

CHAMPIONX EGYPT LTD.

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

CHAMPIONX EGYPT LTD.

COMPANY INFORMATION

Directors	Muhammad Afzal (appointed 14 April 2020) John Ferguson (appointed 14 April 2020) Susan Hart (appointed 14 April 2020) Eric Billette De Villemeur (resigned 14 April 2020) Paul Hey (resigned 14 April 2020)
Registered number	02918798
Registered office	C/O Champion Technologies Ltd Block 102, Cadland Road, Hardley, Southampton Hampshire United Kingdom SO45 3NP
Independent auditor	Anderson Anderson & Brown Audit LLP Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU

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**STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

Introduction

The directors present the Strategic report on the company for the year ended 30 November 2020.

Business review

The company recorded a profit in the year of £2,043,622 (2019: £3,759,484).

Key performance indicators

Management monitor the business using the following indicators:

- Gross profit margin, which is 24.4% in the year (2019: 29.3%).
- Average number of employees, which is 24 in the year (2019: 26).

Gross profit

The decrease in gross profit percentage is as a result of general market conditions during the year and is not expected to be an on-going concern.

Headcount

The headcount is in line with ongoing business requirements.

Future developments

The directors consider the results for the year to be satisfactory and expect performance to improve in the coming years.

Strategy

The company maintains productivity through the following strategies:

- improving our Customer Experience and business performance via focus on customers, including a Circle the Customer programme;
- providing the highest standard of product, service and delivery to customers at a competitive cost;
- continued expansion into current and new markets; and
- strong brand recognition through brand and channel management.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2020**

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks affecting the company are:

- currency risk;
- rate of growth of domestic and European markets; and
- adverse economic conditions in the European markets.

In response to the risks the company:

- operates under a group European pooling arrangement that manages and mitigates any currency risk;
- maintains integrated solutions through technology and product offerings;
- ensures effective pricing and continued recognition of brand and quality to maintain market position; and
- maintains a high technology offering while widening its customer base and expanding into new areas.

On a broader note, the Global Epidemic seen thus far in 2020 and 2021 has posed new challenges. Safety continues to be our number one priority. Through the induction of new policies and procedures, we are confident that the company is well positioned to deal with these new challenges going forward, with minimal business interruption.

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

John Ferguson

Director

Date: 23 December 2021

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

The directors present their report and the financial statements for the year ended 30 November 2020.

Results and dividends

The profit for the year, after taxation, amounted to £2,043,622 (2019 - £3,759,484).

There were no dividends paid in the year (2019: £16,099,000).

Directors

The directors who served during the year were:

Muhammad Afzal (appointed 14 April 2020)

John Ferguson (appointed 14 April 2020)

Susan Hart (appointed 14 April 2020)

Eric Billette De Villemeur (resigned 14 April 2020)

Paul Hey (resigned 14 April 2020)

Future developments

A review of the business of the company and future developments is included in the Strategic report on page 1.

Disclosure of information to auditor

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

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

Post balance sheet events

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

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, 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.

John Ferguson

Director

Date: 23 December 2021

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAMPIONX EGYPT LTD.

Qualified Opinion

We have audited the financial statements of ChampionX Egypt Ltd. (the 'Company') for the year ended 30 November 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).

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2020 and of its profit 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 qualified opinion

The component auditor provided a qualified audit opinion on the financial statements of ChampionX Egypt Ltd. – Egypt Branch on the basis they were unable obtain a bank confirmation in relation to the branch's bank accounts held with Commercial International Bank (CIB). The component auditor reported they were not able to satisfy themselves regarding the completeness and accuracy of the balances with CIB, or of other potential assets and liabilities (both actual and contingent), transactions, commitments, guarantees and off-balance sheet arrangement and other relevant information related to this bank and the data disclosed related with such bank using other auditing procedures. Consequently, we were therefore unable to satisfy ourselves over the same matters noted by the component auditor.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 qualified opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAMPIONX EGYPT LTD. (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the completeness and accuracy of the balance with CIB at 30 November 2020 and the relating items. We have concluded that where the other information refers to assets and liabilities (both actual and contingent), transactions, commitments, guarantees and off-balance sheet arrangement and other relevant information related to this bank, it may be materially misstated for the same reason.

Opinion on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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

Except for the matter described in the basis for qualified opinion section of our report in which we did not receive all the information we require for our audit, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAMPIONX EGYPT LTD. (CONTINUED)

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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Auditor's 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

James Pirrie (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

23 December 2021

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Note	2020 £	2019 £
Turnover		21,564,583	22,677,695
Cost of sales		(16,308,056)	(16,039,671)
Gross profit		<u>5,256,527</u>	<u>6,638,024</u>
Distribution costs		(2,987,836)	(2,087,130)
Administrative expenses		(293,436)	(900,717)
Operating profit		<u>1,975,255</u>	<u>3,650,177</u>
Interest receivable and similar income	7	68,367	109,307
Profit before tax		<u>2,043,622</u>	<u>3,759,484</u>
Profit for the financial year		<u>2,043,622</u>	<u>3,759,484</u>
Other comprehensive income for the year			
Currency translation differences		(443,026)	(188,480)
Total comprehensive income for the year		<u>1,600,596</u>	<u>3,571,004</u>

The notes on pages 11 to 19 form part of these financial statements.

CHAMPIONX EGYPT LTD.**REGISTERED NUMBER:02918798****BALANCE SHEET
AS AT 30 NOVEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	1,762,263	1,976,348
		<u>1,762,263</u>	<u>1,976,348</u>
Current assets			
Stocks	11	3,570,122	5,311,729
Debtors: amounts falling due within one year	12	17,896,212	10,477,821
Cash at bank and in hand	13	2,496,263	80,418
		<u>23,962,597</u>	<u>15,869,968</u>
Creditors: amounts falling due within one year	14	(11,594,300)	(5,316,352)
Net current assets		<u>12,368,297</u>	<u>10,553,616</u>
Total assets less current liabilities		<u>14,130,560</u>	<u>12,529,964</u>
Net assets		<u><u>14,130,560</u></u>	<u><u>12,529,964</u></u>
Capital and reserves			
Called up share capital	15	2,000,000	2,000,000
Profit and loss account		12,130,560	10,529,964
		<u><u>14,130,560</u></u>	<u><u>12,529,964</u></u>

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

John Ferguson

Director

Date: 23 December 2021

The notes on pages 11 to 19 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 December 2018	2,000,000	23,057,960	25,057,960
Profit for the year	-	3,759,484	3,759,484
Currency translation differences	-	(188,480)	(188,480)
Dividends	-	(16,099,000)	(16,099,000)
At 1 December 2019	2,000,000	10,529,964	12,529,964
Profit for the year	-	2,043,622	2,043,622
Currency translation differences	-	(443,026)	(443,026)
At 30 November 2020	<u>2,000,000</u>	<u>12,130,560</u>	<u>14,130,560</u>

The notes on pages 11 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. General information

ChampionX Egypt Limited is a private company limited by shares and incorporated in England. The registered office is C/O Champion Technologies Ltd, Block 102, Hardley, Southampton, Hampshire, SO45 3NP. The principal activity of the company is the sale of specialist chemicals by its branch in Egypt.

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.

This information is included in the consolidated financial statements of ChampionX Corporation as at 31 December 2020 and these financial statements may be obtained from 2445 Technology Forest Blvd., Building 4, Suite 1200, The Woodlands, TX 77381.

2.3 Going concern

The directors, having made due and careful enquiry, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company had adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional is USD and its 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.

2.5 Turnover

Turnover comprises the value of sales of goods and services (excluding VAT and similar taxes and trade discounts).

Revenue is recognised on products when the substantial risks and rewards of goods have been transferred to customers and where services have been provided.

2.6 Interest income

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

2.7 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.

2.8 Tangible fixed assets

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Plant and machinery	- 3 to 10 years straight line basis
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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 Cash and cash equivalents

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

2.12 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.

2.13 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 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

Company management and the board of directors make estimates and assumptions about the future. These estimates and assumptions impact recognised assets and liabilities, as well as revenue and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

Given the nature of the business, the directors consider the carrying value of fixed asset investment to be the key judgemental in the financial statements. The carrying value amount of the company's fixed asset investment is tested as soon as changed conditions show that a need for an impairment has arisen and is based on expected future performance of the relevant subsidiary companies. Having identified no indicators of impairment management have no made and provisions in the current or prior year financial statements.

4. Turnover

No analysis of turnover, operating profit or net assets is presented as the directors believe it would be prejudicial to the interests of the company.

5. Auditor's remuneration

Auditors remuneration was borne by fellow group companies in the current and prior year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

6. Employees

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	1,019,316	844,071
Social security costs	18,297	166,268
	<u>1,037,613</u>	<u>1,010,339</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Employees	<u>24</u>	<u>26</u>

The emoluments of the directors are paid by fellow subsidiary undertakings and it is not possible to make an apportionment of their emoluments in respect of this company. Accordingly, these financial statements include no emoluments in respect of the directors. No directors received any remuneration in respect of their services to the company during the year (2019 - £nil).

7. Interest receivable

	2020 £	2019 £
Bank interest	<u>68,367</u>	<u>109,307</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

8. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%) as set out below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>2,043,622</u>	<u>3,759,484</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	388,288	714,302
Effects of:		
Fixed asset differences	(9,528)	-
Income not taxable for tax purposes	(12,986)	-
Remeasurement of deferred tax for changes in tax rates	5,340	-
Foreign PE exemption	(510,960)	(713,000)
Movement in deferred tax not recognised	139,749	-
Other differences leading to an increase (decrease) in the tax charge	-	16,698
Group relief	97	(18,000)
Total tax charge for the year	<u>-</u>	<u>-</u>

9. Dividends

	2020 £	2019 £
Dividends paid	<u>-</u>	<u>16,099,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

10. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 December 2019	2,822,368
Additions	28,688
Exchange adjustments	(82,196)
	<hr/>
At 30 November 2020	2,768,860
	<hr/>
Depreciation	
At 1 December 2019	846,020
Charge for the year on owned assets	192,621
Exchange adjustments	(32,044)
	<hr/>
At 30 November 2020	1,006,597
	<hr/>
Net book value	
At 30 November 2020	<u>1,762,263</u>
At 30 November 2019	<u>1,976,348</u>

11. Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>3,570,122</u>	<u>5,311,729</u>

12. Debtors

	2020 £	2019 £
Trade debtors	7,715,595	7,558,172
Amounts owed by group undertakings	5,138,747	874,663
Other debtors	32,804	15,367
Prepayments and accrued income	5,009,066	2,029,619
	<hr/>	<hr/>
	<u>17,896,212</u>	<u>10,477,821</u>

Amounts owed by group undertakings relate to trade balances only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

13. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>2,496,263</u>	<u>80,418</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,880,196	1,134,370
Amounts owed to group undertakings	4,021,271	3,269,975
Accruals and deferred income	4,692,833	912,007
	<u>11,594,300</u>	<u>5,316,352</u>

Amounts due to group undertakings relate to trade balances only.

15. Share capital

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

16. Contingent liabilities

The company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to £993,131 at 30 November 2020 (2019 - £1,000,000).

17. Related party transactions

The company has taken advantage of the exemptions within FRS 102 section 33.1A (Related Party Disclosures) which allow exemption from the disclosure of related party transactions with other group companies.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

18. Controlling party

The directors regard ChampionX Corporation, incorporated in USA, as the ultimate parent company and the ultimate controlling party.

ChampionX Corporation is the parent company of the smallest and largest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 2445 Technology Forest Blvd., Building 4, Suite 1200, The Woodlands, TX 77381.

The immediate parent undertaking is ChampionX Egypt Holdings Ltd.

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.