

Rubix Group International Limited (formerly IPH-Brammer Limited) Annual Report and Financial Statements

For the year ended 31 December 2018



Company number: 00162925

Company number: 00162925

Rubix Group and its advisers

Registered office

Claverton Court
Claverton Road
Wythenshawe
Manchester
M23 9NE

Registered in England and Wales number 00162925

Bankers and primary debt providers

Lloyds Bank plc
40 Spring Gardens
Manchester M2 1EN

BNP Paribas Fortis SA/NV
Montagne du Parc 3
B-1000 Brussels, Belgium

Goldman Sachs Bank USA
Peterborough Court
133 Fleet Street
London
EC4A 2BB

HSBC Bank plc
HSBC House
Mitchell Way
Southampton
Hampshire
SO18 2XU

Danske Bank
75 King William Street
London
EC4N 7DT

Morgan Stanley Bank International Limited
25 Cabot Square
Canary Wharf
London
E14 4AA

GSO Capital Opportunities Fund
345 Park Avenue
New York
NY 10154

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
1 Hardman Square
Manchester
M3 3EB

Directors and officers

Daniel Pierre Bruno Freches

Yves Pascal Michel Saunier

Andrew David Silverbeck - appointed 30 April 2019

Gatien Bernard Umberto David Gillon - appointed 16 July 2019

Duncan Magrath - resigned 30 April 2019

Herman Josef Maier - resigned 22 July 2019

Pierre Pouletty - resigned on 16 March 2018

Strategic Report

The directors present their strategic report for the company for the year ended 31 December 2018.

Principal activities and future developments

The principal activity of the company at 31 December 2018 is that of an intermediate holding company and provision of strategic direction and management services for the Rubix group. The Board does not envisage any major changes in the company's activities in the foreseeable future.

Key performance indicators

Given the company's function as an intermediate holding company, the directors consider that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Business review

The loss for the financial year is set out in the income statement on page 8.

The directors have not recommended that a dividend be paid in respect of the financial year (2017: £nil). At 31 December 2018, the company had net current liabilities of £8.8m (31 December 2017: net current assets £9.7m).

The exceptional costs incurred in the year are set out in note 11.

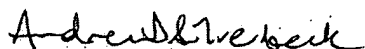
Additional investment of £28.7m was made in the company's subsidiaries during the year, details of which are included in note 8.

Principal risks and uncertainties

The principal risks of the company are integrated with the principal risks of the Rubix group of which the company is part, and are not managed separately. Accordingly, the principal risks and uncertainties of Rubix Group Holdings Limited, which include those of the Company, are discussed in its Group Annual Report which does not form part of this report. Copies of this Group Annual Report can be obtained from the Company's registered office at Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE.

This process is considered to be effective given the size and nature of the risks and uncertainties involved, but will be kept under review in the future should circumstances change.

Approved by the Board of Directors and signed on its behalf



Andrew Silverbeck
Chief Financial Officer
30 September 2019

Directors' report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2018.

Results and future developments

The results for the financial year, including dividends, are shown in the Strategic Report on page 3.

The Board does not envisage any major changes in the company's activities in the foreseeable future.

Directors

Details of each of the directors who served throughout the year and up to the date of signing the financial statements (unless otherwise stated) are shown on page 2.

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of the directors, which were in force during the year and up to the date of signing this report.

Shares

The issued ordinary share capital of the company is shown in note 13 and consists of ordinary shares of 20p each. All of the issued ordinary shares rank pari passu.

Financial risk management

From the perspective of the company, financial risks are integrated with the principal risks of the group of which this company forms part, and are not managed separately. Accordingly, the financial risks of the Rubix Group Holdings Limited group, which include those of the company, are discussed in its group annual report for the year ended 31 December 2018, which is available from Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE.

Going concern

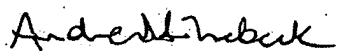
The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for twelve months from the date of the approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Rubix Group Holdings Limited. The directors have received a letter of support confirming that Rubix Group Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Appointment

Resolutions to reappoint PricewaterhouseCoopers LLP (PwC) as independent auditors to the company and to authorise the directors to determine their remuneration will be proposed at the annual general meeting.

On behalf of the Board



Andrew Silverbeck
Director
30 September 2019

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

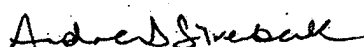
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



Andrew Silverbeck
Director

30 September 2019

Independent auditors' report to the members of Rubix Group International Limited (formerly IPH-Brammer Limited)

Report on the audit of the financial statements

Opinion

In our opinion, Rubix Group International Limited (formerly IPH-Brammer Limited)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2018; the Income statement, the Statement of comprehensive income, the Statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

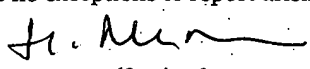
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.


Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
September 2019

Income statement

For the year ended 31 December 2018

	Notes	2018 £m	2017 £m
Other operating income		14.9	11.2
Administrative expenses		(32.1)	(81.4)
Depreciation and amortisation		(2.8)	(2.8)
Operating loss	1	(20.0)	(73.0)
<i>Adjusted operating profit*</i>		2.1	2.7
Depreciation and amortisation		(2.8)	(2.8)
Exceptional items	4	(19.3)	(72.9)
Operating loss		(20.0)	(73.0)
Finance expenses	3	(1.3)	(27.5)
Loss before taxation		(21.3)	(100.5)
<i>Adjusted loss before tax*</i>		(2.0)	(7.0)
Exceptional items - administration expenses	4	(19.3)	(72.9)
Exceptional items - finance expense	4	-	(20.6)
Loss before taxation		(21.3)	(100.5)
Tax on loss	5	(0.5)	3.0
Loss for financial the year		(21.8)	(97.5)

*Adjusted operating profit and loss before tax are stated before the impact of exceptional items.

The notes on pages 14 to 28 form part of these financial statements.

Statement of comprehensive income

For the year ended 31 December 2018

	2018 £m	2017 £m
Loss for the year	(21.8)	(97.5)
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial gains on retirement benefit obligations	3.7	15.6
<i>Items that may subsequently be reclassified to profit or loss</i>		
Currency translation differences	0.3	4.5
Total comprehensive expense for the year	(17.8)	(77.4)

Items in the above statement are disclosed net of tax. The notes on pages 14 to 28 form part of these financial statements.

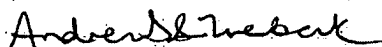
Balance sheet

At 31 December 2018

	Notes	2018 £m	2017 £m
Assets			
Non-current assets			
Intangible assets	6	7.8	8.7
Property, plant and equipment	7	0.9	0.3
Investments	8	296.1	294.7
Deferred tax assets	11	5.1	11.0
		<u>309.9</u>	<u>314.7</u>
Current assets			
Trade and other receivables - amounts falling due after more than one year	9	222.6	145.5
Trade and other receivables - amounts falling due within one year	9	14.8	19.8
Cash and cash equivalents		26.3	-
		<u>263.7</u>	<u>165.3</u>
Liabilities			
Current liabilities			
Trade and other payables - amounts falling due within one year	10	(272.5)	(155.6)
Net current (liabilities) / assets		<u>(8.8)</u>	<u>9.7</u>
Total assets less current liabilities		<u>301.1</u>	<u>324.4</u>
Non-current liabilities			
Retirement benefit obligations	12	(27.5)	(33.0)
Net assets		<u>273.6</u>	<u>291.4</u>
Equity			
Called up share capital	13	26.9	26.9
Share premium account		322.3	322.3
Special capital reserve		12.1	12.1
Accumulated losses		(87.7)	(69.9)
		<u>273.6</u>	<u>291.4</u>

The notes on pages 14 to 28 form part of these financial statements.

The financial statements on pages 8 to 28 were approved by the Board on 30 September 2019 and were signed on its behalf by



Andrew Silverbeck
Director

Rubix Group International Limited
Company number 00162925

Statement of changes in equity

For the year ended 31 December 2018

	Called up share capital	Share premium account	Special capital reserve	Retained earnings / (Accumulated losses)	Total
	£m	£m	£m	£m	£m
Balance at 1 January 2017	25.9	18.2	12.1	7.5	63.7
Loss for the year	-	-	-	(97.5)	(97.5)
Other comprehensive income	-	-	-	20.1	20.1
Total comprehensive expense	-	-	-	(77.4)	(77.4)
<i>Transactions with owners</i>					
Transfer on vesting of own shares	1.0	-	-	-	1.0
New shares issued	-	304.1	-	-	304.1
Total transactions with owners	1.0	304.1	-	-	305.1
Balance at 31 December 2017	26.9	322.3	12.1	(69.9)	291.4
Loss for the year	-	-	-	(21.8)	(21.8)
Other comprehensive income	-	-	-	4.0	4.0
Total comprehensive expense	-	-	-	(17.8)	(17.8)
Balance at 31 December 2018	26.9	322.3	12.1	(87.7)	273.6

The Special capital reserve is non-distributable. In addition, £22.1m (2017: £22.1m) of retained earnings generated from historic share placings is considered to be non-distributable.

Accounting policies

General information

Rubix Group International Limited is a private company, limited by shares, incorporated and domiciled in the UK. The company's principal activity is that of an intermediate holding company. The address of the registered office of the company is Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements of the company have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101), on the going concern basis and under the historical cost convention modified for fair values, and in accordance with the Companies Act 2006. The accounting policies have been applied consistently.

The Company is a qualifying entity for the purposes of FRS 101. Note 17 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained. FRS 101 sets out amendments to EU-adopted IFRS that are necessary to achieve compliance with the Act and related Regulations. The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the Company in these financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

the following paragraphs of IAS 1, 'Presentation of financial statements'

- 10(d) (statement of cash flows)
- 16 (statement of compliance with all IFRS)
- 111 (cash flow statement information)
- 134-136 (capital management disclosures)

IFRS 7, 'Financial instruments: Disclosures'

IAS 7, 'Statement of cash flows'

IAS 24 (paragraph 17) 'Related party disclosures' (key management compensation)

IAS 24 'Related party disclosures' - the requirement to disclose related party transactions between two or more members of a Group.

As the Group financial statements include the equivalent disclosures, the company has taken the exemptions available under FRS 101 in respect of the following disclosures:

- FRS 2 Share based payments in respect of Group settled equity share based payments
- certain disclosures required by IFRS 13 Fair Value Measurement and disclosures required by IFRS 7 Financial Instrument Disclosures.
- IAS 8 'Accounting policies, changes in accounting estimates and errors'

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for twelve months from the date of the approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Rubix Group Holdings Limited (formerly IPH-Brammer Holdings Limited). The directors have received a letter of support confirming that Rubix Group Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Exemption from consolidation

The company is a wholly owned subsidiary of Rubix Group Holdings Limited, whose group financial statements are publicly available. Accordingly, the company is exempt under s400 of the Companies Act 2006 from the obligation to prepare group financial statements. These financial statements therefore present information about the company as an individual entity and not about its group.

Accounting policies (continued)

Critical accounting estimates

The company makes estimates and assumptions concerning the future. The following items involve a higher degree of judgement or complexity;

Impairment of investments

In accordance with the accounting policy in relation to investments, the company periodically tests whether investments have suffered any impairment. The recoverable amounts of cash generating units have been determined based on value-in-use calculations and these calculations require the use of estimates. The assumptions on which impairment testing is based include, but are not limited to, discount rate, useful economic life and cash flow forecasts for future business generation.

Deferred tax assets

Deferred tax assets are recognised on losses and capital allowances earned forward only to the extent that it is probable they will be available for use against future profits and that there will be sufficient future taxable profit against which the temporary difference can be utilised. In arriving at a judgment in relation to the recognition of deferred tax assets, management considers the regulations applicable to taxation and whether there are likely to be sufficient future taxable profits.

Except for the above, there are no other significant judgements or estimates in these financial statements that have a significant effect on the amounts recognised in these financial statements.

Investments

Investments in subsidiary undertakings are shown at cost subject to provision for impairment in valuation.

Fixed assets

Fixed assets are stated at cost and include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Intangible assets - software development

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable software systems operated by the company and will generate economic benefits exceeding costs beyond one year, are recognised as fixed assets. Direct costs include staff costs of the software development team and an appropriate portion of direct overheads.

Expenditure which enhances or extends the performance of identifiable software systems beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives, not exceeding a period of 7 years.

Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided by equal annual instalments to write off the cost of fixed assets, net of residual values, over the expected useful life of the asset concerned. In general the lives of the assets have been estimated as follows:

Equipment 4 - 7 years

Borrowings

Borrowings are recognised as the proceeds received, net of transaction costs incurred, which are then amortised over the expected life of the facility.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling on the balance sheet date and exchange differences are taken to the profit and loss account.

Trade and other receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the best estimate of the amount recoverable.

Trade receivables are derecognised when sold under a non-recourse factoring agreement and substantially all of the risks and rewards of ownership of the receivable have transferred.

Trade payables

Trade payables are non-interest bearing and are stated at their nominal value. Trade payables are initially recognised at fair value and subsequently held at amortised cost.

Accounting policies (continued)

The liability recognised in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government securities, which have terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the statement of comprehensive income. Past service costs are recognised immediately in income.

Provisions

Provisions in respect of liabilities are made in accordance with FRS 101 and are discounted where the effect is material. Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Share based payments

The fair values of employee share option and share performance plans are calculated using the Black-Scholes model. In accordance with IFRS 2 the resulting cost is charged to the profit and loss account over the vesting period of the options. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. The charge in relation to employee share options and share performance plans with market vesting conditions are not deemed to be material. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the value of the charge is adjusted to reflect expected and actual levels of options vesting for changes in non-market vesting criteria.

Current and deferred tax

Current tax

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Deferred tax assets are regarded as recoverable and recognised in the financial statements when, on the basis of available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted. The recoverability of tax losses is assessed by reference to forecasts which have been prepared and approved by the Board. Deferred tax assets and liabilities are not discounted.

Exceptional items

Exceptional items are material items of income and expense which, in management's judgement, need to be disclosed separately by virtue of their size or incidence in order for the user to obtain a proper understanding of the company's financial performance.

Finance expense

All borrowing and other finance costs are recognised within the income statement within finance expense in the period in which they occur. Arrangement fees incurred in obtaining financing are capitalised and amortised over the repayment term of the debt they relate to.

Dividends

Final dividends are recognised in the financial statements in the period in which they are approved by the company's shareholders. Interim dividends are recognised when paid.

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the financial statements

1 Operating loss

Operating loss is stated after charging / (crediting):

	2018	2017
	£m	£m
Exceptional items (note 4)	19.3	93.5
Employee benefit expense (note 2)	13.5	9.6
Depreciation of property, plant and equipment	0.1	0.1
Amortisation of intangible fixed assets	2.6	2.7
Foreign exchange gains	-	(0.1)
Auditors' remuneration: audit services	0.3	0.2

An analysis of other income credited in arriving at operating loss is shown below:

Dividends from group companies	(2.1)	(0.7)
Central purchasing income	(12.8)	(10.5)

2 Employee benefit expense (including directors)

	2018	2017
	£m	£m
Wages and salaries	10.6	7.6
Social security costs	1.2	1.3
Share options granted to directors and employees	-	0.2
Pension costs - defined contributions scheme	1.7	0.5
	13.5	9.6
Average number of employees (including directors)	103	107

Details of Directors remuneration and benefits in kind are disclosed in the Group annual financial report and accounts of Rubix Group Holdings Limited.

3 Finance expenses

	2018	2017
	£m	£m
Exceptional items (note 4)	-	20.6
Foreign exchange interest losses	-	0.9
Interest payable on bank loans and overdrafts	1.1	2.3
Other finance costs	0.2	3.7
	1.3	27.5

Other finance costs include £0.8m (2017: £1.3m) relating to interest on the defined benefit liability (note 12).

Notes to the financial statements (continued)

4 Exceptional items

	2018	2017
	£m	£m
Included in administration expenses		
Impairment of investments	0.3	31.5
Impairment of amounts due from group undertakings	-	10.6
Loss on disposal of investment	8.9	-
Write back impairment of amounts due from group undertakings	(15.8)	-
GMP pension costs	2.2	-
Other exceptional costs	-	5.0
Restructuring costs	23.7	25.8
	<u>19.3</u>	<u>72.9</u>
Included in finance expense	£m	£m
Early settlement charge on Brammer private placement loan notes	-	18.9
Exchange loss on early redemption of loan notes	-	1.7
	<u>-</u>	<u>20.6</u>
	<u>19.3</u>	<u>93.5</u>

Current year exceptional charges include £23.7m (2017: £25.8m) relating to restructuring costs following the merger of the IPH and Brammer groups in September 2017.

Following a review of investments and related intercompany loans an impairment of £0.3m (2017: £31.5m and £10.6m) was made to write down the investment in subsidiaries relating to those entities that are dormant or where the group is supporting those entities during the period of the implementation of the turnaround program, with £15.8m write back of provisions against receivables from group undertakings.

During the year, Rubix Group International Limited disposed of one of its subsidiaries, to another group company, incurring a £8.9m loss on disposal (2017: £nil).

Also included within exceptional charges is a £2.2m charge relating to the equalisation of member benefits relating to Guaranteed Minimum Pensions (GMPs) in the UK defined benefit pension scheme.

Other prior year exceptional costs include consultants' costs relating to ERP implementation and software projects of £1.4m with the remaining £3.6m related to costs for restructuring and the acquisition of the group by the Advent GPE VIII Funds.

Notes to the financial statements (continued)

5 Tax on loss

	2018 £m	2017 £m
Current tax		
Current year	(3.3)	-
Adjustment in respect to prior periods	(1.5)	0.2
Current tax (credit) / charge	(4.8)	0.2
Deferred tax		
Current year	3.7	(5.9)
Adjustment in respect to prior periods	2.1	2.4
Rate change adjustment	(0.5)	0.3
Deferred tax charge / (credit)	5.3	(3.2)
Tax charge / (credit) on loss	0.5	(3.0)

Factors affecting the tax charge / (credit) for the year

The effective tax rate for the year is higher (2017: lower) than the standard rate of corporation tax in the United Kingdom. The differences are explained below:

	2018 £m	2017 £m
Loss before taxation	(21.3)	(100.5)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	(4.0)	(19.3)
Effects of:		
Controlled foreign corporation interest	0.1	-
Dividends not taxed	(0.4)	-
Losses not recognised	2.9	4.4
Pension asset not recognised	2.4	-
Transfer pricing adjustments	0.4	-
Other items not deductible for tax	0.3	9.0
Impairments and loss on investments	(1.3)	-
Adjustments in respect of prior periods	0.6	2.6
Adjustments to future tax rates	(0.5)	0.3
Total tax charge / (credit) on loss	0.5	(3.0)
Overall effective tax rate for the year	(2.3)%	3.0 %

The standard rate of corporation tax in the UK was reduced from 20% to 19% with effect from 1 April 2017. Accordingly, the company's loss chargeable to corporation tax for the year was taxed at the effective rate of 19.00%.

HMRC have announced further reductions to the corporation tax rate to 17% from 1 April 2020. As a result deferred tax balances have been restated to be measured at the average rate they are expected to reverse.

Notes to the financial statements (continued)

6 Intangible assets

	2018 £m	2017 £m
Computer software		
Cost		
At 1 January	25.8	24.4
Additions	1.7	1.4
At 31 December	27.5	25.8
Accumulated depreciation		
At 1 January	17.1	14.4
Charge	2.6	2.7
At 31 December	19.7	17.1
Net book value		
At 1 January	8.7	10.0
Movement in year	(0.9)	(1.3)
At 31 December	7.8	8.7

7 Property, plant and equipment

	2018 £m	2017 £m
Equipment		
Cost		
At 1 January	2.3	2.3
Additions	0.7	-
At 31 December	3.0	2.3
Accumulated depreciation		
At 1 January	2.0	1.9
Charge	0.1	0.1
At 31 December	2.1	2.0
Net book value		
At 1 January	0.3	0.4
Movement in year	0.6	(0.1)
At 31 December	0.9	0.3

8 Investments (unlisted)

	2018 £m	2017 £m
Subsidiaries		
At 1 January	294.7	166.0
Investment in subsidiaries	28.7	160.2
Impairment of investments in subsidiaries	(0.3)	(31.5)
Liquidation of dormant subsidiaries	(13.1)	-
Disposal of investment	(13.9)	-
At 31 December	296.1	294.7

Details of all the company's subsidiaries which are either wholly owned by the company or its subsidiaries are shown on pages 23 to 28. In the opinion of the directors, the value of the company's investments in its subsidiaries is not less than the amount at which it is stated on the balance sheet.

Notes to the financial statements (continued)

9 Trade and other receivables

	2018 £m	2017 £m
Amounts falling due after more than one year		
Amounts owed by group undertakings	222.6	145.5
Amounts falling due within one year		
Amounts owed by group undertakings	-	5.3
Other receivables	9.5	11.4
Prepayments and accrued income	0.5	1.3
Corporation tax	-	1.3
Group relief receivable	4.8	-
Deferred tax (note 11)	-	0.5
	<u>14.8</u>	<u>19.8</u>
	<u>237.4</u>	<u>165.3</u>

Amounts owed by group undertakings are unsecured and carry interest at varying margins relating to base rate. The loans are repayable at any time with the mutual agreement of both parties. Receivables from group undertakings are stated net after an impairment of £4.2m (2017: £10.6).

10 Trade and other payables - amounts falling due within one year

	2018 £m	2017 £m
Bank overdraft	-	11.8
Bank and other borrowings	-	0.3
Amounts owed to group undertakings	259.1	128.8
Other creditors and accruals	13.4	14.7
	<u>272.5</u>	<u>155.6</u>

Amounts owed to group undertakings are unsecured and carry interest at varying margins relating to base rate. The loans are repayable at any time with the mutual agreement of both parties.

11 Deferred tax assets

	Defined benefit obligation £m	Losses £m	Interest deductions allowable in future period £m	Accelerated capital allowances £m	Other £m	Total £m
At 1 January 2017	9.2	2.1	-	-	0.7	12.0
Credit/(charge) to income statement	0.1	-	3.2	0.5	(0.3)	3.5
Adjustments in respect of prior period	-	-	-	-	(0.3)	(0.3)
Credit to other comprehensive income	(3.7)	-	-	-	-	(3.7)
At 31 December 2017	5.6	2.1	3.2	0.5	0.1	11.5
Income statement (charge) / credit	(2.4)	-	(1.6)	0.2	0.1	(3.7)
Adjustments in respect of prior period	0.1	(2.0)	-	(0.2)	-	(2.1)
Credit to other comprehensive income	(1.1)	-	-	-	-	(1.1)
Rate change adjustment	0.3	-	0.2	-	-	0.5
At 31 December 2018	2.5	0.1	1.8	0.5	0.2	5.1

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The company did not recognise deferred tax assets of £11.2m (2017: £4.4m) in respect of losses amounting to £9.0m (2017: £4.4m) that can be carried forward against future taxable income and £2.2m (2017: nil) in relation to defined benefit obligation. There is no expiry date for tax losses carried forward.

Notes to the financial statements (continued)

12 Retirement benefit obligations

The UK Group operates the Brammer Services Limited Retirement Benefit Scheme, which until 28 February 2006, provided benefits on a final salary and defined contribution basis. With effect from 1 March 2006, the defined benefit section of the scheme was closed to future accrual. Existing members of the defined benefit section were offered membership of the defined contribution section of the scheme. The defined benefit scheme is funded by the Group and contributions are paid as determined by the actuary following discussions with the trustees and the company.

The scheme operates under UK trust law and the trust is a separate legal entity from the company. The scheme from 28 April 2017 was governed by a sole independent trustee. The trustee is required by law to act in the best interests of scheme members. The scheme exposes the company to actuarial risks including longevity risk, interest rate risk and market (investment) risk.

During 2018, the Trustee conducted an investment advisor review and, as part of this, made the decision to appoint a fiduciary manager. As part of the transition to the fiduciary portfolio, the Scheme invested in a leveraged liability driven investment portfolio which is made up of underlying investments in UK government bonds, cash and derivatives. The assets within this portfolio are expected to react to changes in interest rates and inflation in a similar way to the Scheme's long-term liabilities. The transition to the fiduciary portfolio (including the Liability Driven Investment ("LDI") portfolio) was completed in early 2018 following the completion of a bulk Retirement Transfer Option. In addition, the Scheme holds a buy-in policy with Pensions Insurance Corporation which matches the interest rate, inflation and longevity risk perfectly for a subset of the Scheme's pensioner membership. A value has been placed on the insurance policy which is equivalent to the liability matched by the policy (approximately £16.2 million).

The latest completed triennial actuarial valuation of the scheme was carried out as at 31 December 2017, using the market-related basis whereby assets are taken into account at their market value, by an independent actuary employed by Barnett Waddingham LLP. The valuation showed that the market value of the scheme's assets (including the value of the buy-in policy) was £117.1 million as at 31 December 2017, which represented 80% of the value of the benefits that had accrued to members at that date. Following completion of the triennial actuarial valuation, the company agreed a deficit funding plan with the trustees of the Scheme to make payments of £6.0 million per annum in the years to 2019 to 2021 inclusive reducing to £4.0 million per annum for the years 2022 to 2024 inclusive. Based on this deficit funding plan, employer contributions for 2019 would be £6.0 million. The assumptions, which were agreed between the company and trustees, that have the most significant effect on the results of the triennial valuation are those related to the rates of return on investments and the rates of increase in future price inflation and pensions.

The next actuarial valuation of the Scheme is due as at 31 December 2020.

The weighted average duration of the defined benefit obligation at 31 December 2018 is approximately 22 years.

On 26 October 2018, the High Court issued a judgement relating to Guaranteed Minimum Pensions (GMPs) in the "Lloyds case". Although the ruling relates to the Lloyds Banking Group pension schemes, it likely creates a precedent for other UK defined benefit pension schemes. The ruling requires the equalisation of member benefits to address gender inequality in instances where GMP benefits are currently unequal. The Trustees adopted method C2 in order to determine the cost of equalising for GMPs, which was identified in the Lloyds judgement as the "minimum interference" method. Method C2 is based on a cumulative test of pension amounts paid allowing for interest on pension payments and the financial effect on the Scheme's liabilities as at 31 December 2018 were an increase of approximately 1.4% for liabilities in respect of members not covered by the PIC policy, and an increase of 2.0% for liabilities in respect of members covered by the PIC policy. The resulting additional liability of £2.2 million has been recognised as a Past Service Cost and has been shown within exceptional costs in the profit and loss account (note 4).

A defined contribution scheme, the "Brammer Services Defined Contribution Pension Scheme", was launched on 1 January 2002 for new UK employees joining the Group and membership of that scheme was offered to existing members of the defined benefit scheme with effect from 1 March 2006, the date at which the defined benefit scheme was closed to future accrual. The charge in the year for this scheme was £1.9 million (2017: £0.9 million).

IAS 19 retirement benefits

The valuations used for IAS 19 disclosures have been based on the most recent actuarial valuations updated to take account of the requirements of IAS 19 in order to assess the liabilities of the scheme. Assets are stated at their market value at 31 December 2018.

Notes to the financial statements (continued)

12 Retirement benefit obligations (continued)

At 31 December	2018	2017
Inflation rate	3.20%	3.20%
Rate of increase in salaries	n/a	n/a
Rate of increase of pensions in payment	2.95%	2.95%
Rate of increase for deferred pensioners	3.20%	2.20%
Discount rate	2.90%	2.60%
Life expectancy at age 65 for:		
Current pensioners - males	22.1	22.2
Current pensioners - females	24.1	24.1
Future pensioners - males	23.4	23.5
Future pensioners - females	25.4	25.5

The amounts recognised in the balance sheet in respect of the defined benefit scheme are:

	2018 £m	2017 £m
Present value of funded obligations	(150.4)	(166.9)
Fair value of plan assets	122.9	133.9
Deficit recognised in the balance sheet	(27.5)	(33.0)

The amounts recognised in the income statement are:

	2018 £m	2017 £m
Past service costs (included within exceptional costs)	2.2	-
Scheme administration expenses	0.7	0.6
Operating costs	2.9	0.6
Net interest on defined benefit liability	0.8	1.3
Total pension expense in the statement of comprehensive income	3.7	1.9

The major categories and fair values of scheme assets as the balance sheet date are:

	2018 £m	2017 £m
Equities	59.4	24.6
Corporate bonds	-	23.5
Diversified Growth Fund	-	40.0
Liability Driven Investment ("LDI")	29.0	29.1
Insurance policy	16.2	16.2
Cash	18.3	0.5
Total fair value of assets	122.9	133.9

Notes to the financial statements (continued)

12 Retirement benefit obligations (continued)

Analysis of the movement in the balance sheet liability:

	2018 £m	2017 £m
Opening liability	(33.0)	(54.0)
Current service cost	(2.2)	-
Scheme administrative expenses	(0.7)	(0.6)
Net interest on defined benefit liability	(0.8)	(1.3)
Employer contributions	3.3	3.6
Actuarial gains recognised in other comprehensive income	5.9	19.3
Closing liability	<u>(27.5)</u>	<u>(33.0)</u>

Reconciliation of defined benefit obligation:

	2018 £m	2017 £m
Opening defined benefit obligation	(166.9)	(183.2)
Past service costs - plan amendments (included within exceptional costs)	(2.2)	-
Interest expense	(4.3)	(4.5)
Actuarial gains arising from changes in demographic assumptions	1.0	4.6
Actuarial gains arising from changes in financial assumptions	5.9	4.8
Experience gains	4.7	1.9
Actual benefit payments	11.4	9.5
Closing defined benefit obligation	<u>(150.4)</u>	<u>(166.9)</u>

Reconciliation of fair value plan assets:

	2018 £m	2017 £m
Opening fair value of plan assets	133.9	129.2
Scheme administration expenses	(0.7)	(0.6)
Interest income	3.5	3.2
Return on assets excluding interest income	(5.7)	8.0
Employer contributions	3.3	3.6
Actual benefit payments	(11.4)	(9.5)
Closing fair value of plan assets	<u>122.9</u>	<u>133.9</u>

Notes to the financial statements (continued)

12 Retirement benefit obligations (continued)

At the last valuation date, the present value of the UK defined benefit obligation was comprised of no active members, 1,254 deferred members and 424 relating to members in retirement.

Sensitivities

The sensitivities regarding the principal assumptions used to measure the UK scheme defined benefit obligation are as follows:

Assumption	Change in assumption	Impact on scheme deficit £m
Discount rate	Increase by 0.25%	(7.2)
Discount rate	Decrease by 0.25%	7.5
RPI inflation and related assumptions	Increase by 0.25%	4.8
RPI inflation and related assumptions	Decrease by 0.25%	(4.6)
Mortality	1 year increase in life expectancy	5.6

The sensitivity analysis above is based on reasonably possible changes in the respective assumptions occurring at the balance sheet rate, while holding all other assumptions constant. There has been no change in the methodology in preparing the pensions valuation report.

13 Called up share capital

	2018 Number	2018 £m	2017 Number	2017 £m
Ordinary shares of 20p each Allotted and fully paid At 31 December	134,430,360	26.9	134,430,360	26.9

The Company has no limit on authorised share capital.

14 Contingent liabilities

The company's principal subsidiaries are party to a bank guarantee whereby they agree to discharge on demand, in part or in total, bank borrowings under a specific facility of other companies within the Rubix Group Holdings Limited group.

15 Related party transactions

The company is exempt under the terms of IAS 24 from disclosing related party transactions with entities that are part of the same group as these transactions are fully eliminated on consolidation.

16 Subsequent event note

During 2019, the Rubix group is reviewing those subsidiary entities that are no longer trading or dormant with a view to dissolving or liquidating those companies that are no longer required. Those entities that have been put into member's voluntary liquidation or dissolved since 31 December 2018 are noted in the list of subsidiaries below.

17 Ultimate parent undertaking

At 31 December 2018, the immediate parent company is Rubix Group Midco 3 Limited. The ultimate parent company is Al Robin (Cayman) Limited.

The ultimate controlling party is Advent GPE VIII Funds.

The parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared is Rubix Group Holdings Limited (formerly IPH-Brammer Holding Limited), financial statements for which are available at www.rubix-group.com and from its registered office at Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE.

Subsidiary companies

Details of the Company's subsidiary companies (directly and indirectly held) are disclosed below. Except where otherwise stated the percentage controlled is 100%.

Directly held subsidiaries	Country of incorporation or registration	Registered address
RUBIX GROUP MIDCO 4 LIMITED	England	Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE

Indirectly held subsidiaries	Country of incorporation or registration	Registered address
BRAMMER OSTERREICH INDUSTRIE SERVICE GMBH	Austria	Markstraße 5, 2331 Vösendorf
SCMR ANJAC (90%)	Algeria	Lot no5 Zone, Industrielle de Reghaia
BRAMMER NV	Belgium	Luithagen Haven 2A, Antwerp, B-2030
D'HONT NV	Belgium	Gentseweg 622, Sint-Eloois-Vijve, 8793 Waregem
AANDRIJVINGEN PDC	Belgium	Gentseweg 622, Sint-Eloois-Vijve, 8793 Waregem
BRAMMER CZECH AS	Czech Republic	K Bilemu vrchu 2912/3, 193 00 Praha 9
KOMA COMMERCIAL SRO	Czech Republic	Ruská 514/41, Vitkovice, 703 00 Ostrava
BRAMMER A/S	Denmark	Cedervej 2, 8462 Harlev J, Denmark
BRAMMER OY	Finland	Hernepellontie 11, 00710 Helsinki, Finland
RUBIX FR HOLDINGS	France	5 rue Pauling Techniparc, 91240, St Michel Sur Orge
FICA SAS	France	4 rue Jean Moulin ZI du Bayon, 42150, La Ricamarie
SCI FILESTRE (75%)	France	3 rue de la Haye, 67300, Schiltigheim
AFDC 20	France	61 avenue Tony Garnier - 69007 Lyon
AFDC 21	France	61 avenue Tony Garnier - 69007 Lyon
AFDC 23	France	61 avenue Tony Garnier - 69007 Lyon
ALTHOFFER	France	Rue des vieux moulins prolongée, ZA de Choisy - 88200 Remiremont
BEARING EXPRESS	France	61 avenue Tony Garnier - 69007 Lyon
BANDES TRANSPORTEUSES MARIE ANTOINE - B.T.M.A	France	Zone Artisanale de Pen Mane - 56520 Guidel
CENTRE ROULEMENT DAUPHINE	France	61 avenue Tony Garnier - 69007 Lyon
DEFA	France	ZI du Val d'Agent 11 rue Guy Moquet - 95100 Argenteuil
DELOGE NEGOCE TECHNIQUE	France	Parc d'Activités de l'Aérodrome Est, 1 rue d'Hurtebise - 59125 TRITH SAINT LEGER
FELDMANN	France	317 rue des Famards Crt 2 - BP 90209 - 59812 LESQUIN cedex
FOURNITURES ET SERVICES INDUSTRIELS (liquidated on 1 st March, 2018)	France	13 rue des Livraindières - 28100 DREUX
FOURNITURES INDUSTRIELLES REUNIONNAISES	France	Usine de Savannah rue Jules Thirel - 97460 Saint Paul De La Reunion
RUBIX FR GROUP	France	31 rue de la Baume - 75008 Paris
RUBIX FRANCE INDUSTRIAL	France	31 rue de la Baume - 75008 Paris
RIUBIX ENGINEERING	France	31 rue de la Baume - 75008 Paris
RUBIX DEVELOPPEMENT	France	61 avenue Tony Garnier - 69007 Lyon
RUBIX FORMATION	France	61 avenue Tony Garnier - 69007 Lyon
RUBIX FRANCE	France	31 rue de la Baume - 75008 Paris
LINEAIRE EXPRESS	France	61 avenue Tony Garnier - 69007 Lyon
LEPERCQ	France	21 rue Lavoisier - 69680 Chassieu
MTC MECANORD	France	65 rue Jean Jaurès - 59510 HEM
NICOLAS BOBINAGE	France	Zone d'Activités de la Villeneuve Braouic, 3 avenue Arthur Krebs - 29300 Quimperle
NT TRANSMISSIONS	France	ZI place Gutenberg - 59175 Templemars
N4 ONLINE	France	61 avenue Tony Garnier - 69007 Lyon
ORADIS	France	31 rue de la Baume - 75008 Paris
OREFI PARTICIPATION	France	31 rue de la Baume - 75008 Paris
OREXAD	France	61 avenue Tony Garnier - 69007 Lyon
OREXAD DEVELOPPEMENT	France	61 avenue Tony Garnier - 69007 Lyon

Subsidiary companies (continued)

Indirectly held subsidiaries	Country of incorporation or registration	Registered address
OUTIMECA	France	9 rue de la Chambrouillère - 53960 Bonchamp-Les-Laval
PROMAFOR	France	La Bocquette Quai du Rhône - 01700 Miribel
PROMA INDUSTRIE	France	Rue Augustin Riffault ZA - 14540 Soliers
RCDE-FRANCE (70%)	France	331 chemin des Agriés - 31860 Labarthe-Sur-Leze
RECI	France	61 avenue Tony Garnier - 69007 Lyon
RS SOUDAGE	France	19 avenue des cerisiers ZI du Bois Vert - 31120 Portet Sur Garonne
SAMATEC	France	4 rue Alfred Kastler, ZI de Kergaradec Extension - 29490 Guipavas
SCI VIEUX MOULINS	France	rue des vieux moulins prolongée - 88200
SCMR EXPORT	France	15/25 rue Edouard Aynard - 69100 Villeurbanne
SOCIETE GENERALE MECANIQUE APPLIQUEE SOGEMA	France	Rue de la Papinerie, ZI ROUBAIX est - 59390 Lys-Les-Lannoy
SOCIETE TECHNIC INDUSTRIE	France	400 013 611 RCS Lisieux
SOGEMA SERVICES	France	Rue de la Papinerie, ZI ROUBAIX est - 59390 Lys-Les-Lannoy
SOLUTIONS EN FOURNITURES INDUSTRIELLES (liquidated on 1 st March, 2018)	France	ZA des Combottes - 25700 Valentigney
SOVEMA	France	61 avenue Tony Garnier - 69007 Lyon
TOP AFFUTAGE	France	ZAC de la Garenne, Avenue Georges Saint Sauveur - 18120 Mereau
TOP CUT TECHNOLOGIE	France	ZAC de la Garenne, Avenue Georges Saint Sauveur - 18120 Mereau
TOP FI	France	ZAC de la Garenne, Avenue Georges Saint Sauveur - 18120 Mereau
IP MAN 1	France	31 rue de la Baume, 75008 Paris, France
IP MAN 2	France	31 rue de la Baume, 75008 Paris, France
IP Equity	France	31 rue de la Baume, 75008 Paris, France
IPH Investments	France	31 rue de la Baume, 75008 Paris, France
BRAMMER GMBH	Germany	Ohiostraße 11, 76149 Karlsruhe
MARTIN DEPNER GMBH TECHNISCHER GROSSHANDEL (76%)	Germany	Dasselsbrucher Str. 50, 29227 Celle
MEINKUGELLAGER.DE GMBH	Germany	Ohiostraße 11, 76149 Karlsruhe
AKN WALZLAGER GMBH	Germany	Max-Hellermann-Str. 11, 07629 Hermsdorf
KISTENPFENNIG AG	Germany	Wöhlerstrasse 2-6, 55120 Mainz
KUKI-LOG GMBH	Germany	Wöhlerstrasse 2-6, 55120 Mainz
MBH MASCHINENBAUHANDEL GMBH	Germany	Herbertstraße 2, 09119 Chemnitz
P.U.L.S. GRUPPE GMBH	Germany	Hauptstraße 17-19 (Gebäude 6341), 55120 Mainz
ROIN INDUSTRIEBEDARF GMBH	Germany	Breite Straße 17, 57076 Siegen
S@FE AG	Germany	Wöhlerstrasse 2-6, 55120 Mainz
WT WERKZEUGTECHNIK GMBH	Germany	Scheiblerstraße 3, 94447 Plattling
ZITEC FERTIGUNGSTECHNIK	Germany	Scheiblerstraße 3, 94447 Plattling
ZITEC GRUPPE GMBH	Germany	Scheiblerstraße 3, 94447 Plattling
ZITEC INDUSTRIE TECHNIK GMBH	Germany	Scheiblerstraße 3, 94447 Plattling
ZITEC INSTANDhaltungSERVICE	Germany	Scheiblerstraße 3, 94447 Plattling
BRAMMER MAGYARORSZAG KFT	Hungary	Brammer Magyarorszag Kft, 2045 Torokbalint, Topark u 9
BRAMMER ISLAND EHF	Iceland	Hildarsmari 12, 201, Kopavogur
BRAMMER INDUSTRIAL IRELAND LTD	Ireland	IDA Poppintree Industrial Estate, Finglas, Dublin 11
BRAMMER ITALIA SRL	Italy	Via Pasubio, 106 San Benedetto del Tronto 63074
MINETTI S.P.A (50%) (shareholding increased to 100% post year end)	Italy	Via delle Canovine.14, CAP 24126 Bergamo
STOCCHI S.R.L	Italy	Via delle Canovine.14, CAP 24126 Bergamo
SAROK ITALIA	Italy	Via Valsugana, 4, 23900 Lecco
SAMAC S.R.L	Italy	Via delle Canovine.14, CAP 24126 Bergamo

Subsidiary companies (continued)

Indirectly held subsidiaries	Country of incorporation or registration	Registered address
VB MOTO-TRANSMISSIONI S.R.L.	Italy	Via Cerchia di San Giorgio n. 255 - 47521 Cesena
UTENSILNOVA S.R.L.	Italy	Via Xxv Aprile, 46, 40055 Castenaso
BRAMMER FINANCE LTD	Jersey	44 Esplanade, St Helier, Jersey, JE4, 9WG
BRAMMER SA	Luxembourg	Rue Drosbach 1, 3372 leudelange
KISTENPFENNIG S.A.R.L.	Luxembourg	50A rue des Bruyeres, 1274 Howald, Luxemburg
K.N.S. AANDRIJFTECHNIEK B.V.	Netherlands	Postbus 2021 - 202 CA, Pieter Goedkoopweg 2, 2031 Haarlem
BRAMMER NEDERLAND B.V.	Netherlands	Postbus 2021 - 202 CA, Pieter Goedkoopweg 2, 2031 Haarlem
BRAMMER ALPHEN AAN DEN RIJN B.V.	Netherlands	Postbus 396 - 2400 AJ, Ondernemingsweg 40, 2404 Alphen Aan Den Rijn
BRAMMER AMSTERDAM B.V.	Netherlands	Postbus 8287 - 1005 AG, Nieuwe Hemweg 7 R, 1031 BG, Amsterdam
BRAMMER BREDA B.V.	Netherlands	Postbus 2034 - 4800 CA, Beverweg 4, 4817 LL, Breda
BRAMMER DRECHTSTEDEN B.V.	Netherlands	Postbus 201 - 3360 AE, Leeghwaterstraat 29, 3364 AE, Sliedrecht
BRAMMER FRIESLAND B.V. (75%)	Netherlands	Postbus 135 - 8500 AC, Pasteurweg 24, 8503 AB, Joure
BRAMMER GELDERLAND B.V.	Netherlands	Postbus 85 - 6950 AB Dieren, Van Rensselaerweg 12, 6956 AV, Spankeren
BRAMMER GRONINGEN B.V.	Netherlands	Postbus 5098 - 9700 GB, Bornholmstraat 88, 9723, Groningen
BRAMMER IJSSELLAND B.V.	Netherlands	Productieweg 1, 8061 RK, Hasselt
BRAMMER MAASTRICHT B.V. (100%)	Netherlands	Postbus 1447 - 6201 BK, Graanmolen 20, 6229 PA, Maastricht
BRAMMER RIJNMOND B.V. (100%)	Netherlands	Postbus 852 - 3200 AV, Edisonweg 7-01, 3208 KB, Spijkenisse
BRAMMER ROERMOND B.V. (75%)	Netherlands	Postbus 2325 - 60-40 DB, Burghoffweg 5, 6042 EX, Roermond
SOLDEN B.V.	Netherlands	Postbus 2021 - 202 CA, Pieter Goedkoopweg 2, 2031 Haarlem
BRAMMER TWENTE B.V.	Netherlands	Postbus 466 - 7550 AL, Aquamarijnstraat 105, 7554 NN Hengelo
BRAMMER TILBURG B.V.	Netherlands	Postbus 5063 - 5004 EB, Heraclesstraat 8-01, 5048 CG Tilburg
BRAMMER UTRECHT B.V. (100%)	Netherlands	Postbus 43074 - 3540 AB, Proostwetering 25c, 3543 AB, Utrecht
BRAMMER VEENENDAAL B.V.	Netherlands	Kernreactorstraat 38, 3903LG, Veenendaal
BIESHEUVEL GROEP BV (RENAMED BT BRAMMER B.V. ON 26 TH MARCH 18)	Netherlands	Science Park Eindhoven 5047, 5692 Eb Son en Breugel
KOBO NEDERLAND BV	Netherlands	Rigaweg 24, 9723 TH Groningen
MOTION CONTROL AUTOMATION BV	Netherlands	Markenweg 5, 7051 HS Varsseveld
OREFI INTERNATIONAL BV	Netherlands	Science Park Eindhoven 5047, 5692 Eb Son en Breugel
PETERS ELEKTROMOTOREN BV	Netherlands	Science Park Eindhoven 5047, 5692 Eb Son en Breugel
PERK TECHINISCHE HANDELSONDERNEMING BV	Netherlands	Vredeweg 14-16, 1505 HH Zaandam
ROTRANS BELTING BV	Netherlands	Houttuinen-Zuid 19, 7325 RJ Apeldoorn
SAFE & SURE NEDERLAND BV	Netherlands	Ecustraät 7, 4879 NP - Etten Leur
STAMHUIS LINEAIRTECHNIEK BV	Netherlands	Weteringstraat 9, 7391 TX Twello
TOOLING CENTER BENELUX BV	Netherlands	Science Park Eindhoven 5047, 5692 Eb Son en Breugel
BRAMMER EINDHOVEN BV	Netherlands	Turnhoutlaan 23 / 5628 RJ / Eindhoven BV
BRAMMER ZEELAND BV	Netherlands	Informaticastraat 17 - 4538 BT Terneuzen
SMEZO HANDELSONDERNEMING BV	Netherlands	Wijngaardsweg 36 6412 PJ Heerlen
BRAMMER HOLDINGS AS	Norway	Nordre Bruraas 18, 5131, Nyborg,
BRAMMER AS	Norway	Nordre Bruraas 18, 5131, Nyborg,
BRAMMER NORGE AS	Norway	Nordre Bruraas 18, 5131, Nyborg,
BRAMMER S.A.	Poland	ul. Handlowa 2a, 36-100 Kolbuszowa
ROBOD SA	Poland	223/225 Trakt sw. Wojciecha, 80-017 Gdansk

Subsidiary companies (continued)

Indirectly held subsidiaries	Country of incorporation or registration	Registered address
KMF SP Z.O.O.	Poland	ul. Handlowa 2a, 36-100 Kolbuszowa
BRAMMER INNOVATION CENTRE SP Z.O.O.	Poland	ul. Nadwislanska 1/10, 30-527 Krakow
BRAMMER ROMANIA SRL (51%)	Romania	400641 str, B-dul Muncii nr.257, Cluj Napoca
NOVO TECH	Romania	21 Livertatii Street - 407035 - Apahida
NOVO TRADE SRL	Romania	21 Livertatii Street - 407035 - Apahida
KISTENPFENNIG SRL	Romania	Parcul Industrial Dibo, Str. Piatra Craiului, Hala 4 Compartiment 2-4, 107086 Negoiesti
BRAMMER CONSULTING SERVICES LLC	Saudi Arabia	Palm Centre, Office number 2-19, Jubail Industrial City, Fanateer, Jubail, Eastern Province
CUMBRIA BEARINGS & TRANSMISSIONS LIMITED	Scotland	Abercorn House, 79 Renfrew Road, Paisley, PA3 4DA
BRAMMER SLOVAKIA SRO	Slovakia	Bánovská cesta 13, 010 01 Žilina
BRAMMER IBERIA, SA	Spain	Polígono Industrial Erletxe, Plataforma D-152, Pab. Nº1, 48960 Galdakao - Vizcaya
MRO INTEGRACION, S.L.	Spain	Calle Sevilla s/n, Polígono Moreta Sector I. 26570 Quel - La Rioja
OREFI IBERICA S.L	Spain	Calle pradillo numero 5, bajo exterior derecha, Madrid
BUENAVENTURA GINER S.A	Spain	Avenida can Sucarrats, numero 101, Poligono Industrial Cova Solera - 08191 Rubi (Barcelona)
JULSA S.A.U	Spain	Calle Alcalde Pedro Escarbassiere, numeros 5-7, Poligono Industrial Vicalvaro, Madrid
RODIAMENTOS Y PRODUCTOS ESPECIALES SA	Spain	Poligono Industrial Can Canyet, Nave 7, D, El Papiol (Barcelona)
ANGLADA SUBMINISTRAMENTS INDUSTRIALS, SA	Spain	Calle Mosquerola n° 33 - Nave A, Pla d'Abastaments, Vilablareix, Girona
SUMINISTROS INDUSTRIALES SYRESA, S.L.	Spain	c/ Piriña, 61, 47012 Valladolid
RODIAMENTOS ARALAR, S.L.	Spain	Orcoyen (Navarra), Poligono Industrial Ipertergui, Nave 29
BRAMMER SWEDEN AB	Sweden	Kastellgatan 5, S-254-66 Helsingborg
BRAMMER TROLLHATTAN AB	Sweden	Kardenvagen 10, 46138 Trollhattan
BRAMMER SWITZERLAND SA	Switzerland	Rue St-Pierre 18, 1700 Fribourg
MONTALPINA AG	Switzerland	Kreuzstrasse 51, 6010 Kriens
BCEA LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BEARING SALES LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BEARING SERVICE LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BEARING STOCKISTS LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER DYNAMICS LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER LEASING LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER SERVICES LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER TRANSMISSIONS LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BSL BRAMMER LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BSL DISTRIBUTION LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BSL GROUP LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BSL MAINTENANCE MAN LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
CAMWIN INVESTMENTS LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD

Subsidiary companies (continued)

CBS ROTARY POWER MOTION LIMITED ²	England	Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE
DATA PREFERENCE (UK) LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
E J JACK LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
ELECTRON DRIVES LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
ENERGY SERVICES & ELECTRONICS LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
EURO ELECTRONIC RENT LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
LION OIL TOOL (RENTAL) LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
MECRO LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
MERCIA ENGINEERING SUPPLIES LIMITED ²	England	Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE
MINETT FLUID POWER LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
UNITED ELECTRONIC HOLDINGS LTD ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
ABEC FASTENERS LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
ABEC TRANSMISSION PRODUCTS LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
APEX BEARINGS AND POWER TRANSMISSION LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
RUBIX EUROPE LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER HIRE LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER HOLDINGS NO.3 LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
RUBIX INTERNATIONAL LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER TECHNICAL SALES LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BRAMMER UK LIMITED	England	Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE
BRAMMER VENDING LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
BSL ENGINEERING LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
CASTLERAIL LIMITED	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
GEMSIS LIMITED ²	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
JET ROULEMENTS LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD
MONARCH BEARINGS INTERNATIONAL LIMITED ¹	England	St Ann's House, 1 Old Market Place, Knutsford, WA16 6PD

Subsidiary companies (continued)

PREMIER BEARING CO. LIMITED ³	England	Claverton Court, Claverton Road, Wythenshawe, Manchester, M23 9NE
CARGO DRECHSLER LIMITED ⁴	England	69 Great Hampton Street, Birmingham, B18 6EW
DRECHSLER KFZ TEILEHANDEL LTD ⁵	England	69 Great Hampton Street, Birmingham, B18 6EW

¹ Dormant company put into members' voluntary liquidation on 21 August 2018.

² Dormant company put into members' voluntary liquidation on 24 September 2018.

³ Dormant company put into members' voluntary liquidation on 10 October 2018.

⁴ Dormant company dissolved on 16 October 2018.

