

SHAKESPEARE INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2020

SHAKESPEARE INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors

K H Clefjord
S G Garrett (resigned 15 June 2021)
K M Jayson
G Moore
J S Henderson (appointed 15 June 2021)

Registered number

02461465

Registered office

C/O Pure Fishing (UK) Ltd
Willowburn Trading Estate
Alnwick
Northumberland
United Kingdom
NE66 2PF

Independent auditors

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
York House
Thornfield Business Park
Northallerton
DL6 2XQ

SHAKESPEARE INTERNATIONAL LIMITED

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4 - 5
Independent auditors' report	6 - 9
Statement of comprehensive income	10
Balance sheet	11
Statement of changes in equity	12
Notes to the financial statements	13 - 24

SHAKESPEARE INTERNATIONAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The Directors present their strategic report for the year ended 31 December 2020.

Business review

The company has not traded during the period and is not expected to trade in future years. The profit before tax figure is solely comprised of net interest expense and foreign exchange gains arising from balances with other group companies.

The Company's key financial and other performance indicators during the year were as follows:

	2020	2019
	£000	£000
Administrative income/(expenses)	1,381	(752)
Interest payable	745	275
(Loss)/profit before taxation	(1,564)	477
Total Shareholders' funds	(962)	610

Principal risks and uncertainties

The main risks and uncertainties facing the Company and its investment portfolio would have to be categorised as follows:

- Any further unpredicted general economic downturn.
- Severe and unseasonable weather in any prime selling seasons for fishing as sales are always weather dependent.
- The unpredictability of cost increases from China which has started to creep into the equation.
- Excessive short-term fluctuations in foreign exchange rates affecting the price of products sourced from overseas in foreign currency.
- The continued availability of credit facilities to the Company, as part of the wider Pure Fishing group, at competitive prices.

All the above can be managed with good planning, long-term strategy and careful investment.

The business and its investments were impacted by COVID-19 from March 2020 and management acted accordingly to reduce the cost base in the short term and to manage cash flow. Through careful management the business recovered from June 2020 to previous operating levels and they do not see significant future impact to the overall business.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Financial risk management objectives and policies

The Company's investment portfolio has principal financial instruments comprising cash and loans due to and from fellow group undertakings. The main purpose of these financial instruments is to raise finance for the investment portfolios operations. The investment portfolio has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the investment portfolios financial instruments are foreign exchange risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign exchange risk

The Company is exposed through its investments to foreign exchange risk on its products and on amounts due to and from fellow group undertakings. The Company monitors its exposure in its investments to foreign exchange risk on an ongoing basis.

Credit risk

The Company investments trade with only recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis and, where appropriate, credit insurance is utilised with the result that the Company's exposure to bad debts is mitigated.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of loans from fellow group undertakings.

Price Risk

The company group does not directly manufacture or purchase product and therefore does not have a direct exposure to commodity price changes. However, its investments do have exposure to fluctuating purchase prices and where this occurs the group will set selling prices accordingly to mitigate this effect.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Directors' statement of compliance with duty to promote the success of the Company

The directors work to promote the success of the company, by considering the impact that their decisions may have on the company, along with the company's stakeholders. The issues and factors which have guided the directors' decisions are outlined in this report.

The company's key stakeholders include but are not limited to:

- Companies in the same group
- Funders

During the financial year ended 31 December 2020 the directors, having regard to the financial performance and position of the company, and the ability to meet the expectations of its key stakeholders, decided not to pay a dividend in 2019 and retain cash for investment. The expectation is that dividends will be payable in future years.

The core values at Pure Fishing are to work as a team, providing great customer experience. These values underpin the Pure Fishing group's strategy and vision. The vision is to be the leading global player in the fishing tackle industry, and its strategy is to have the best employees, products and processes to create a platform for growth.

The directors of the company promote good governance, which is key to driving the success of the business. The directors aim to promote strong relationships with key stakeholders at all times which are also critical to achieving long term growth and success.

The Senior Leadership team meet at least every quarter to review the business and its operations to ensure it is meeting targets and that decisions taken are in line with the groups' values and objectives.

The company through its investment in subsidiaries also engaged with internal and external customers to ensure a positive customer experience and to ensure the new product development was in line with market trends. We continue to forge close working relationships with our suppliers to bring our products to the market in an efficient manner to meet the needs of our end users. New product design systems are now in place to increase the speed and volume of new products to market in future years, to provide growth for the business.

The company takes payment practices to suppliers seriously and seeks to ensure prompt payment of invoices in line with agreed terms with swift resolution to disputes. This is seen as key to facilitating good relationships with suppliers and is evidenced on our ability to bring new products to the market in reducing timescales.

Whilst not trading, the business is mindful of the impact of its investments on the environment and supports sustainable fishing practices in the markets in which it operates and participates actively in many local organisations. We are active members of European Fishing Tackle Trade Association who work to promote and protect sportfishing activities and the environment.

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

K M Jayson
Director

Date: 16 August 2021

SHAKESPEARE INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

Principal activity

The company is a UK holding company for Pure Fishing (UK) Limited and Shakespeare (Australia) Pty. Limited.

Pure Fishing (UK) Limited and Shakespeare (Australia) Pty. Limited are engaged in the purchasing of fishing tackle for distribution to retailers. Pure Fishing (UK) Limited also designs and manufactures composite tubing.

Business review

The company has not traded during the year and is not expected to trade in future years. The loss before tax figure is solely comprised of interest income, interest expense and foreign exchange gains/losses arising from balances with other group companies.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Pure Fishing Inc. The directors have received confirmation that the parent company, SP PF Cayman Holdings I LP intends to support the Company for at least one year from the date these financial statements are signed.

Results and dividends

The loss for the year, after taxation, amounted to £1,572k (2019 - profit £477k).

The Directors do not recommend the payment of a final dividend for 2020 (2019: £NIL).

SHAKESPEARE INTERNATIONAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Directors

The directors who served during the year were:

K H Clefjord
S G Garrett (resigned 15 June 2021)
K M Jayson
G Moore

Future developments

The company has not traded during the year and is not expected to trade in future years. The loss before tax figure is solely comprised of interest income, interest expense and foreign exchange gains/losses arising from balances with other group companies.

Qualifying third party indemnity provisions

At the time this report is approved, no qualifying third party indemnity provisions or qualifying pension scheme indemnity provisions are in place for the benefit of one or more of the directors. At no time during the year were any such provisions in force for the benefit of one or more persons who were then directors.

Disclosure of information to auditors

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

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

Post balance sheet events

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

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

K M Jayson

Director

Date: 16 August 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHAKESPEARE INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Shakespeare International Limited (the 'Company') for the year ended 31 December 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHAKESPEARE INTERNATIONAL LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHAKESPEARE INTERNATIONAL LIMITED (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the fishing equipment manufacturing and distribution sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, UK Corporation Tax legislation, Employment Law, and The Health and Safety at Work Act 1974;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHAKESPEARE INTERNATIONAL LIMITED (CONTINUED)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Simon Turner (Senior statutory auditor)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Northallerton

19 August 2021

SHAKESPEARE INTERNATIONAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(1,381)	752
Operating (loss)/profit		(1,381)	752
Interest receivable and similar income	7	562	664
Interest payable and similar expenses	8	(745)	(939)
(Loss)/profit before tax		(1,564)	477
Tax on (loss)/profit	9	(8)	-
(Loss)/profit for the financial year		(1,572)	477

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 13 to 24 form part of these financial statements.

SHAKESPEARE INTERNATIONAL LIMITED
REGISTERED NUMBER: 02461465

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Fixed assets			
Investments	10	133	133
		<u>133</u>	<u>133</u>
Current assets			
Debtors: amounts falling due after more than one year	11	23,476	-
Debtors: amounts falling due within one year	11	-	28,504
		<u>23,476</u>	<u>28,504</u>
Creditors: amounts falling due within one year	12	-	(28,027)
Net current assets		<u>23,476</u>	<u>477</u>
Total assets less current liabilities		<u>23,609</u>	<u>610</u>
Creditors: amounts falling due after more than one year	12	(24,571)	-
Net (liabilities)/assets		<u><u>(962)</u></u>	<u><u>610</u></u>
Capital and reserves			
Merger reserve	14	133	133
Profit and loss account	14	(1,095)	477
		<u><u>(962)</u></u>	<u><u>610</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

K M Jayson
Director

Date: 16 August 2021

The notes on pages 13 to 24 form part of these financial statements.

SHAKESPEARE INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2020	133	477	610
Loss for the year	-	(1,572)	(1,572)
At 31 December 2020	133	(1,095)	(962)

The notes on pages 13 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2019	108	-	108
Profit for the year	-	477	477
Additional share premium in Shakespeare (Australia) Pty. Limited	25	-	25
At 31 December 2019	133	477	610

The notes on pages 13 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The Company is an investment holding company within the Pure Fishing Group.

The company is a private company, limited by shares and incorporated and registered in England, United Kingdom. The address of its registered office is C/O Pure Fishing (UK) Limited, Willowburn Trading Estate, Alnwick, Northumberland, NE66 2PF.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

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).

The following principal accounting policies have been applied:

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 SP PF Cayman Holdings I LP as at 31 December 2020 and these financial statements may be obtained upon request from Pure Fishing Inc.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Going concern

The financial statements have been prepared under the going concern concept because the directors have confirmed that continuing finance will be made available from a parent company, SP PF Cayman Holdings I LP, in order for the Company to meet its liabilities as they fall due and to continue operations without realisation of its assets. The directors expect the company to remain a non-trading entity for the foreseeable future.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

2.6 Interest income

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

2.7 Finance costs

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Valuation of investments

The company assesses annually whether there is an indication that investments have suffered any impairment. The recoverable amounts have been determined based on either underlying net assets or future earnings and cash generation potential, which require the use of estimates, predominantly in respect of future cash flows.

2.10 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.

2.11 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.

2.12 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances.

4. Operating (loss)/profit

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

	2020	2019
	£000	£000
Exchange differences	<u>1,379</u>	<u>(752)</u>

5. Auditors' remuneration

Auditors' remuneration is borne by another UK group company.

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL). The company does not pay Directors' emoluments nor are these recharged to the company. Emoluments are paid by other group companies.

SHAKESPEARE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Interest receivable

	2020 £000	2019 £000
Group interest receivable	562	664
	<u>562</u>	<u>664</u>

8. Interest payable and similar expenses

	2020 £000	2019 £000
Group interest payable	745	939
	<u>745</u>	<u>939</u>

SHAKESPEARE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Taxation

	2020 £000	2019 £000
Foreign tax		
Foreign tax on income for the year	8	-
	<u>8</u>	<u>-</u>
Total current tax	<u>8</u>	<u>-</u>
Deferred tax		
	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>8</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
(Loss)/profit on ordinary activities before tax	<u>(1,564)</u>	<u>477</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(297)	91
Effects of:		
Overseas tax rates	8	-
Group relief	297	(91)
Total tax charge for the year	<u>8</u>	<u>-</u>

Factors that may affect future tax charges

An increase in the UK corporate tax from 19% to 25% was announced in the 2021 budget, this is scheduled to take effect from April 2023. The rate for small profits under £50,000 will remain at 19%, and there will be taper relief for businesses with profits between £50,000 and £250,000. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

SHAKESPEARE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2020	133
At 31 December 2020	<u>133</u>

SHAKESPEARE INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Holding
Shakespeare (Australia) Pty. Limited	Unit 1, No. 16 Pioneer Avenue, Tuggerah, NSW 2259, Australia	100 %
Pure Fishing (UK) Limited	Willowburn Trading Estate, Alnwick, Northumberland, NE66 2PF, UK	100 %
Pure Fishing Netherlands B.V.	Tinstraat 3-5, Breda, 4823 AA, Netherlands	100* %
Pure Fishing Korea Co. Limited	Suite 906, 38 Digital-Ro 29Gil, Guro-Gu, Seoul, 08381, South Korea	100* %
Pure Fishing Malaysia Sdn. Bhd.	Unit 30-01, Level 30, Tower A, Vertical Business Suite Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia	100* %
Pure Fishing Guangzhou Trading Co. Limited	Room E, 10/F, Sanxin building, 33 Whampoa Avenue West Road, Tianhe District, Guangzhou, China	100* %
Pure Fishing Japan Co. Limited	2-15-12 Kiba, Koto-ku, Tokyo, 135-0042, Japan	100* %
Pure Fishing Spirit B.V.	Tinstraat 3-5, Breda, 4823 AA, Netherlands	100* %
Outdoor Technologies (Canada) ULC	Suite 900, 1959 Upper Water Street, Halifax, NS, B3J 2X2, Canada	100* %
Pure Fishing Poland Sp. Z.O.O.	61-737 Poznan UL.27 Grudnia 3, Poznan, Poland	100* %
Outdoor Technologies Group Sweden AB	C/O ABU AB, 37681, Svängsta, Sweden	100* %
Abu Garcia AB	C/O ABU AB, 37681, Svängsta, Sweden	100* %
Pure Fishing Finland OY	Turvekuja 6, 00700 Helsinki, Finland	100* %
Abu Garcia Pty Limited	Unit 1, 16 Pioneer Avenue, Tuggerah NSW, 2259, Australia	100* %
Pure Fishing (NZ) Limited	Level 22, 205 Queen Street, Auckland, 1010, New Zealand	100* %
Abu AB	37681, Svängsta, Sweden	100* %
Pure Fishing Norway AS	Kjeller vest 3, 2007 Kjeller, Norway	100* %
OTG-Cani Denmark A/S	Tinvej 1, 8940 Randers SV, Denmark	100* %

SHAKESPEARE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Subsidiary undertakings (continued)

Name	Registered office	Holding
Pure Fishing Deutschland GmbH	Hanauer Landstrasse 553, 2nd Floor, D-60386 Frankfurt, Germany	100*
Pure Fishing Europe S.A.S.	435, rue des sources, 38920 Crolles, France	100*

* Investments indirectly held (subsidiaries of Pure Fishing (UK) Limited).

Shakespeare International Limited continues to own 100% of the ordinary issued share capital of Pure Fishing (UK) Limited. Pure Fishing (UK) Limited has also issued non-voting shares to Pure Fishing Spirit UK Limited which is the immediate parent company of Shakespeare International Limited.

Pure Fishing (UK) Limited is engaged in the purchasing of fishing tackle for distribution to retailers and the design and manufacture of composite tubing. The registered address of Pure Fishing (UK) Limited is Willowburn Trading Estate, Alnwick, Northumberland, NE66 2PF.

Shakespeare (Australia) Pty. Limited is engaged in the purchasing of fishing tackle for distribution to retailers. The registered address of Shakespeare (Australia) Pty. Limited is 16 Pioneer Avenue, Tuggerah, NSW 2259.

The investment in Pure Fishing (UK) Limited was fully impaired in 2018. The share capital of the company was reduced to £1.00 by cancelling and extinguishing 1,564,423 Ordinary Shares of £1.00 each in the company, each of which was fully paid up. The amount by which the share capital was reduced was credited to distributable reserves.

The discounted cash flow techniques have been used to assess whether there are any indications of impairment. No further impairment has been indicated in 2020.

SHAKESPEARE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Debtors

	2020 £000	2019 £000
Due after more than one year		
Loan notes issued to group undertakings	23,476	-
	<u>23,476</u>	<u>-</u>
	2020 £000	2019 £000
Due within one year		
Amounts owed by group undertakings	-	3
Loan notes issued to group undertakings	-	28,501
	<u>-</u>	<u>28,504</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

£3,959,000 of the loan notes due are unsecured, bearing interest of 3 month LIBOR + 2.50%% p.a. with maturity date of 19 December 2024. £19,516,000 of the loan notes are unsecured, bearing interest of 1.87% p.a. with a maturity date of 29 December 2024.

The terms of these loan notes state that the non-payment of interest constitutes an "Event of Default", effectively resulting in the loan notes becoming re-payable on demand. In the year waivers have been signed covering the period 1 January 2020 to 31 January 2021 which prevent an "Event of Default" being declared for non-payment of interest.

SHAKESPEARE INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Loan notes issued by group undertakings	-	28,027
	<u>-</u>	<u>28,027</u>

Creditors: Amounts falling due after more than one year

	2020	2019
	£000	£000
Loan notes issued by group undertakings	24,571	-
	<u>24,571</u>	<u>-</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

The loan notes issued by group undertakings are unsecured, bearing interest of 3 month LIBOR + 2.50% p.a. with maturity dates 19 December 2024.

The terms of these loan notes state that the non-payment of interest constitutes an "Event of Default", effectively resulting in the loan notes becoming re-payable on demand. In the year waivers have been signed covering the period 1 January 2020 to 31 January 2021 which prevent an "Event of Default" being declared for non-payment of interest.

13. Share capital

	2020	2019
	£	£
Authorised		
1,600,000 (2019 - 1,600,000) Ordinary share capital shares of £1.00 each	<u>1,600,000</u>	<u>1,600,000</u>
Allotted, called up and fully paid		
2 (2019 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Reserves

Merger Reserve

A merger reserve was created in 2018 as part of the process of the divestiture of the Pure Fishing Group from Newell Brands Inc. to Sycamore Partners. During this process, a share for share exchange was entered into whereby Shakespeare International Limited acquired 100% of the share capital of Shakespeare (Australia) Pty. Limited from its former immediate parent company for one share in the company. This difference in value resulted in a merger reserve. Shakespeare (Australia) Pty. Limited was undervalued in the 2018 financial statements and the correction made in the prior year financial statements was reflected as an increase in the merger reserve in the prior year.

Profit and loss account

This reserve is an accumulation of profits and losses made by the company eligible for distribution.

15. Contingent liabilities

There were no contingent liabilities at 31 December 2020.

16. Capital commitments

At 31 December 2020 there were no capital commitments in the company which had been contracted for but not provided in the financial statements.

17. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the balance sheet date.

18. Related party transactions

The company has taken advantage of the exemption as provided in paragraph 33.1A of FRS 102, from disclosing transactions with group companies as it is a wholly owned subsidiary and its results are included in the consolidated financial statements of another group Company which are available on request from Pure Fishing Inc. There were no other related party transactions.

19. Controlling party

The immediate parent undertaking is Pure Fishing Spirit UK Limited (100% holding).

The directors regard Pure Fishing Inc. as the ultimate parent company as this company ultimately governs the financial and operating policies of all Pure Fishing Group entities.

Pure Fishing Inc. regards SP PF Cayman Aggregator LP as its ultimate controlling party and consolidated financial statements for the Pure Fishing Group are prepared by SP PF Cayman Holdings I LP. These are available on request from Pure Fishing Inc., 7 Science Court Columbia, SC, 29203, United States of America.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.