

Registered number 04125393

Eminox PTE Limited

Annual report and financial statements
for the year ended 31 December 2022



Eminox PTE Limited

**Financial statements
for the year ended 31 December 2022**

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Eminox PTE Limited

Directors and advisors for the year ended 31 December 2022

Directors

A J Meakin

M C Runciman (appointed 9th September 2022, resigned 31st March 2023)

D S Bingham (appointed 9th September 2022)

Company secretary

D J Hodgson (resigned 23rd February 2023)

R H Saib (appointed 23rd February 2023)

Registered office

The Old Court House

24 Market Street

Gainsborough

Lincolnshire

DN21 2BE

Independent Auditor

KPMG LLP

Chartered Accountants and Statutory Auditors

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

Solicitor

Burton & Dyson

22 Market Place

Gainsborough

Lincolnshire

DN21 2BZ

Squire Patton Boggs

6 Wellington Place

Leeds

LS1 4AP

Banker

Lloyds bank

2nd Floor

116 Wellington Street

Leeds

LS1 4LT

Eminox PTE Limited

Strategic report for the year ended 31 December 2022

The directors present their strategic report on the company for the year ended 31 December 2022.

Review of business and future developments

The company has traditionally fabricated and installed stainless steel and other sheet metal products to specific customer requirements. Since 2020, the company has developed a remanufacturing process for items in the automotive sector and this has continued into 2022. The company was acquired by Hexadex Limited in 2017.

The company achieved turnover of £1,693,000 in 2022 (2021: £2,225,000), a decrease of -23.9%. Post Brexit and the COVID pandemic, the business has continued to struggle which has made any business development activities with new customers difficult, and in an incredibly competitive market for general fabrication. As a result of Brexit and customer driven requirements, customers have stipulated future supply of the remanufacturing process is expected to be delivered through Europe.

As most of the revenue is driven from the remanufacturing process and as a result of customer demand and establishing a European presence with Eminox Slovakia, the directors took the decision in March 2023 to cease trading following the transfer of remanufacturing work to Eminox Slovakia. As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 3.

A review of business in the context of the Hexadex group as a whole is provided in the financial statements of the parent company Hexadex Limited

Risk and uncertainties

The company's operations expose it to a number of risks and uncertainties. These include competitive pressures, ability to sustain gross margins and project risks. These risks and uncertainties are reviewed on an on-going basis and actions are taken, when possible, to limit any detrimental effect on the business.

Eminox PTE Limited

Strategic report

for the year ended 31 December 2022 (continued)

s172 Companies Act 2006

As a Board we have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, we understand that our business can only grow and prosper over the long-term if we understand and respect the views and needs of our customers, colleagues, and the communities in which we operate, as well as our suppliers, the environment, and the shareholders to whom we are accountable. This is reflected in our business principles.

We ensure that the requirements of s172 Companies Act 2006 are met and the interests of our stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review day, which considers the Group strategy for the following year, supported by the budget for the following year and a medium-term financial plan.
- Regular scheduled Board presentations and reports; for example, shareholder update monthly, updates on operational matters, Health & Safety updates.
- Regular engagement with our stakeholders, including, but not limited to, suppliers, customers, and employees.
- Consideration of the impact of the Company's operations on the community and the environment, and how this can be improved.

By order of the Board



R H Saib
Company Secretary

21st December 2023

Eminox PTE Limited

Directors' report for the year ended 31 December 2022

The directors present their report and the audited financial statements of Eminox PTE Limited for the year ended 31 December 2022.

Results and dividends

The company incurred losses after tax credits of £(16,000) (loss 2021: £89,000). The directors recommend that no dividend is payable for the financial year (2021: £Nil).

Future developments are included in the Strategic report.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

A J Meakin

M C Runciman (appointed 9th September 2022, resigned 31st March 2023)

D S Bingham (appointed 9th September 2022)

Employees

It is the policy of the company to provide equal opportunities in appointment, training and career development of disabled persons, including those becoming disabled during their employment, having regard to their particular aptitudes and abilities. The company also keeps employees involved in, and informed of, business developments and consults with on a regular basis, so that their views are taken into account in decision making.

Directors acknowledge fully the essential part that all who work for the company play in its success and thank them for their efforts and dedication.

A Hexadex group profit sharing scheme was also introduced from 1st January 2018 following the acquisition of the company in 2017. This will engage employees as key stakeholders in the continuing success of the Hexadex group and help to achieve group-wide awareness across the whole group of economic and financial factors and their impact. The scheme pays a share of overall group profits to eligible employees.

Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, in March 2023 the directors took the decision to cease trading following the transfer of remanufacturing work to Eminox Slovakia.

Accordingly, the directors have not prepared the financial statements on a going concern basis.

The financial statements have been adjusted so that assets have been written down to their recoverable amounts and all presented as current as management anticipate liquidating within one year. The directors have not identified any requirements for provisions concerning contractual commitments that have become onerous at the balance sheet date as a result of the entity no longer being a going concern.

Eminox PTE Limited

Directors' report for the year ended 31 December 2022 (continued)

Statement of director's responsibilities

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so, (as explained in note 3, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Financial risk management

The company is exposed to a variety of financial risks. These are managed at both a company level and also at the level of its parent company, Hexadex Limited.

Hexadex Limited operates a multicurrency banking facility for all its trading subsidiaries. Cash surpluses, any short-term borrowing requirements and interest rates are managed through the facility, at parent company level.

The company has policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed on a regular basis.

The company has interest bearing intercompany creditor balances which incur interest at a floating rate. The company does not use derivative financial instruments to manage interest rate costs and so no hedge accounting is applied.

Directors will review these policies if the company's operations change in size or nature.

Directors' liability insurance

The company's parent has purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its subsidiary Directors.

Eminox PTE Limited

Directors' report for the year ended 31 December 2022 (continued)

Disclosure of information to auditor

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware and the directors have taken all steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of the information.

Independent auditor

In accordance with section 487 of the Companies Act 2006, KPMG LLP have indicated their willingness to continue in office.

By order of the Board

A handwritten signature in black ink, appearing to read 'R H Saib', written in a cursive style.

R H Saib
Company Secretary

21st December 2023

Registered office: The Old Court House, 24 Market Street, Gainsborough, Lincolnshire, DN21 2BE

Eminox PTE Limited

Balance sheet as at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	6	0	44
Tangible assets	7	0	144
		0	188
Current assets			
Tangible assets	7	48	0
Inventories	8	145	229
Debtors	9	311	831
		504	1,060
Creditors – amounts falling due within one year	10	(1,830)	(2,589)
Net current assets/liabilities		(1,326)	(1,529)
Total assets less current liabilities		(1,326)	(1,341)
Provision for liabilities and charges	11	(1)	(2)
Net assets/liabilities		(1,327)	(1,343)
Capital and reserves			
Called up share capital	12	7	7
Share premium		73	73
Accumulated profits		(1,407)	(1,423)
Total equity		(1,327)	(1,343)

The accompanying notes form an integral part of these financial statements.

For the year ending 31 December 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

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

The accounts have been prepared in accordance with the micro-entity provisions and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 17 were approved by the board of directors on 21st December 2023 and were signed on its behalf by:



D S Bingham
Director

Registered number 04125393

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022

1 General Information

Eminox PTE Limited is a private company limited by shares and is incorporated in England. The address of its registered office is The Old Court House, 24 Market Street, Gainsborough, Lincolnshire, DN21 2BE.

2 Statement of compliance

The financial statements of Eminox PTE Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102) and the Companies Act 2006.

3 Statement of accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Basis of preparation

During the year ended 31 December 2022, until March 2023 the company's principal activity was remanufacturing items in the automotive sector. However, in March 2023, the directors took the decision to cease trading following the transfer of remanufacturing work to Eminox Slovakia. As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis.

The preparation of financial statements requires use of certain critical accounting estimates; it also requires management to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, in March 2023 the directors took the decision to cease trading following the transfer of remanufacturing work to Eminox Slovakia.

Accordingly, the directors have not prepared the financial statements on a going concern basis.

The financial statements have been adjusted so that assets have been written down to their recoverable amounts and all presented as current as management anticipate liquidating within one year. The directors have not identified any requirements for provisions concerning contractual commitments that have become onerous at the balance sheet date as a result of the entity no longer being a going concern.

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3 Statement of accounting policies (continued)

Exemptions for qualifying entities under FRS102

The Company's ultimate parent undertaking, Hexadex Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Hexadex Limited are available to the public and may be obtained from The Old Court House, 24 Market Street, Gainsborough, Lincolnshire, DN21 2BE. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period
- Cash Flow Statement and related notes
- Key Management Personnel compensation

As the consolidated financial statements of Hexadex Limited include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 *Other Financial Instrument* Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1

Foreign currency

Functional and presentation currency

The company's functional currency is pounds sterling which is presented in the financial statements rounded to thousands.

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Revenue recognition

The turnover shown in the company profit and loss account represents the fair value of the consideration received or receivable taking into account any discounts/rebates allowed and exclusive of Value Added Tax. Sales are recognised as revenue in the period in which the significant risks and rewards of ownership have been transferred to a third party in accordance with contractual incoterms applied.

Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements, a profit -sharing plan and an auto enrolment compliant, defined contribution pension scheme.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense when the service is received.

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3 Statement of accounting policies (continued)

Defined contribution pension plan

The company operates an auto enrolment compliant, defined contribution pension plan for its employees. The contributions to the plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of corporation tax payable for taxable loss for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable losses and total comprehensive expense as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable they will be recovered against the reversal of deferred tax liabilities of other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end which are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software 5 years

Amortisation is charged to the profit and loss account.

The assets are reviewed for impairment if factors indicate that the carrying amount may be impaired.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost or revaluation less any amounts for depreciation and provision for impairment.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery.....20% on cost

Fixtures and fittings.....20% on cost

Motor vehicles40% straight line for the first year if new vehicle, 20% thereafter.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are removed from capital on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3 Statement of accounting policies (continued)

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is the price at which stock can be sold in the normal course of business after allowing for costs of realisation. Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred. Amounts recognised in the profit and loss are presented under the heading "Other Income".

Provisions and contingencies

Provisions are recognised when the company has a legal or constructive obligation resulting from past events, it is probable that payment will be required to meet the obligation and the amount can be calculated in a reliable manner. No provisions are made for future operating losses.

Financial instruments

The company has adopted Sections 11 and 12 of FRS102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are recognised initially at transaction price.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from fellow group companies are recognised initially at transaction price.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit or loss in finance costs or income as appropriate.

**Notes to the financial statements
for the year ended 31 December 2022 (continued)**

4 Critical accounting judgements and estimation uncertainty

Company management and directors make estimates and assumptions about the future. These estimates and assumptions impact on 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 the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the financial year include:

- Carrying value for tangible assets of £48,000 (2021: £144,000) and intangible assets of £0 (2021: £44,000) set out in note 7 and note 6 respectively are recognised at cost, less accumulated depreciation, amortisation and any impairments. Amortisation and depreciation take place over the estimated useful life, down to the assessed residual value. The carrying amount of the company's fixed assets is tested as soon as changed conditions show a need for impairment has arisen.

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

5 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	2022 Number	2021 Number
Production and distribution	13	27
Administration	2	0
	15	27

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

6 Intangible assets

	Software £'000	Total £'000
Cost		
At 1 January 2022	79	79
Additions	0	0
Disposals	0	0
At 31 December 2022	79	79
Accumulated amortisation and impairment		
At 1 January 2022	35	35
Amortisation	16	16
Impairment	28	28
On disposals	0	0
At 31 December 2022	79	79
Net book amount		
At 31 December 2022	0	0
At 31 December 2021	44	44

7 Tangible assets

	Plant and machinery £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
Cost or valuation				
At 1 January 2022	382	57	34	473
Additions	9	1	0	10
Disposals	0	0	0	0
At 31 December 2022	391	58	34	483
Accumulated depreciation				
At 1 January 2022	261	43	25	329
Charge for the year	44	5	4	53
Impairment	45	8	0	53
Disposals	0	0	0	0
At 31 December 2022	350	56	29	435
Net book amount				
At 31 December 2022	41	2	5	48
At 31 December 2021	121	14	9	144

At 31 December 2022, the company had capital commitments of £Nil (2021: £1,000).

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

8 Inventories

	2022 £'000	2021 £'000
Raw materials	76	180
Work in progress	55	23
Finished goods	14	26
	145	229

There was no significant difference between the replacement cost of inventories and their carrying amounts.

9 Debtors

	2022 £'000	2021 £'000
Trade debtors	54	107
Amounts owed by group undertakings	182	662
Other debtors	8	6
Prepayments and accrued income	66	56
	310	831

Amounts owed by group undertakings are unsecured and repayable on demand. Interest is payable at UK Base Rate + 1.5% giving a current total rate of 5.75%.

10 Creditors – amounts falling due within one year

	2022 £'000	2021 £'000
Bank overdraft	1373	1,888
Trade creditors	109	191
Other taxation and social security	78	110
Amounts owed to group undertakings	129	153
Corporation tax	0	0
Accruals and deferred income	141	246
Other creditors	0	1
	1,830	2,589

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is payable at UK Base Rate + 1.5% giving a current total rate of 5.75%.

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

11 Deferred tax

	Capital allowances in excess of depreciation £'000	Other short term timing differences £'000	Total £'000
At 1 January 2022 (liability)/asset	(10)	8	(2)
Deferred tax credit in the profit and loss account	-	1	1
At 31 December 2022 (liability)/asset	(10)	9	(1)

12 Called up share capital

	2022 £'000	2021 £'000
Allotted and fully paid		
6,667 (2021: 6,667) ordinary shares of £1 each	7	7

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. There were no changes to share capital during the year.

13 Commitments under operating leases

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022 £'000	2021 £'000
Payments due:		
Not later than one year	25	25
Later than one year and not later than five years	50	75
	75	100

Eminox PTE Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

14 Contingencies

Under FRS102 Section 21 "Provisions and contingencies" the company has a potential contingent liability that is not provided for in the financial statements. In accordance with the Hexadex group's financing arrangements and policies, the company has given an unlimited guarantee to its bank for the liabilities of Hexadex Limited, the company's parent undertaking, and Hexadex Limited subsidiaries (Bellows Technology Limited, Ceramex Limited, Connectors Limited, CWM Automation Limited, Eminox Limited, Eminox PTE Limited, Eminox New Ventures Limited and Teconnex Limited). No liability exists in respect of this intra group guarantee at 31 December 2022.

15 Ultimate parent company

The ultimate and immediate parent undertaking and controlling party is Hexadex Limited, a company which is incorporated in the United Kingdom and which prepares consolidated financial statements including Eminox. Copies of the consolidated financial statements of Hexadex Limited can be obtained from the company Secretary at The Old Court House, 24 Market Street, Gainsborough, Lincolnshire, DN21 2BE.

16 Related party transactions

The company has taken advantage of the exemption contained within FRS102 and not disclosed transactions or balances with companies that are fellow wholly owned subsidiaries of Hexadex Limited.

17 Events after the balance sheet date

In March 2023, the directors took the decision to cease trading following the transfer of remanufacturing work to Eminox Slovakia. For more details including the impact on the basis of preparation of the financial statements refer to note 3.

18 Disclosure under section 444(5B) of the Companies Act 2006

The report of the Auditor was unqualified and was signed by

Jonathan Pass MSC BA ACA (Senior Statutory Auditor)

For and on behalf of KPMG LLP