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**DS SMITH (UK) LIMITED**

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**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2025**

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**DS SMITH (UK) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	M J Orlewicz E Simpkins
<b>Company secretary</b>	J W Lloyd
<b>Registered number</b>	00501594
<b>Registered office</b>	Level 3 1 Paddington Square London W2 1DL

CONTENTS

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	Page(s)
<b>Strategic Report</b>	1 - 3
<b>Directors' Report</b>	4 - 5
<b>Directors' Responsibilities Statement</b>	6
<b>Statement of Comprehensive Income</b>	7
<b>Statement of Financial Position</b>	8
<b>Statement of Changes in Equity</b>	9
<b>Notes to the Financial Statements</b>	10 - 19

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## DS SMITH (UK) LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2025

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#### Introduction

The Directors present their strategic report for the year ended 30 April 2025.

#### Principal activities

The principal activity of the Company is to act as an investment holding company within the legacy DS Smith Group ('the Group'). On 31 January 2025, the DS Smith Group combined with the US-listed International Paper Group. There has been no significant change in the Company's principal activity in the year under review. The Directors are not aware, at the date of this report, of any likely significant changes in the Company's activities in the forthcoming financial year.

#### Business review and key performance indicators

The results for the financial year show a profit before taxation of £798,000 (2024: £nil). The Directors have not proposed or paid a dividend for the year ended 30 April 2025 (2024: £nil). There have been no dividends proposed after year end. The carrying value of investments at 30 April 2025 was £176,858,000 (2024: £176,858,000). The movement in profit before tax is due to interest being applied to an amount owed from a group undertaking.

The Company is a wholly owned subsidiary of DS Smith Holdings Limited and operates as part of the Group. On this basis the Company's directors believe that there are no further performance indicators for the Company which might be necessary for an understanding of the development, performance or position of the business. No non-financial KPIs are applicable as the Company is an investment holding company within the Group which does not have any employees, customers or suppliers.

#### 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 DS Smith (UK) 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 14.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2025**

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**Future Developments**

The principal activity of the Company is to act as a Group investment holding that is principally party to intragroup 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 2025.

**Combination with International Paper**

On 31 January 2025, the DS Smith Group combined with the US-listed International Paper Group to create a new global leader in sustainable packaging solutions. Under this combination, the combined EMEA business will be operated under the DS Smith brand, with the rest of the world – primarily North America – operating under the International Paper name.

**Streamlined energy and carbon reporting**

The Company is included in the Group reporting of the intermediate parent company, DS Smith Limited, which has provided its consolidated CO2 emissions and energy consumption on page 17 of the Strategic report in the Group's 2025 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 Group policy on financial risk management. The Company's financial risk management is centralised to capitalise on economies of scale and synergy effects and to minimise operational risks.

*Interest rate risk*

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

*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.

*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.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2025**

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**Principal risks and uncertainties**

There continues to be global uncertainty within the macroeconomic environment as a result of the war in Ukraine and the Middle East, increasing global tariffs and the cost of living crisis. For the Group, raw material and other input costs also remain high although energy prices have started to decline. However, these are mitigated by effective supplier arrangements, long-term hedging arrangements and rising packaging prices. The Group continues to carefully manage our cost base and is confident for the year ahead that sufficient methods are in place to mitigate these increased costs.

This report was approved by the board on 8 April 2026 and signed on its behalf.

**E Simpkins**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 APRIL 2025**

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The Directors present their report and the financial statements for the year ended 30 April 2025.

**Results and dividends**

The profit for the year, after taxation, amounted to £798,000 (2024:£nil).

The Company did not pay a dividend for the year ended 30 April 2025 (2024: £nil). There have been no dividends proposed after year end.

**Director**

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

W B Hicks (resigned 30 September 2025)  
Z W Stone (resigned 21 March 2025)  
K B Oluyinka (appointed 21 March 2025, resigned 13 February 2026)  
M J Orlewicz (appointed 13 February 2026)  
E Simpkins (appointed 13 February 2026)

**Directors' and officers' indemnity**

During the year and up to the date of approval of these financial statements, the ultimate parent company maintained qualifying third-party indemnity arrangements for the Directors and other Officers of the Company.

**Political contributions**

No political contributions were made during the year (2024: £nil).

**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 at least 12 months from the date the financial statements are authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company is as shown in the statement of financial position on page 8. At 30 April 2025, the Company reported net current liabilities of £336,000 (2024: £336,000) and net assets of £296,068,000 (2024: £295,270,000).

The financial statements have been prepared using the going concern basis of accounting. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at least 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

**Matters covered in the strategic report**

Disclosures required by s416(4) which have been elevated to the strategic report:

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

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**DS SMITH (UK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 APRIL 2025**

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**Post balance sheet events**

On 29 January 2026, International Paper announced its intent to form two independent, public companies through the separation of its North America and EMEA businesses. The separation is expected to be completed in 12-15 months, subject to satisfaction of certain customary conditions.

**Audit exemption**

DS Smith (UK) Limited, as a guaranteed subsidiary of DS Smith Limited, has met the criteria set out in sections 479A-479C of the Companies Act 2006 and is claiming exemption from the audit of its individual accounts afforded by those sections for the year ending 30 April 2025. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and the preparation of accounts.

This report was approved by the board on 8 April 2026 and signed on its behalf.

**E Simpkins**  
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 30 APRIL 2025**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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.

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**DS SMITH (UK) LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2025**

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	<b>Note</b>	<b>2025 £000</b>	2024 £000
Interest receivable and similar income	6	<b>798</b>	-
<b>Profit before tax</b>		<b>798</b>	-
Tax on profit	7	-	-
<b>Profit for the financial year</b>		<b>798</b>	-

There were no recognised gains and losses for 2025 or 2024 other than those included in the statement of comprehensive income.

The notes on pages 10 to 19 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2025**

	Note	2025 £000	2024 £000
<b>Fixed assets</b>			
Investments	8	<b>176,858</b>	176,858
Debtors: amounts falling due after more than one year	9	<b>119,546</b>	118,748
		<u>296,404</u>	<u>295,606</u>
Creditors: amounts falling due within one year	10	<u>(336)</u>	<u>(336)</u>
<b>Net current liabilities</b>		<b>(336)</b>	<b>(336)</b>
<b>Total assets less current liabilities</b>		<b>296,068</b>	<b>295,270</b>
<b>Net assets</b>		<b>296,068</b>	<b>295,270</b>
<b>Capital and reserves</b>			
Called up share capital	11	<b>128,297</b>	128,297
Capital redemption reserve		<b>12</b>	12
Retained earnings		<b>167,759</b>	166,961
		<u>296,068</u>	<u>295,270</u>

DS Smith (UK) Limited, as a guaranteed subsidiary of DS Smith Limited, has met the criteria set out in sections 479A-479C of the Companies Act 2006 and is claiming exemption from the audit of its individual accounts afforded by those sections for the year ending 30 April 2025. The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of DS Smith (UK) Limited (registered number: 00501594) were approved and authorised for issue by the board and were signed on its behalf on 8 April 2026.

**E Simpkins**  
Director

The notes on pages 10 to 19 form part of these financial statements.

**DS SMITH (UK) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2025**

	Called up share capital £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
<b>At 1 May 2023</b>	<b>128,297</b>	<b>12</b>	<b>166,961</b>	<b>295,270</b>
<b>Total comprehensive expense for the year</b>	-	-	-	-
<b>At 30 April 2024 and at 1 May 2024</b>	<b>128,297</b>	<b>12</b>	<b>166,961</b>	<b>295,270</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	798	798
<b>Total comprehensive income for the year</b>	-	-	<b>798</b>	<b>798</b>
<b>At 30 April 2025</b>	<b>128,297</b>	<b>12</b>	<b>167,759</b>	<b>296,068</b>

The notes on pages 10 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

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**1. General information**

DS Smith (UK) Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales whose shares are not publicly traded. The registered office is located at Level 3, 1 Paddington Square, London, United Kingdom, W2 1DL. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 1.

**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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 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 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of DS Smith Limited as at 30 April 2024 and these financial statements may be obtained from Level 3, 1 Paddington Square, London, W2 1DL.

**2.3 Exemption from preparing consolidated financial statements**

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 401 of the Companies Act 2006 because it is a wholly owned subsidiary of DS Smith Limited which prepares consolidated financial statements which are publicly available.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025

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**2. Accounting policies (continued)**

**2.4 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 at least 12 months from the date the financial statements are authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company is as shown in the statement of financial position on page 8. At 30 April 2025, the Company reported net current liabilities of £336,000 (2024: £336,000) and net assets of £296,068,000 (2024: £295,270,000).

The financial statements have been prepared using the going concern basis of accounting. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at least 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

**2.5 Interest income**

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

**2.6 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.

The Pillar Two Income tax rules applied 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 102 International Tax reform - Pillar two model rules effective 1 January 2023.

**2.7 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.8 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 2025

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2. Accounting policies (continued)

2.9 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025

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2. Accounting policies (continued)

2.11 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives, including separately embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

**Interest bearing loans and borrowings**

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

**Derecognition of financial liabilities**

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025

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**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.

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.

*Investments in subsidiaries*

The carrying values of the investments in subsidiaries are reviewed on a regular basis to assess whether any impairment in 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 is utilised to calculate the present value of the investment to confirm whether any impairment is required.

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 and the determination of an appropriate pre-tax adjusted discount rate.

**4. Auditors' remuneration**

The Auditor's remuneration of £nil (2024: £nil) for the statutory audit of the Company's financial statements has been borne and not recharged by another Group undertaking. There was no non-audit remuneration paid in the current or prior year.

**5. Information regarding Directors and employees**

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 (2024: £nil).

The Company had no employees during the current and preceding year.

**DS SMITH (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

**6. Interest receivable and similar income**

	<b>2025 £000</b>	2024 £000
Interest receivable from group undertaking	<b>798</b>	-
	<b>798</b>	-
	<b>798</b>	-

**7. Tax expense**

	<b>2025 £000</b>	2024 £000
<b>Total current tax</b>	<b>-</b>	-
	<b>-</b>	-

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The differences are explained below:

	<b>2025 £000</b>	2024 £000
Profit on ordinary activities before tax	<b>798</b>	-
	<b>798</b>	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.0% (2024: 25.0%)	<b>200</b>	-
<b>Effects of:</b>		
Group relief claimed not paid for	<b>(200)</b>	-
	<b>-</b>	-
<b>Total tax charge for the year</b>	<b>-</b>	-

**Factors that may affect future tax charges**

In future years, the tax charge will be affected by subsequently enacted changes in tax rate.

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 applied 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 Limited, the intermediate parent of the Company.

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**DS SMITH (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

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**8. Fixed asset investments**

	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 May 2024	<b>176,858</b>
At 30 April 2025	<b>176,858</b>

As part of the impairment testing of investments in subsidiary companies, the Company performs discounted cash flow calculations. The pre-tax discount rate used by the Company in its discounted cash flow calculation was 9.3% derived from the Group's WACC rate with a country specific risk premium. The discounted cash flow calculation used the latest forecast EBITDA, working capital and capital expenditure for the year ended 30 April 2025, with a growth rate and terminal growth rate of 2% being the relevant inflation rate for the country in which that entity operates. This resulted in total impairment charges of £nil in the year ended 30 April 2025 (2024: £nil).

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
DS Smith Packaging Limited	Level 3, 1 Paddington Square, London, W2 1DL	Packaging	Ordinary	100%
Priory Packaging Limited	Level 3, 1 Paddington Square, London, W2 1DL	Dormant	Ordinary	100%

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**DS SMITH (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

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**9. Debtors: amounts falling due after more than one year**

	<b>2025</b>	2024
	<b>£000</b>	£000
Amounts owed by group undertakings	<b>119,546</b>	118,748
	<b>119,546</b>	118,748

Amounts owed by Group undertakings is comprised of a number of loans as follows:

- Amounts owed by intermediate parent company:
  - DS Smith Limited: £11,628,000 (2024: £11,628,000) which is non-interest bearing and repayable on demand.
- Amounts owed by other group undertakings:
  - DS Smith International Limited: £11,792,000 (2024: £10,994,000) at 1 month SONIA, plus margin of 2.86%, which is repayable on 1 June 2029 (2024: non-interest bearing and repayable on demand).
  - DS Smith Packaging Limited: £96,126,000 (2024: £96,126,000) which is non-interest bearing and repayable on demand.

There is no expectation that these amounts will be repaid within 12 months, being the Company's normal operating cycle, therefore they do not meet the criteria to be classified as current assets and are classified as non-current assets.

**DS SMITH (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

**10. Creditors: amounts falling due within one year**

	<b>2025</b>	2024
	<b>£000</b>	£000
Amounts owed to group undertakings	<b>336</b>	336
	<b>336</b>	336

Amounts owed to Group undertakings is comprised of a number of loans with interest charged on the loans as follows:

- Amounts owed to intermediate parent company:
  - DS Smith Limited: £23,000 (2024: £23,000) which is non-interest bearing and repayable on demand.
- Amounts owed to other group undertakings:
  - Priory Packaging Limited: £313,000 (2024 £313,000) which is not interest bearing and repayable on demand.

The amounts outstanding are unsecured.

**11. Called up share capital**

	<b>2025</b>	2024
	<b>£000</b>	£000
<b>Authorised</b>		
145,000,000 (2024: 145,000,000) Ordinary shares of £1.00 each	<b>145,000</b>	145,000
5,000,000 (2024: 5,000,000) Cumulative preference shares of £1.00 each	<b>5,000</b>	5,000
	<b>150,000</b>	150,000
<b>Allotted, called up and fully paid</b>		
128,297,395 (2024:128,297,395) Ordinary shares of £1.00 each	<b>128,297</b>	128,297

**12. Related party transactions**

Under FRS 102 section 33, the Company is exempt from the requirement to disclose related party transactions with DS Smith Limited and its associated undertakings on the grounds that it is a wholly owned subsidiary undertaking of DS Smith Limited.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2025**

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**13. Post balance sheet events**

On 29 January 2026, International Paper announced its intent to form two independent, public companies through the separation of its North America and EMEA businesses. The separation is expected to be completed in 12-15 months, subject to satisfaction of certain customary conditions.

**14. Controlling party**

The Company's immediate parent company is DS Smith Holdings Limited, a company incorporated in the United Kingdom, whose registered address is Level 3, 1 Paddington Square, London, United Kingdom, W2 1DL.

The ultimate parent company and the ultimate controlling party is International Paper Company a company incorporated in the United States.

International Paper Company is the largest Group in which the results of the Group and Company will be consolidated. The registered office for International Paper Company is 6400 Poplar Avenue, Memphis, Tennessee, 38197, United States. Copies of the International Paper Company financial statements can be obtained from [www.internationalpaper.com](http://www.internationalpaper.com).

DS Smith Limited represents the smallest group of undertakings for which Group financial statements were prepared at 30 April 2025 and of which the Company is a member. The registered office for DS Smith Limited is Level 3, 1 Paddington Square, London, W2 1DL. Copies of the DS Smith Limited financial statements are available from the Company Secretary of DS Smith Limited at Level 3, 1 Paddington Square, London, W2 1DL.