



intertrust
GROUP

Ferguson Holding A/S

**c/o Harbour House, Sundkrogsgade 21, DK-
2100 Copenhagen**

CVR no. 29 68 90 83

Annual report for 2020/21

Adopted at the annual general
meeting on 22 December 2021

Katrine Kofoed Hansen
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Ferguson Holding A/S for the financial year 1 August 2020 - 31 July 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 July 2021 and of the results of the company's operations for the financial year 1 August 2020 - 31 July 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 22 December 2021

Executive board

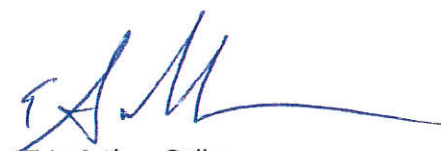


Eric Arthur Gallo
Director

Board of directors

Robert Andrew Ross Smith
Chairman

Graham Middlemiss



Eric Arthur Gallo

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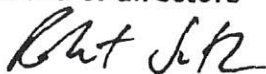
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Eric Arthur Gallo

Independent auditor's report

To the shareholder of Ferguson Holding A/S

Opinion

We have audited the financial statements of Ferguson Holding A/S for the financial year 1 August 2020 - 31 July 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 July 2021 and of the results of the company's operations for the financial year 1 August 2020 - 31 July 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements 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 auditor's report 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 22 December 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56



Kim Takata Mücke
state authorized public accountant
MNE no. mne10944

Company details

The company	<p>Ferguson Holding A/S c/o Harbour House, Sundkrogsgade 21 DK-2100 Copenhagen</p> <p>CVR no.: 29 68 90 83</p> <p>Reporting period: 1 August 2020 - 31 July 2021</p> <p>Domicile: Copenhagen</p>
Board of directors	<p>Robert Andrew Ross Smith, chairman Graham Middlemiss Eric Arthur Gallo</p>
Executive board	<p>Eric Arthur Gallo</p>
Auditors	<p>Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 DK-2300 Copenhagen</p>
Consolidated financial statements	<p>The company is included in the consolidated financial statements of Ferguson plc.</p> <p>The consolidated financial statements can be obtained at the following address:</p> <p>1020 Eskdale Road Winnersh Triangle Wokingham Berkshire RG41 5TS United Kingdom</p>

Management's review

Business review

The object of the company is - directly or through portfolio investments in other companies - to carry on commercial business as well as investment activity.

Recognition and measurement uncertainties

The company has recognized a provision for residual requirements relating to a past share sale based on management's assessment of facts, exposure and likely outcome. The provision is by nature uncertain and hence the final outcome may differ significantly from the provision recognized at 31 July 2021.

Unusual matters

The result for the year has been impacted by a provision for claim for a residual requirement relating to a past share sale by TDKK 26.687.

Financial review

The company's income statement for the year ended 31 July 2021 shows a loss of TDKK 27.964, and the balance sheet at 31 July 2021 shows negative equity of TDKK 20.511.

The parent company; Ferguson UK Holdings Limited, has issued a financial support letter whereby Ferguson UK Holdings Limited will provide financial support to the company to enable the company to meet its liabilities as they fall due and carry on its business without any significant curtailment of operations for a period at least until 22 January 2023. On this basis, the directors conclude that it is appropriate to prepare the financial statements for 2021/21 on a going concern basis.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement
1 August 2020 - 31 July 2021

	Note	2020/21 TDKK	2019/20 TDKK
Gross profit		-652	3.451
Loss from disposal of subsidiaries	3	-26.687	-1.243
Financial income		89	1.419
Financial expenses		-364	-318
Profit/loss before tax		-27.614	3.309
Tax on profit/loss for the year	2	-350	86
Profit/loss for the year		-27.964	3.395
 Distribution of profit			
Proposed dividend for the year		0	112.000
Extraordinary dividend for the year		0	137.000
Retained earnings		-27.964	-245.605
		-27.964	3.395

Balance sheet at 31 July 2021

	<u>Note</u>	<u>2020/21</u> TDKK	<u>2019/20</u> TDKK
Assets			
Receivables from group enterprises		0	4.389
Corporation tax		523	0
Receivables		<u>523</u>	<u>4.389</u>
Cash at bank and in hand		<u>6.052</u>	<u>123.798</u>
Total current assets		<u>6.575</u>	<u>128.187</u>
Total assets		<u><u>6.575</u></u>	<u><u>128.187</u></u>

Balance sheet at 31 July 2021

	Note	2020/21 TDKK	2019/20 TDKK
Equity and liabilities			
Share capital		2.000	2.000
Retained earnings		-22.511	5.453
Proposed dividend for the year		0	112.000
Equity		-20.511	119.453
Other provisions	3	26.687	0
Total provisions		26.687	0
Corporation tax		0	8.387
Other payables		399	347
Total current liabilities		399	8.734
Total liabilities		399	8.734
Total equity and liabilities		6.575	128.187
Staff expenses	1		
Going concern	4		
Contingent liabilities	5		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity at 1 August 2020	2.000	5.453	112.000	119.453
Ordinary dividend paid	0	0	-112.000	-112.000
Net loss for the year	0	-27.964	0	-27.964
Equity at 31 July 2021	2.000	-22.511	0	-20.511

Notes

	<u>2020/21</u>	<u>2019/20</u>
1 Staff expenses		
Average number of employees	<u>0</u>	<u>0</u>
No staff expenses in 2020/21 and 2019/20.		
2 Tax on profit/loss for the year		
Current tax for the year	0	-86
Adjustment of tax concerning previous years	<u>350</u>	<u>0</u>
	<u>350</u>	<u>-86</u>
3 Other provisions		
Provision for year	<u>26.687</u>	<u>0</u>
	<u>26.687</u>	<u>0</u>

Provisions relate to a claim raised by a buyer for residual requirements from a past share sale. The extent to which the claim may entail obligations for the company and its likelihood have been assessed. The company has made a provision for the full claim, but believes that there may be a reasonable basis for reducing the cost of settling the claim

4 Going concern

The company is reporting negative equity of TDKK 20.511 at 31 July 2021. The parent company; Ferguson UK Holdings Limited, has issued a financial support letter whereby Ferguson UK Holdings Limited will provide financial support to the company to enable the company to meet its liabilities as they fall due and carry on its business without any significant curtailment of operations for a period at least until 22 January 2023. On this basis, the directors conclude that it is appropriate to prepare the financial statements for 2021/21 on a going concern basis.

Notes

5 Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed income etc of the group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the company's liability.

Accounting policies

The annual report of Ferguson Holding A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2020/21 is presented in TDKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less operating expenses.

Accounting policies

Other external expenses

Other external expenses include miscellaneous corporate expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and losses and surcharges and allowances under the advance-payment-of-tax scheme.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Provisions

Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Liabilities

Liabilities, which include trade payables and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.