
TOTAL MARKETING SUPPORT GLOBAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2024

TOTAL MARKETING SUPPORT GLOBAL LIMITED

COMPANY INFORMATION

| | |
|----------------------------|---|
| Directors | William Beverley Hicks David Fincham |
| Company secretary | Zillah Stone |
| Registered number | 09948508 |
| Registered office | Level 3 1 Paddington Square London United Kingdom W2 1DL |
| Independent auditor | Ernst & Young LLP One Cambridge Square Cambridge United Kingdom CB4 0AE |
| Bankers | Citibank Citigroup Centre 33 Canada square London E14 5LB |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

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TOTAL MARKETING SUPPORT GLOBAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2024

The Directors present their strategic report for the year ended 30 April 2024.

Principal activity

Total Marketing Support Global Limited ('the Company') is a subsidiary of Total Marketing Support Limited and operates as part of the DS Smith Plc Group ('the Group'). DS Smith Plc is the ultimate parent. The Company's principal activity is to act as a holding company for investments. The Directors are not aware, at the date of this report, of any likely significant changes in the Company's activity in the forthcoming financial year.

Business review

The loss for the financial year before tax amounted to £4,737,000 (2023: £6,183,000). Dividends of £nil were received during the year (2023: £nil).

Turnover has increased throughout the financial year, leading to a corresponding rise in gross profit. This increase is primarily attributed to a rise in trade and design fees in the US and Canada. Given the nature of the Company's activity, the Directors are satisfied with the underlying performance of the business during the year.

Section 172 (1) statement of the Companies Act 2006

The Directors aim to promote the success of the Company for the benefit of its shareholder and the Group as a whole, taking into account the long-term consequences of its decisions and looking at those decisions through a variety of lenses, an example being the annual impairment assessment on investments in subsidiaries in Total Marketing Support Global Limited. This involves the Board and management considering in detail and discussing the interests of the Company's and Group's stakeholders including our customers, our people, our investors, our suppliers, local communities and non-governmental organisations; the importance of maintaining our reputation for high standards of business conduct through our high customer satisfaction results; and the environment. When making decisions during the year the Directors of the Group received relevant information to help them understand the interest and views of these key stakeholder groups and the potential impact these decisions could have on each group. Information included reports regarding financial and operational performance, risk, responsible business matters and the results of specific stakeholder engagement exercises. The Directors of the Company take into account the interests of the parent company and the ultimate parent company when making decisions through regular communications such as the Balance Sheet Committee.

As the Company is an investment holding company within the Group it does not have any direct employees, customers or suppliers. The Directors of this entity make decisions in respect of this Company with regard to its internal stakeholders. For more details on how the Group considers the interests of the Group's employees, the impact actions have on the communities in which the Group operate and the environment, maintaining high standards of business conduct and acting fairly at all times, refer to the Group's annual report which does not form part of this report. A copy of the Group's annual report can be obtained from the address in note 22.

Future developments

The principal activity of the Company is to act as a Group investment holding that is principally party to intra-group transactions. The Directors expect that this will remain the case in the future and that the general level of activity for the Company will remain consistent with 2024.

Combination with International Paper

In April 2024, the Boards of International Paper Company and DS Smith reached an agreement and recommended the combination of International Paper with DS Smith. The all-share acquisition of DS Smith by International Paper received the approval of the DS Smith shareholders on 7 October 2024 and the International Paper shareholders on 11 October 2024. The combination is still subject to regulatory approvals.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Streamlined Energy and Carbon Reporting

The Company and Group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

The Company is included in the Group reporting of the ultimate parent company which has provided its consolidated CO2 emissions and energy consumption on page 76 of the Strategic report in the Group's 2024 annual report.

Financial risk management, objectives, and policies

As the Company's main purpose is to act as an investment holding company, the financial risks that the Company is exposed to are limited.

Where applicable, the Company follows the DS Smith Group policy. The Company's financial risk management is centralised to capitalise on economies of scale and synergy effects and to minimise operational risks.

Liquidity risk

The Company actively manages its liquidity risk by short-term debt finance with Group treasury, supported by external borrowings where appropriate, that is designed to ensure the Company has sufficient available funds for operations.

Interest rate risk

The Company has interest-bearing liabilities held with DS Smith Plc. The DS Smith Group treasury function is responsible for identifying and managing interest rate exposure.

Foreign currency risk

The Company has transactions in foreign currencies which are then translated into the presentation currency, the GBP, for the purposes of the financial statements.

Credit risk

The Company's credit risk is primarily attributable to its receivables held on the statement of financial position, all of which are inter-group. Recoverability of these receivables is reviewed regularly against the statement of financial position of the counterparty. If required, credit risk is further mitigated through a letter of support from the ultimate parent undertaking.

Principal risks and uncertainties

Macroeconomic impacts are one of the key principal risks facing the Company. The ongoing war following Russia's invasion of Ukraine, and the conflict in the Middle East, continue to cause uncertainty at a geopolitical level and the thoughts of the Directors and employees of the Company remain with all those that are suffering as a result. Political and economic factors, such as rising interest rates and weakening major economies, impact the level of end-consumer spend and customer demand for the Company's packaging products. This risk is managed through the Company's secure supply chain and a customer offering focussed on innovative sustainable packaging solutions which remains compelling to our resilient customer base of FMCG multi-national companies.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Going concern

The financial statements have been prepared using the going concern basis of accounting. In making their assessment on the appropriateness of using the going concern basis, the Directors have considered any material uncertainties relating to events or conditions that may cast significant doubt upon the continuing use of the going concern basis of accounting in future periods. The Directors have considered a period of 12 months from the date the financial statements are expected to be authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within the Strategic report. The financial position of the Company is as shown in the statement of financial position on page 12. At 30 April 2024, the Company reported net current assets of £283,000 (2023: £258,000) and net liabilities of £26,671,000 (2023: £23,001,000).

The financial statements have been prepared using the going concern basis of accounting. The Company has been issued a support letter from its ultimate parent company, DS Smith Plc, confirming ongoing financial support in meeting liabilities as they fall due for a period of 12 months from the day of approval of accounts. DS Smith Plc has undertaken its own assessment of going concern, which it has confirmed and this is disclosed on page 19 of the DS Smith Plc Half Year Report for the period ended 31 October 2024. The Directors are satisfied that no events took place after the release of the DS Smith Plc Half Year Results that give rise to any uncertainties relating to going concern, and accordingly the directors considered it is appropriate to rely upon this support in making their going concern assessment for these financial statements. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

This report was approved by the board on 28 January 2025 and signed on its behalf.

William Beverley Hicks
Director

TOTAL MARKETING SUPPORT GLOBAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2024

The Directors present their report and the financial statements for the year ended 30 April 2024.

Disclosures required by section 416(4) which have been elevated to the strategic report:

- Financial risk management objectives and policies
- Going concern
- Principal risks and uncertainties

Results and dividends

The loss for the year, after taxation, amounted to £3,670,000 (2023 - £5,608,000).

No dividends were paid during the year and up to the date of authorising the 30 April 2024 financial statements (2023: £nil).

Directors

The Directors who served during the year and up to date of signing were:

William Beverley Hicks
David Fincham

Directors' and Officers' liability insurance

During the year and up to the date of approval of these financial statements, the ultimate controlling parent company maintained liability insurance for the Directors and other Officers of the Company. The Company has not made qualifying third-party indemnity provisions for the benefit of the Group's Directors during the year.

Political contributions

No political contributions were made during the year (2023: £nil).

Engagement with suppliers, customers and others in a business relationship with the company

The Directors aim to promote the success of the Company, taking into account the long-term consequences of its decisions and looking at those decisions through a variety of lenses. This involves management thinking about the interests of the Company's stakeholders, including our people, our customers, local communities, non-governmental organisations and our suppliers; about the importance of maintaining our reputation for high standards of business conduct; and about the environment.

Engagement with customers is the lifeblood of our business, and takes place across all of our teams.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2024**

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

Ernst & Young LLP (EY) were appointed as external auditor to the Company in 2024 and will be proposed for reappointment in accordance with Section 285 of the Companies Act 2006. .

This report was approved by the board on 28 January 2025 and signed on its behalf.

William Beverley Hicks
Director

TOTAL MARKETING SUPPORT GLOBAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 APRIL 2024

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED

Opinion

We have audited the financial statements of Total Marketing Support Global Limited for the year ended 30 April 2024 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 23, including material accounting policy information;. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 April 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 (UK) 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (the Companies Act 2006 and FRS 101 'Reduced Disclosure Framework') and relevant tax compliance regulations in the UK. In addition, we concluded that there are certain significant laws and regulations that may have an indirect effect on the determination of the amounts and disclosures in the financial statements. These are those laws and regulations relating to General Data Protection Regulation (GDPR) and bribery and corruption practices.
- We understood how Total Marketing Support Global Limited is complying with those frameworks by making enquiries of management. We corroborated our enquiries by performing a review of the company's board minutes as well as any relevant correspondence received from regulatory bodies.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company established to address risks identified by the company or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the company applies through meeting with management across the business.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We considered the risk of fraud through management override of controls and designed testing over journals entries as part of our audit approach. We selected journals with specific risk criteria based on our understanding of the business and obtained supporting evidence for the journals selected.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Luke Little (Senior statutory auditor)

For and on behalf of

Ernst & Young LLP, Statutory Auditor

Cambridge, UK

28 January 2025

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2024**

| | Note | 2024 £000 | 2023 £000 |
|--|-------------|----------------------|----------------------|
| Turnover | 4 | 356 | 240 |
| Cost of sales | | (117) | (95) |
| Gross profit | | 239 | 145 |
| Administrative expenses | | (230) | (261) |
| Operating profit/(loss) | 5 | 9 | (116) |
| Impairment of investments | 14 | (786) | (3,060) |
| Profit on disposal of investments | 14 | 262 | - |
| Interest receivable and similar income | 9 | 4 | - |
| Interest payable and similar expenses | 10 | (4,231) | (3,036) |
| Other finance income | | 5 | 29 |
| Loss before tax | | (4,737) | (6,183) |
| Tax on loss | 11 | 1,067 | 575 |
| Loss for the financial year | | (3,670) | (5,608) |

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

The notes on pages 14 to 36 form part of these financial statements.

The results shown above are from continuing operations.

TOTAL MARKETING SUPPORT GLOBAL LIMITED
REGISTERED NUMBER:09948508

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024

| | Note | 2024 £000 | 2023 £000 |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | 12 | - | 5 |
| Tangible assets | 13 | 13 | 15 |
| Investments | 14 | 6,477 | 6,733 |
| Debtors: amounts falling due after one year | 15 | 1,680 | 682 |
| | | <u>8,170</u> | <u>7,435</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 15 | 344 | 244 |
| Cash at bank and in hand | 16 | 128 | 558 |
| | | <u>472</u> | <u>802</u> |
| Creditors: amounts falling due within one year | 17 | (189) | (544) |
| Net current assets | | <u>283</u> | <u>258</u> |
| Total assets less current liabilities | | <u>8,453</u> | <u>7,693</u> |
| Creditors: amounts falling due after more than one year | 19 | (35,124) | (30,694) |
| | | <u>(26,671)</u> | <u>(23,001)</u> |
| Net liabilities | | <u>(26,671)</u> | <u>(23,001)</u> |
| Capital and reserves | | | |
| Profit and loss account | | (26,671) | (23,001) |
| | | <u>(26,671)</u> | <u>(23,001)</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 January 2025.

William Beverley Hicks
 Director

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2024**

| | Profit and loss account £000 | Total equity £000 |
|---|---|------------------------------|
| At 1 May 2023 | (23,001) | (23,001) |
| Comprehensive expense for the year | | |
| Loss and total comprehensive expense for the year | (3,670) | (3,670) |
| | <hr/> | <hr/> |
| Total comprehensive expense for the year | (3,670) | (3,670) |
| | <hr/> | <hr/> |
| At 30 April 2024 | (26,671) | (26,671) |
| | <hr/> <hr/> | <hr/> <hr/> |

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2023**

| | Profit and loss account £000 | Total equity £000 |
|---|---|------------------------------|
| At 1 May 2022 | (17,393) | (17,393) |
| Comprehensive expense for the year | | |
| Loss and total comprehensive expense for the year | (5,608) | (5,608) |
| | <hr/> | <hr/> |
| Total comprehensive expense for the year | (5,608) | (5,608) |
| | <hr/> | <hr/> |
| At 30 April 2023 | (23,001) | (23,001) |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 14 to 36 form part of these financial statements.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1. General information

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered address is Level 3, 1 Paddington Square, London, England, W2 1DL.

The nature of the Company's operations and its principal activity are set out in the strategic report on page 1.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates. Monetary amounts in these financial statements are rounded to the nearest £1,000.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of IAS 7 Statement of Cash Flows
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of DS Smith Plc as at 30 April 2024 and these financial statements may be obtained from www.dssmith.com/investors/results-presentations/annual-reports.

IFRS standards and interpretations endorsed but not yet effective:

- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements, Amendments to IFRS 16 (Seller-Lessee Subsequent Measurement of Sale and Leaseback Transactions), Amendments to IAS 1 - Classification of Liabilities and Debt with Covenants and Amendments to IFRS 7 -

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions (continued)

Classification and Measurement of Financial Instruments

The adoption of the amendments is not anticipated to have a material effect on the results for the year or the financial position at the year end.

The following amended standards and interpretations were adopted by the Company from 1 May 2023. These amended standards and interpretations have not had a significant impact on the financial statements.

- IFRS 17 Insurance Contracts;
- IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules;
- Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies; and
- Amendments to IAS 8 Accounting Policy Changes in Accounting Estimates and Errors – Definition of Accounting Estimates.

2.3 IFRS standards and interpretations in issue but not yet endorsed

The International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) have issued new standards and interpretations with an effective date after the date of these financial statements:

- Amendments to IAS 21 (Lack of exchangeability)
- IFRS S1 (General requirements for Disclosure of Sustainability related Financial Information)
- IFRS S2 (Climate related Disclosures)
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability; Disclosures.

These standards are currently not expected to have a material impact on the financial statements of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

2. Accounting policies (continued)

2.4 Consolidated financial statements

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a subsidiary of DS Smith Plc which prepares consolidated financial statements which are publicly available.

2.5 Going concern

The financial statements have been prepared using the going concern basis of accounting. In making their assessment on the appropriateness of using the going concern basis, the Directors have considered any material uncertainties relating to events or conditions that may cast significant doubt upon the continuing use of the going concern basis of accounting in future periods. The Directors have considered a period of 12 months from the date the financial statements are expected to be authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within the Strategic report. The financial position of the Company is as shown in the statement of financial position on page 12. At 30 April 2024, the Company reported net current assets of £283,000 (2023: £258,000) and net liabilities of £26,671,000 (2023: £23,001,000).

The financial statements have been prepared using the going concern basis of accounting. The Company has been issued a support letter from its ultimate parent company, DS Smith Plc, confirming ongoing financial support in meeting liabilities as they fall due for a period of 12 months from the day of approval of accounts. DS Smith Plc has undertaken its own assessment of going concern, which it has confirmed and this is disclosed on page 19 of the DS Smith Plc Half Year Report for the period ended 31 October 2024. The Directors are satisfied that no events took place after the release of the DS Smith Plc Half Year Results that give rise to any uncertainties relating to going concern, and accordingly the directors considered it is appropriate to rely upon this support in making their going concern assessment for these financial statements. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, which is the currency of the primary economic activity.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.7 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- all significant performance obligations have been met;
- the Company retains neither continuing managerial involvement nor effective control over the goods sold;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the amount of revenue can be measured reliably.

This is typically when either the goods are loaded onto the collection vehicle if the buyer is collecting them, or when the goods are unloaded at the delivery address if the Company is responsible for delivery.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

For the year ended 30 April 2022 and onwards, DS Smith Group entities will no longer receive payment for current year tax losses surrendered or make payment for group relief claimed at the rate of tax prevailing in the year. However, where an entity has negative reserves and losses which will be surrendered to other members of the DS Smith Group, the claimant company will need to make payment for those tax losses at the rate of tax prevailing in the year.

Deferred tax is provided for using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Pillar Two Income tax rules will apply to the DS Smith Group and subsidiaries for the financial year commencing on 1 May 2024. The Company has applied the exemption from recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required in the amendments to FRS 101 International Tax reform - Pillar two model rules effective 1 January 2023.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives range as follows:

| | | |
|-------------------|---|-------------|
| Computer software | - | 3 - 5 years |
|-------------------|---|-------------|

Amortisation of intangible assets (excluding goodwill) is charged to the income statement on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets (other than goodwill) are amortised from the date they are available for use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

| | | |
|------------------|---|-------------|
| Office equipment | - | 3 - 5 years |
|------------------|---|-------------|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

2. Accounting policies (continued)

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.17 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost. Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors are required to exercise judgement in applying the exceptional items accounting policy to items of income and expenditure, taking account of their origination, as well as considering similar items in prior years to ensure consistency and appropriate presentation.

In the opinion of the Directors, there are no critical judgements, apart from those involving estimations (which are dealt with separately below), that have been made in the process of applying accounting policies. Deferred Tax Asset (DTA) non recognition is a material judgement by management. As the company has been loss making, we cannot substantiate or recognise DTA due to lack of certainty over future crystallisation.

Key sources of estimation uncertainty

The carrying value of the investments in subsidiaries are reviewed on a regular basis to assess whether any impairment in the value is required. Impairment testing is performed annually for investment in subsidiaries by comparing the carrying amount of each investment with the relevant subsidiary's consolidated balance sheet. Where the net assets are lower than the investment value, a discounted cash flow or value-in-use is utilised to calculate the present value of the investment to confirm whether any impairment is required. Refer to note 14 for impairment of investments in subsidiary takings.

The calculations of value-in-use are inherently judgemental and require management to make a series of estimates and assumptions. These are: cash flow forecasts (including sales volumes, price and cost assumptions, and capital expenditure underlying these forecasts), the determination of a long-term growth rate, the determination of an appropriate pre-tax adjusted discount rate and the impairment assessment.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2024 | 2023 |
|---------------|-------------------|------------|
| | £000 | £000 |
| Sale of goods | 356 | 240 |
| | <u>356</u> | <u>240</u> |
| | <u>356</u> | <u>240</u> |

Analysis of turnover by country of destination:

| | 2024 | 2023 |
|-------------------|-------------------|------------|
| | £000 | £000 |
| Rest of the World | 356 | 240 |
| | <u>356</u> | <u>240</u> |
| | <u>356</u> | <u>240</u> |

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

| | | 2024 | 2023 |
|---------------------------------------|----|-------------|-------|
| | | £000 | £000 |
| Depreciation of tangible fixed assets | 13 | 2 | 4 |
| Amortisation of intangible assets | 12 | 5 | 5 |
| Impairment of fixed asset investments | 14 | 786 | 3,060 |
| Foreign exchange losses/(gains) | | (1) | 8 |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

6. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor and their associates:

| | 2024 | 2023 |
|--|-------------|------|
| | £000 | £000 |
| Fees payable to the Company's auditor and their associates for the audit of the Company's financial statements | 11 | 11 |

No fees in relation to non-audit services were paid to the Company's auditor in the current and prior year. Audit costs in the 12 month period to 30 April 2024 were paid by Total Marketing Support Limited without any recharge.

7. Directors' emoluments

All the Directors are remunerated by other group undertakings. It is considered that the level of their qualifying services to the company is negligible compared to their main roles. There are no management charges from these group undertakings for their services. Consequently they determine that given the level of the services required, that the proportion of their salary relating to their services provided to this company is insignificant. Therefore a £nil apportionment is made (2023: £nil).

8. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2023 - £nil).

All staff costs in the 12 month period to 30 April 2024 were paid by Total Marketing Support Limited.

9. Interest receivable

| | 2024 | 2023 |
|--------------------------|-------------|------|
| | £000 | £000 |
| Bank interest receivable | 4 | - |
| | 4 | - |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

10. Interest payable and similar expenses

| | 2024 | 2023 |
|-------------------------------|---------------------|--------------|
| | £000 | £000 |
| Loans from Group undertakings | 4,231 | 3,036 |
| | <u>4,231</u> | <u>3,036</u> |
| | <u>4,231</u> | <u>3,036</u> |

Loans from group undertakings includes a £35,124,835 loan drawing down against a loan facility with DS Smith Plc, on which interest is charged at 9% plus IBOR/SONIA. The rate is 9.44% after credit adjustment spread. Amounts owed to Group undertakings are repayable on 21 March 2026.

Following the discontinuation of LIBOR as an interest rate benchmark, from 01 January 2022 risk free rates will be applied to intercompany loans within the DS Smith Group that are impacted by the reform. To ensure the economics of the transactions are consistent before and after the transition, a credit adjustment spread will be applied to the risk free rates.

11. Taxation

| | 2024 | 2023 |
|--|-----------------------|--------------|
| | £000 | £000 |
| Corporation tax | | |
| Current tax on loss for the year | (1,056) | (575) |
| Adjustments in respect of previous periods | (11) | - |
| | <u>(1,067)</u> | <u>(575)</u> |
| Total current tax | <u>(1,067)</u> | <u>(575)</u> |
| | <u>(1,067)</u> | <u>(575)</u> |
| Taxation on loss | <u>(1,067)</u> | <u>(575)</u> |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

11. Taxation (continued)**Factors affecting tax charge for the year**

The difference between the actual tax charge and the standard rate of corporation tax in the UK of 25% (2023 - 19.5%) is as follows:

| | 2024 | 2023 |
|---|----------------|---------|
| | £000 | £000 |
| Loss before tax | (4,737) | (6,183) |
| Profit multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19.5%) | (1,184) | (1,206) |
| Effects of: | | |
| Permanent differences relating to expenditure not deductible for tax purposes | 175 | 631 |
| Movements in temporary differences not recognised | (47) | - |
| Adjustment in respect of prior years | (11) | - |
| Total tax credit for the year | (1,067) | (575) |

The tax credit in the year arises as a result of the surrender of losses in the year to other group companies for which the entity will be paid at the prevailing tax rate of 25.0% for the year-ended 30 April 2024 (2023: 19.5%). This is in accordance with the taxation accounting policy note whereby an entity with negative reserves is paid at the prevailing tax rate for the losses it surrenders to the claimant company.

Factors that may affect future tax charges

In future years, the tax charge will be affected by subsequently enacted changes in tax rate and the extent to which any capital gains can either be rolled over or sheltered by capital losses within the Group.

The Finance Act 2021 included a 6% increase in the main UK corporation tax rate to 25% from 1 April 2023, which was substantially enacted on 10 June 2021.

The UK Government has enacted legislation in respect of Pillar Two introducing a global minimum effective tax rate of 15% and a domestic minimum top up tax. The rules will apply to the Company for the financial year commencing on 1 May 2024. Additional disclosures on Pillar Two are included in the annual Group financial statements of DS Smith Plc, the ultimate parent of the Company.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

12. Intangible assets

| | Computer software £000 |
|-----------------------|---------------------------|
| Cost | |
| At 1 May 2023 | 18 |
| At 30 April 2024 | <u>18</u> |
| Amortisation | |
| At 1 May 2023 | 13 |
| Charge for the year | 5 |
| At 30 April 2024 | <u>18</u> |
| Net book value | |
| At 30 April 2024 | <u>-</u> |
| At 30 April 2023 | <u>5</u> |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

13. Tangible fixed assets

| | Office equipment £000 |
|-----------------------|--------------------------|
| Cost | |
| At 1 May 2023 | 66 |
| At 30 April 2024 | <u>66</u> |
| Depreciation | |
| At 1 May 2023 | 51 |
| Charge for the year | 2 |
| At 30 April 2024 | <u>53</u> |
| Net book value | |
| At 30 April 2024 | <u><u>13</u></u> |
| At 30 April 2023 | <u><u>15</u></u> |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Fixed asset investments

| | Investments in subsidiary companies £000 |
|-----------------------|---|
| Cost | |
| At 1 May 2023 | 12,303 |
| Additions | 530 |
| Disposals | (309) |
| At 30 April 2024 | <u>12,524</u> |
| Impairment | |
| At 1 May 2023 | 5,570 |
| Charge for the period | 786 |
| Reversed on disposal | (309) |
| At 30 April 2024 | <u>6,047</u> |
| Net book value | |
| At 30 April 2024 | <u>6,477</u> |
| At 30 April 2023 | <u>6,733</u> |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

14. Fixed asset investments (continued)

Total Marketing Support Moscow LLC was liquidated during the year and it was agreed that any remaining funds in the entity's bank account will be transferred to the Company as all operations were ceased. £262,000 of funds received from Total Marketing Support Moscow LLC have been recognised in Statement of Comprehensive Income as profit on disposal of investment. The original investment value of £309,000 was fully impaired in prior periods. Both the investment value and impairment have now been reversed upon the liquidation of the entity.

Investments made during the year ended 30 April 2024 include:

- Total Marketing Support 360 Nigeria for £122,300 (September 2023);
- Total Marketing Support Argentina SA for £202,000 (November 2023);
- TMS Egypt LLC for £206,300 (November 2023);

The carrying value of each investment in subsidiary was compared with the relevant subsidiary's consolidated balance sheet. Where the net assets were lower than the investment value, a discounted cash flow was used to calculate the present value of the investment to confirm whether any impairment was required. The pre-tax discount rate used by the Company in its discounted cash flow calculation was specific to each country and stated below. The discounted cash flow calculation used the latest forecast of operating cash flow calculated by adjusting average EBITDA by non cash items for the year ended 30 April 2024, with a growth rate and terminal growth rate of 1.8% being the relevant inflation rate for the country in which that entity operates. This resulted in total impairment charges of £786,000 in the year ended 30 April 2024 (2023: £3,060,000).

Investment Impairment in TMS Pakistan (Private):

The recoverable amount of the Investment in TMS Pakistan (Private) is £245,000 as at 30 April 2024 and has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 17.3% (2023: 22%) and cash flows beyond the five-year period are extrapolated using a 1.8% growth rate (2023: 1.8%). Recognising that further support is required in order to support the expected growth of this entity, management has recognised an impairment charge of £205,000 (2023: £nil) in the current year. The impairment charge is recorded as an expense in the statement of profit or loss.

Investment Impairment in Total Marketing Support Argentina SA:

The recoverable amount of the Investment in Total Marketing Support Argentina SA is £nil as at 30 April 2024 and has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 35.7% (2023: 81%) and cash flows beyond the five-year period are extrapolated using a 1.8% growth rate (2023: 1.8%). It was concluded that the fair value less costs of disposal did not exceed the value in use. As a result of this analysis, management has recognised an impairment charge of £211,000 (2023: £990,000) in the current year against Investments with a carrying amount of £8,000 as at 30 April 2023. The impairment charge is recorded as an expense in the statement of profit or loss.

Investment Impairment in Total Marketing Support 360 Nigeria:

The recoverable amount of the Investment in Total Marketing Support 360 Nigeria is £nil as at 30 April 2024 and has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 26.8% (2023: 11.6%) and cash flows beyond the five-year period are extrapolated using a 1.8% growth rate (2023: 1.8%). It was concluded that the fair value less costs of disposal did not exceed the value in use. As a result of this analysis, management has recognised an impairment charge of £122,000 (2023: £nil) in the current year against Investments with a carrying

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

14. Fixed asset investments (continued)

amount of £nil as at 30 April 2023. The impairment charge is recorded as an expense in the statement of profit or loss.

Investment Impairment in TMS Egypt:

The recoverable amount of the Investment in TMS Egypt is £nil as at 30 April 2024 and has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 27.3% (2023: 11.6%) and cash flows beyond the five-year period are extrapolated using a 1.8% growth rate (2023: 1.8%). It was concluded that the fair value less costs of disposal did not exceed the value in use. As a result of this analysis, management has recognised an impairment charge of £218,000 (2023: £nil) in the current year against Investments with a carrying amount of £nil as at 30 April 2023. The impairment charge is recorded as an expense in the statement of profit or loss.

Investment Impairment in TMS Global Guatemala, SA:

The recoverable amount of the Investment in TMS Global Guatemala, SA is £nil as at 30 April 2024 and has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 5% (2023: 5%) and cash flows beyond the five-year period are extrapolated using a 1.8% growth rate (2023: 1.8%). It was concluded that the fair value less costs of disposal did not exceed the value in use. As a result of this analysis, management has recognised an impairment charge of £31,000 (2023: £nil) in the current year against Investments with a carrying amount of £31,000 as at 30 April 2023. The impairment charge is recorded as an expense in the statement of profit or loss.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions:

The calculation of value in use for Investments in subsidiaries is most sensitive to the following assumptions:

- EBITDA – specific by country based upon latest board approved budget
- Discount rates – range 3% to 50%
- Raw materials price inflation – specific by country based upon latest board approved budget
- Working capital change – specific by country based upon latest board approved budget
- Growth rates used to extrapolate cash flows beyond the forecast period – 1.8%

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Registered office | Class of shares | Holding |
|---|---|---------------------|---------|
| TMS 360 SA (PTY) Ltd | Central Office Park, Unit 4, 257 Jean Avenue, Centurion, Gauteng, 0157 South Africa | ZAR ordinary | 100 |
| Total Marketing Support (360) Malaysia Sdn. Bhd | Unit C-12-4, Level 12, Block C Megan Avenue II No. 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Wilayah, Persekutuan Malaysia | RM 1.00 ordinary | 99 |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

| Name | Registered office | Class of shares | Holding |
|---|--|------------------------|----------------|
| TMS Global UK Limited | Level 3, 1 Paddington Square London W2 1DL United Kingdom | £1 ordinary | 100 |
| Total Marketing Support 360 Mexico S.A de C.V | Calle Rio Mississippi 49, Piso 10, Oficina 1002-08, Colonia Cuauhtémoc, Alcaldía Cuauhtémoc, Ciudad de México, Código Postal 06500, Mexico | MXN 1.00 ordinary | 99 |
| Total Marketing Support Argentina SA | Avenida Eduardo Madero 1020, 5th floor, Office "B" The City of Buenos Aires Argentina | ARS 1.00 ordinary | 99.9 |
| Total Marketing Support Brazil Ltda | Avenida Paulista no. 807, conjunto 810, Bela Vista, Cidade de Sao Paulo, Estado de Sao Paulo, CEP 01311-100, Brazil | BRL 1.00 ordinary | 99 |
| Total Marketing Support Colombia SAS | Carrera 12 89 33 Piso 6 Bogotá D.C. Colombia | COP 1.00 ordinary | 100 |
| Total Marketing Support Japan Ltd | Nihonbashi 3 Chome Square 11F 3-9-1 Nihonbashi Chuo-ku Tokyo Japan | JPY 1.00 ordinary | 100 |
| Total Marketing Support India Private Limited | G-56 Green Park (Main) New Delhi, 110016. India | INR 10.00 ordinary | 99.99 |
| Total Marketing Support Philippines Inc | 24/F Philam Life Tower, 8767 Paseo de Roxas Avenue, Bel-Air, City of Makati, Fourth District, NCR1226. Philippines | PHP 100.00 ordinary | 99.99 |
| Total Marketing Support Ukraine | 4-5 Floors, 25B, Sagaydachnogo str. Kiev, 04070. Ukraine | UAH 1.00 ordinary | 100 |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

| Name | Registered office | Class of shares | Holding |
|---|---|---|----------------|
| Total Marketing Support Turkey Baski Yönetimi Hizmetleri A.S. | Goztepe Merdivenkoy Mah. Bora Sk. No:1; Nida Kule Is Merkezi, Kat:7; Kadikoy, Istanbul, 34732. Turkey | TRY 100 ordinary | 100 |
| Total Marketing Support Kazakhstan | Abay Ave. 52, 8 floor, 802-6 office "Innova Tower" BC050008, Almaty, Kazakhstan | KZT 1.00 ordinary | 100 |
| Total Marketing Support Pacific Pty Ltd | Baker McKenzie, Level 46, 100 Barangaroo Avenue, Sydney, NSW 2000, Australia | AUD 1 | 100 |
| TMS Shanghai Trading Ltd | R919, 9/F No.1788 West Nan Jin Rd, Jing An District, Shanghai, 200040, China | No shares – 100% participation interest (RMB) | 100 |
| TMS Pakistan (Private) Ltd | 668, Main Double Road, E-11/3, NPF Islamabad, Islamabad Capital Territory (I.C.T.), Pakistan | PKR 10 Ordinary | 99.998 |
| Total Marketing Support Middle East DMCC | Unit No: I5-PF-39, Detached Retail I5,Plot No: JLT-PH1-RET-I5, Jumeirah Lakes Towers, Dubai, United Arab Emirates | AED 1000 Ordinary | 100 |
| Total Marketing Support 360 Nigeria Limited | 3, Ijora- CausewayIjora, Lagos, Nigeria | NGN 1 Ordinary | 99 |
| TMS Egypt LLC | Nile City Towers,North Tower, 22nd Floor, Cornish EINil,Cairo, 11624, Egypt | EGP10 Ordinary | 97.4 |
| TMS America LLC | 2 Mid Point America Plaza, Suite 110, Oakbrook Terrace, IL, 60181, USA | No shares 100% participation interest | 100 |
| TMS Canada 360 Inc. | 100 King Street West, Suite 6000, 1 First Canadian Place, Toronto ON M5X 1E2, Canada | \$1.00 Class A Common | 100 |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

| Name | Registered office | Class of shares | Holding |
|--|--|--|----------------|
| Total Marketing Support Chile SpA | Edificia Britania, Calle Los Militares 5953, Oficina 901, Las Condes, Santiago De Chile, Chile | Shares of no par value – 100% participation interest | 100 |
| TotalMarketingSupport Bolivia S.A. | Santa Cruz De La Sierra, - Calle Dr. Mariano Zambrana No. 700, UV: S/N MZNO: S/N ZONA: OESTE, Bolivia | BOB 100.00 ordinary | 96 |
| Total Marketing Support Ecuador TM-EC C.L. | Bulgaria E7-70 (203), Diego de Almagro, Edificio Bulgaria PB, Quito, Ecuador | USD 1 Ordinary | 99 |
| Total Marketing Support Nicaragua, SA | Avenida Jean Paul Genie, Edificio Escala, IV Piso, Managua, Nicaragua | NIO 1 Ordinary | 99 |
| TMS Global Guatemala, SA | 17 Avenida 19-70 Zona 10 Torino Building 1 Level 6 Office 609, Guatemala | GTQ 100 Ordinary | 99 |
| Total Marketing Support Honduras S.A | Avenida La Paz, No. 2702, Tegucigalpa, M.D. C.PO Box 2735 Honduras C. A. | HNL 960,400 Ordinary | 100 |
| Total Marketing Support Uruguay SA | Plaza Independencia 811 PB, Montevideo, Uruguay | USD 1 Ordinary | 100 |
| PT Total Marketing Support Indonesia | Tempo Scan Tower Lantai 32, Jalan H.R. Rasuna Said Kav 3-4, Kel. Kuningan TimurKec. Setiabudi, Kota Adm. Jakarta SelatanProv. DKI Jakarta, Indonesia | IDR 1,000,000 Ordinary | 99 |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

15. Debtors

| | 2024 | 2023 |
|-------------------------------------|---------------------|-------------------|
| | £000 | £000 |
| Due after more than one year | | |
| Amounts owed by group undertakings | 1,680 | 682 |
| | <u>1,680</u> | <u>682</u> |
| | <u><u>1,680</u></u> | <u><u>682</u></u> |
| | | |
| | 2024 | 2023 |
| | £000 | £000 |
| Due within one year | | |
| Trade debtors | 160 | 131 |
| Other debtors | 173 | 107 |
| Prepayments and accrued income | 11 | 6 |
| | <u>344</u> | <u>244</u> |
| | <u><u>344</u></u> | <u><u>244</u></u> |

No interest was charged on the amounts owed by Group undertakings which are unsecured and repayable on demand.

16. Cash and cash equivalents

| | 2024 | 2023 |
|--------------------------|-------------------|-------------------|
| | £000 | £000 |
| Cash at bank and in hand | 128 | 558 |
| | <u>128</u> | <u>558</u> |
| | <u><u>128</u></u> | <u><u>558</u></u> |

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

17. Creditors: Amounts falling due within one year

| | 2024 | 2023 |
|------------------------------------|-------------------|------------|
| | £000 | £000 |
| Trade creditors | 62 | 55 |
| Amounts owed to Group undertakings | - | 178 |
| Other creditors | 99 | 208 |
| Accruals and deferred income | 28 | 103 |
| | <u>189</u> | <u>544</u> |

No interest was charged on the amounts owed by Group undertakings which are unsecured and repayable on demand.

18. Deferred Tax

Deferred tax asset not recognised

| | 2024 | 2023 |
|--------------------------------|-------------------|------------|
| | £000 | £000 |
| Loss | 191 | 252 |
| Decelerated capital allowances | 23 | 28 |
| | <u>214</u> | <u>280</u> |

19. Creditors: Amounts falling due after more than one year

| | 2024 | 2023 |
|------------------------------------|----------------------|---------------|
| | £000 | £000 |
| Amounts owed to Group undertakings | 35,124 | 30,694 |
| | <u>35,124</u> | <u>30,694</u> |

Amounts owed to Group undertakings included loan drawn down against a loan facility with DS Smith Plc, on which interest is charged based on 9% plus IBOR/SONIA. Amounts owed to Group undertakings are repayable on 21 March 2026.

Following the discontinuation of LIBOR as an interest rate benchmark, from 01 January 2022 risk free rates will be applied to intercompany loans within the DS Smith Group that are impacted by the reform. To ensure the economics of the transactions are consistent before and after the transition, a credit adjustment spread will be applied to the risk free rates.

There are no amounts falling due after more than five years that should be disclosed separately.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

20. Share capital

| | 2024 | 2023 |
|---|-------------|-------------|
| | £000 | £000 |
| Allotted, called up and fully paid | | |
| 50 (2023 - 50) "A" ordinary shares shares of £1.00 each | - | - |
| 50 (2023 - 50) "B" ordinary shares shares of £1.00 each | - | - |
| | <hr/> | <hr/> |
| | - | - |
| | <hr/> <hr/> | <hr/> <hr/> |

21. Related party transactions

The Company has taken the exemption available under FRS 101 from disclosing related party transactions entered into between two or more members of the DS Smith Group, provided that the fellow group entities are wholly owned by the Group. See note 7 for details of Directors' remuneration. There were no other related party transactions.

22. Controlling party

The Company's immediate parent company is Total Marketing Support Limited, a company incorporated in the United Kingdom.

The ultimate parent company and the ultimate controlling party is DS Smith Plc, a company incorporated in the United Kingdom.

DS Smith Plc represents both the largest and smallest group of undertakings for which Group financial statements are prepared and of which the Company is a member. Copies of the Group financial statements are available from the Company Secretary of DS Smith Plc at Level 3, 1 Paddington Square, London, United Kingdom, W2 1DL, which is its registered address.

23. Post balance sheet events

There have been no significant events affecting the Company since the year end.