicor Group'). Eurocor II SARL and Eurocor III SARL and their jointly owned entities own all of the assets in the Logicor Group with the ownership split 82% and 18%, respectively. The Special Purpose Combined Financial Statements of the Logicor Group are also available via the Logicor website at [investors.logicor.eu](http://investors.logicor.eu).

The main activity of the Company is to acquire loans for the Logicor Group.

The Company is included in the consolidated financial statements of Eurologi II SARL forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that Company is located 2A, Rue Eugène Ruppert L-2453 Luxembourg, and the consolidated financial statements are available at the same address.

## Note 2. Material accounting policy information

### Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted in the European Union ('EU'). References to IFRS hereafter should be construed as references to IFRS as adopted in the EU.

These financial statements are for the year ended 31 December 2023 with comparatives being for the year ended 31 December 2022.

The functional currency of the reporting Company is the Euro as that is the currency of the primary economic environment in which the Company operates. The presentation currency is also the Euro.

### New standards, amendments and interpretations

#### IFRS 17 'Insurance Contracts' (including the June 2020 and December 2021 Amendments to IFRS 17)

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 'Insurance Contracts'.

The Company does not have any contracts that meet the definition of an insurance contract under IFRS 17.

#### Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgements' - Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

#### Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.



# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 2. Material accounting policy information (continued)

### New standards, amendments and interpretations (continued)

#### Amendments to IAS 12 'Income Taxes' - International Tax Reform - Pillar Two Model Rules

The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense/(income) related to Pillar Two income taxes.

#### Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates

The Company has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. The definition of a change in accounting estimates was deleted.

None of the amendments to the standards has a material impact on the Company.

A number of additional amendments to standards and interpretations have been issued but are not yet effective for the current accounting period. These are not expected to have an impact on the Financial Statements on initial application.

### Going concern

The Board of Managers, at the time of approving the financial statements, has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Board of Managers therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

### Loans to parent and affiliated companies

Loans to parent and affiliated companies are recognised initially at fair value, net of attributable arrangement fees. Subsequent to initial recognition, these are carried at amortised cost which includes the principal and interest receivable as of year-end.

### Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held with banks and highly liquid short-term investments that are readily convertible to known amounts of cash within three months or less.

### Trade and other payables

Trade and other payables are carried at their nominal value.

### Borrowings

Borrowings are recognised initially at fair value, net of attributable arrangement fees. Subsequent to initial recognition, these are carried at amortised cost, with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 2. Material accounting policy information (continued)

### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in income or expense, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### Current tax

The current tax payable is based on taxable profit for the year and calculated using tax rates that have been enacted or substantively enacted as at the statement of financial position date. Current tax, to the extent unpaid, is recognised as a liability. Current taxes are recognised as income or an expense and included in profit or loss for the year.

The Company evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

#### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net tax basis.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### Financial instruments

#### (i) Financial assets

##### Classification

The Company classifies its financial assets as trade and other receivables. The classification is based on the purpose for which they were acquired. Management determines the classification of its financial assets at initial recognition.

##### Impairment of financial assets

The Company recognises a loss provision for expected credit losses ('ECLs') on financial assets measured at amortised cost. The amount of ECLs is updated at each reporting date to reflect the change in credit risk from the initial recognition of the financial asset.

For loans to parent and affiliated companies, such provision for ECLs is recorded in a separate provision account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income.

##### Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in Statement of Comprehensive Income.

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 2. Material accounting policy information (continued)

### Financial instruments (continued)

#### (ii) Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangement. Generally, an obligation to deliver cash or other financial asset to another party at a fixed date in the future would require presentation of a financial instrument as a liability.

#### Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability paid or payable is recognised in profit or loss.

#### (iii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset/financial liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/financial liability, or, where appropriate, a shorter period.

#### Interest income and expense

Interest income and expense are recognised in the Statement of Comprehensive Income using the effective interest method.

#### Foreign currency translation

Foreign currency transactions are translated into its respective functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

## Note 3. Critical accounting judgments and key estimates

The Company has no critical accounting judgments or estimates.

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 4. Administrative expenses

	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
Other administrative expenses	–	(2)
<b>Total administrative expenses</b>	<b>–</b>	<b>(2)</b>

The Company had no employees for the year ended 31 December 2023 or the year ended 31 December 2022.

## Note 5. Net finance costs

	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
Interest income on loans to parent and affiliated companies (note 13)	132	131
Gain on bonds repurchased	7	–
<b>Finance income</b>	<b>139</b>	<b>131</b>
Interest expense on RCF	(10)	(1)
Interest expense on unsecured loans - fixed	(106)	(109)
Interest expense on loans from affiliated companies	(3)	–
Amortisation of loan borrowing costs	(9)	(7)
Bond redemption costs	–	(10)
Other finance expense	(3)	(3)
<b>Net finance income</b>	<b>8</b>	<b>1</b>

Interest income on loans to parent and affiliated companies is calculated based on interest payable on borrowings, amortisation of loan borrowing costs, realised foreign exchange gains/(losses) and administrative expenses.

## Note 6. Taxation

### Analysis of expense in the year

	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
Current tax on profits for the year	–	–
<b>Total current tax</b>	<b>–</b>	<b>–</b>
Deferred tax on profits for the year	–	–
<b>Total deferred tax</b>	<b>–</b>	<b>–</b>
<b>Income tax expense</b>	<b>–</b>	<b>–</b>

The standard corporate tax rate applied to the results is 24.94% (2022: 24.94%).

	Year ended 31 December 2023 (€m)	Year ended 31 December 2022 (€m)
Profit/(loss) before tax	8	(1)
Profit/(loss) before tax multiplied by the rate of corporation tax in Luxembourg (24.94%) (2022: 24.94%)	2	–
<b>Effects of:</b>		
Movement in deferred tax	(2)	–
<b>Income tax expense*</b>	<b>–</b>	<b>–</b>

\* The entity has no tax losses inactivated.

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 6. Taxation (continued)

Deferred tax liabilities	Revaluation of foreign currency denominated loans (€m)	Total (€m)
<b>At 1 January 2022</b>	<b>(2)</b>	<b>(2)</b>
Charged to the Statement of Comprehensive Income	–	–
<b>At 31 December 2022</b>	<b>(2)</b>	<b>(2)</b>
Charged to the Statement of Comprehensive Income	–	–
<b>At 31 December 2023</b>	<b>(2)</b>	<b>(2)</b>

## Note 7. Loans to parent and affiliated companies

	Note	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Loans to parent companies – current	13	915	62
Loans to parent companies – non-current	13	4,911	5,674
Loans to affiliated companies – current	13	30	46
Loans to affiliated companies – non-current	13	689	674
<b>Total loans to parent and affiliated companies</b>		<b>6,545</b>	<b>6,456</b>

During the periods ended 31 December 2023 and 31 December 2022 the Company raised financing and on-lent proceeds to certain affiliated companies in the Logikor Group including the Company's parents. Details of the financing activity and use of proceeds are outlined in note 9 and an analysis of movements in loans to parent and affiliated companies is set out below.

The current portion owed to the Company by parent and affiliated companies is equal to the interest cost borne by the Company plus issuance costs as well as notes maturing within 12 months of the balance sheet date. The term of the loans mirror the terms of the borrowings as disclosed in note 9.

### Analysis of movements in loans to parent and affiliated companies

	Total loans to parent and affiliated companies (€m)
<b>Balance at 1 January 2022</b>	<b>5,848</b>
Net proceeds on-lent following 2025, 2030 and 2034 bond issuance	609
Interest received	(96)
Interest income in the year	131
Foreign exchange movement	(36)
<b>Balance at 31 December 2022</b>	<b>6,456</b>
Loan to parent companies	30
Interest received	(87)
Interest income in the year	132
Foreign exchange movement	14
<b>Balance at 31 December 2023</b>	<b>6,545</b>

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### Note 8. Trade and other payables

	Note	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Trade payables		1	–
Accruals		–	2
Amounts owed to affiliated companies	13	19	–
<b>Total trade and other payables</b>		<b>20</b>	<b>2</b>

### Note 9. Borrowings

	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
<b>Current borrowings</b>		
RCF	1	–
Loans – Unsecured, Fixed	851	60
<b>Total current borrowings</b>	<b>852</b>	<b>60</b>
<b>Non-current borrowings</b>		
RCF	293	147
Loans – Unsecured, Fixed	5,373	6,242
<b>Total non-current borrowings</b>	<b>5,666</b>	<b>6,389</b>
<b>Total borrowings</b>	<b>6,518</b>	<b>6,449</b>

During the year, the Company repurchased unsecured bonds with a nominal value of €99 million for a cash consideration of €92 million. The bonds acquired were across three series maturing in 2024 and 2025.

In May 2023 the Company refinanced the €250 million of Revolving Credit Facility ('RCF') due to mature in November 2023, increasing the existing €700 million facility to €950 million. In September 2023 the Company raised an additional €400 million of RCF, resulting in the Company having three available facilities totalling €1,650 million as at 31 December 2023: €950 million maturing in February 2027, €400 million maturing in September 2028 and €300 million maturing in February 2029.

In January 2024, the Company issued €650 million of unsecured bonds maturing in July 2028, with a weighted average coupon of 4.625%.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### Note 9. Borrowings (continued)

#### Analysis of movements in net debt

	RCF (€m)	Loans – Unsecured, Fixed (€m)	Capitalised borrowing costs (€m)	Total borrowings (€m)	Cash (€m)	Net debt (€m)
<b>Balance at 1 January 2022</b>	–	<b>(5,849)</b>	<b>17</b>	<b>(5,832)</b>	<b>1</b>	<b>(5,831)</b>
Bond issuance	–	(1,488)	7	(1,481)	–	(1,481)
RCF (net drawdown)	(150)	–	3	(147)	–	(147)
Principal repayment	–	1,000	–	1,000	–	1,000
Interest paid	–	92	–	92	–	92
Other cash flow movements	–	–	–	–	2	2
Interest expense in the year	(1)	(109)	–	(110)	–	(110)
Amortised costs in the year	–	–	(7)	(7)	–	(7)
Foreign exchange movement in the year	–	36	–	36	–	36
<b>Balance at 31 December 2022</b>	<b>(151)</b>	<b>(6,318)</b>	<b>20</b>	<b>(6,449)</b>	<b>3</b>	<b>(6,446)</b>
Bonds repurchased – cash flow	–	92	–	92	–	92
RCF (net drawdown)	(150)	–	5	(145)	–	(145)
Interest paid	10	106	–	116	–	116
Other cash flow movements	–	–	–	–	6	6
Gain on bonds repurchased	–	7	–	7	–	7
Interest expense in the year	(10)	(106)	–	(116)	–	(116)
Amortised costs in the year	–	(3)	(6)	(9)	–	(9)
Foreign exchange movement in the year	–	(14)	–	(14)	–	(14)
<b>Balance at 31 December 2023</b>	<b>(301)</b>	<b>(6,236)</b>	<b>19</b>	<b>(6,518)</b>	<b>9</b>	<b>(6,509)</b>

The fair value of the Loans – Unsecured, Fixed and RCF, as measured by market prices, as at 31 December 2023 was €5,947 million (2022: €5,190 million). For all other financial instruments, the fair values are not materially different to their carrying amounts.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### Note 9. Borrowings (continued)

The carrying amounts of the Company's total borrowings (as above) are denominated in the following currencies:

As at 31 December 2023

	RCF (€m)	Loans – Unsecured, Fixed (€m)
Euro	294	5,519
Pound Sterling	–	705
<b>Total borrowings</b>	<b>294</b>	<b>6,224</b>

As at 31 December 2022

	RCF (€m)	Loans – Unsecured, Fixed (€m)
Euro	147	5,611
Pound Sterling	–	691
<b>Total borrowings</b>	<b>147</b>	<b>6,302</b>

Borrowings have the following maturity profile:

As at 31 December 2023

	RCF (€m)	Loans – Unsecured, Fixed (€m)
Not later than one year	1	851
Later than one year but not more than five years	293	3,228
More than five years	–	2,145
<b>Total borrowings</b>	<b>294</b>	<b>6,224</b>

As at 31 December 2022

	RCF (€m)	Loans – Unsecured, Fixed (€m)
Not later than one year	–	60
Later than one year but not more than five years	147	3,337
More than five years	–	2,905
<b>Total borrowings</b>	<b>147</b>	<b>6,302</b>



# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 10. Share capital

As at 31 December 2023 and 31 December 2022	Number of shares Thousands	Par value of shares (€)
Ordinary shares at €1 each	12	12,000
	<b>12</b>	<b>12,000</b>

## Note 11. Other reserves

The Company is required to allocate a minimum of 5% of its annual net profit to a legal reserve, until the reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

## Note 12. Financial instruments and financial risk management

### Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to the owners through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and equity. The company is not subject to any externally imposed capital requirements. The Company's Managers review the capital structure of the company on a periodic basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital.

### Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise the potential adverse effects of these on the Company's financial performance. Financial risk management is carried out by the Logikor Group's treasury function under policies approved by the Logikor Group's Managers of the Top Companies. The Company does not hold any derivative financial instruments.

### Market risks

The Company is exposed to market risk through interest rates, availability of credit and foreign exchange fluctuations.

#### a. Interest rate risk

The Company is exposed to interest rate risk as the Company borrows at floating interest rates. The risk is managed by the Company through lending on to the Logikor Group at terms that mirror those on borrowings. This results in no net exposure to interest rate movements.

#### b. Foreign exchange risk

The Company is exposed to foreign exchange risk as it has borrowings in Pound Sterling. The risk is managed by the Company through lending on to the Logikor Group in the same currency as the borrowings. This results in no net exposure to foreign exchange rate movements.

### Credit risk

Credit risk is the potential exposure of the Company to loss in the event of non-performance by the counterparties to the loans with parent and affiliated companies. Overall management of the risk is performed at the Logikor Group level.

The financial risk management policies of the Logikor Group are set out in the Special Purpose Combined Financial Statements of the Logikor Group for the year ended 31 December 2023.

### Liquidity risk

Management regularly monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs and ensure that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans and covenant compliance.

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 12. Financial instruments and financial risk management (continued)

### Liquidity risk (continued)

The risk is managed by the Company through lending to the Logicor Group with expected cash flow timings and terms such that total receivables and payables are aligned.

The financial risk management policies of the Logicor Group are set out in the Special Purpose Combined Financial Statements of the Logicor Group for the year ended 31 December 2023.

The maturity analysis of financial instruments is as follows. The amounts disclosed in the tables are the contractual undiscounted cash flows.

As at 31 December 2023

	Less than 1 year (€m)	Between 1 and 2 years (€m)	Between 2 and 5 years (€m)	Over 5 years (€m)	Total (€m)
<b>Financial liabilities</b>					
Borrowings	914	1,074	2,822	2,287	7,097
Trade and other payables	20	–	–	–	20
<b>At 31 December 2023</b>	<b>934</b>	<b>1,074</b>	<b>2,822</b>	<b>2,287</b>	<b>7,117</b>

As at 31 December 2022

	Less than 1 year (€m)	Between 1 and 2 years (€m)	Between 2 and 5 years (€m)	Over 5 years (€m)	Total (€m)
<b>Financial liabilities</b>					
Borrowings	107	962	2,931	3,108	7,108
Trade and other payables	2	–	–	–	2
<b>At 31 December 2022</b>	<b>109</b>	<b>962</b>	<b>2,931</b>	<b>3,108</b>	<b>7,110</b>

### Classification of financial assets and liabilities

The table below sets out the Company's accounting classification of each class of financial assets and liabilities as at 31 December 2023.

	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Loans to parent companies – current and non-current	5,826	5,736
Loans to affiliated companies – current and non-current	719	720
Cash and cash equivalents	9	3
<b>Loans and receivables – at amortised cost</b>	<b>6,554</b>	<b>6,459</b>
Borrowings	6,518	6,449
Trade and other payables	20	2
<b>Financial liabilities – at amortised cost</b>	<b>6,538</b>	<b>6,451</b>

# Notes to the Financial Statements (continued)

For the year ended 31 December 2023

## Note 13. Related party transactions

### Affiliated loans with Logicor Group

During the years ended 31 December 2023 and 31 December 2022 the Company provided funding via loan agreements to parent and affiliated companies in the Logicor Group. These have been classified as financial assets and details can be found in note 7.

Details of these loan arrangements and the borrowing costs paid on behalf of the Company by the Logicor Group are as follows:

	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Amount receivable from Logicor Parent companies due after one year	4,911	5,674
Amount receivable from Logicor Parent companies due within one year	915	62
Amount receivable from Logicor Group companies due after one year	689	674
Amount receivable from Logicor Group companies due within one year	30	46
	<b>6,545</b>	<b>6,456</b>

	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Interest income on loans to parent and affiliated companies	132	131
	<b>132</b>	<b>131</b>

	As at 31 December 2023 (€m)	As at 31 December 2022 (€m)
Amount due to Logicor Group companies	19	–
	<b>19</b>	<b>–</b>

## Note 14. Post balance sheet events

Post balance sheet financing transactions are detailed in note 9.