

Vita (Holdings) Limited
Annual report and financial statements
for the year ended 31 December 2016

Registered Number 5396870



Vita (Holdings) Limited
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for the year ended 31 December 2016

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Vita (Holdings) Limited

Directors and advisors for the year ended 31 December 2016

Directors

Mr J Cheele
Mr D Round
Mr C Josephs
Mr D O'Riordan
Mr D Clarke

Secretary

Vita Industrial (UK) Limited

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Registered Office

Oldham Road
Middleton
Manchester
M24 2DB

Registered Number

5396870

Vita (Holdings) Limited

Strategic report for the year ended 31 December 2016

The directors present their Strategic report on the Company for the year ended 31 December 2016.

Principal activities

The principal activity of the Company during the year continued to be to act as the parent and debt holder for investments in the Group (Vita (Lux III) S.à.r.l. and its subsidiary companies). Principal investments are detailed in note 5 to the financial statements.

Business review

The profit for the financial year ended 31 December 2016 was €187,966,464 (2015: loss of €29,071,712). At the year end the Company had net assets of €216,790,484 (2015: €28,824,020).

As part of the Group's distributable reserves planning, several steps were carried out in January and February 2016, the objective of which was to remove certain "dividend blocks" and, if necessary, facilitate the remittance of cash to Vita (Lux III) S.à.r.l. from Vita (Group) Unlimited and its subsidiaries.

On 27 January 2016, the Company undertook a reduction of €119,215,694 share capital by way of a directors' solvency statement.

On 2 February 2016, there was a bonus issue in the Company of 106,746,000 ordinary shares of €1 each, followed by a capital reduction of the same by way of a directors' solvency statement.

On 2 February 2016, Vita (Group) Unlimited, a direct subsidiary of the Company, declared a distribution of an amount in Sterling equal to €165,148,525 to the Company, satisfied by the reduction of the loan payable by the Company to Vita (Group) Unlimited.

Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by its activities. The Company operates in accordance with Group policies.

Principal risks and uncertainties

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

Competitive pressure in the trading subsidiary undertakings, both within the UK and overseas, is a continuing risk for the Group. The Group manages this risk by providing value added services to its customers, having fast response times not only in supplying products but in handling all customer queries and by maintaining strong relationships with customers.

Financial risk management

The Group, of which the Company is a member, through its treasury activities seeks to reduce financial risk, ensure sufficient liquidity and manage surplus cash. The treasury department operates within parameters approved and monitored by the Group Board of Directors and restricts transactions to banks that have a defined minimum credit rating.

The treasury department does not take speculative financial positions and makes limited use of derivative financial instruments. The treasury department advises operational management on all financial risks and executes all major transactions in financial instruments. In the UK, the treasury department arranges all foreign currency forward contracts to hedge transactional exposures and ensures exposures are fully hedged as they arise and, where appropriate, hedges future exposures up to six months forward. In addition, the treasury department manages borrowings. At the year end the Company had no foreign currency forward contracts (2015: none).

The Group seeks to reduce credit risk through the use of credit insurance and pro-active credit control procedures.

Vita (Holdings) Limited

Strategic report for the year ended 31 December 2016 (continued)

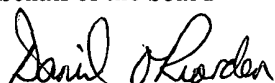
Key Performance Indicators (“KPIs”)

The Company produces monthly reporting packs containing its financial results and these are consolidated into the total numbers for submission to the Group for review. The Key Performance Indicators on which the Group focuses are:

- Margin (MOP = Margin over Polymer)
- EBITDA
- Working Capital
- Operating Cash Flow

The four KPIs are measured in absolute terms and, in addition, working capital is also measured on days sales outstanding, days purchases outstanding and days inventory in hand. The Group has confirmed through its reviews that the KPIs have been running at a level consistent with expectations and have satisfied the Group’s relevant banking covenants.

On behalf of the board



Mr D O’Riordan
Director
2 May 2017

Vita (Holdings) Limited

Directors' report for the year ended 31 December 2016

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2016.

Political and charitable contributions

No political or charitable donations were made by the Company during the current or prior year.

Future developments

The Company continues to act as the immediate parent and debt holder for investments in the Group.

Dividends

The directors have not paid and do not propose a dividend in respect of the year ended 31 December 2016 (2015: €nil).

Going concern

The directors have assessed the Company's going concern status using all available information and considered the foreseeable future. The Company has received written confirmation from a fellow group undertaking that it will not demand repayment of amounts owed by the Company during twelve months from the approval of these financial statements, unless the Company has adequate funds to make such repayment. Following this assessment the directors conclude that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Mr J H Menendez (resigned 14 December 2016)
Mr G L Maundrell (resigned 14 December 2016)
Mr S Cox (resigned 14 December 2016)
Mr J D Meltham (resigned 14 December 2016)
Mr C G King (resigned 28 October 2016)
Mr J Cheele (appointed 14 December 2016)
Mr D Round (appointed 14 December 2016)
Mr C Josephs (appointed 14 December 2016)
Mr D O'Riordan (appointed 14 December 2016)
Mr D Clarke (appointed 14 December 2016)

Financial risk management

Financial risk management is described in the Strategic report on page 2.

Critical accounting estimates

Critical accounting estimates are described in the Accounting policies on page 11.

Vita (Holdings) Limited

Directors' report for the year ended 31 December 2016 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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 the Group and 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

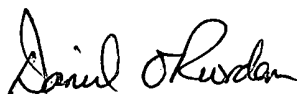
In the case of each of the persons who are directors at the time when the report is approved under section 418 of the Companies Act 2006 the following applies:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board



Mr D O'Riordan
Director
2 May 2017

Vita (Holdings) Limited

Independent auditors' report to the members of Vita (Holdings) Limited

Report on the financial statements

Our opinion

In our opinion, Vita (Holdings) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 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.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual report"), comprise:

- the Balance sheet as at 31 December 2016;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matter 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.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Vita (Holdings) Limited

Independent auditors' report to the members of Vita (Holdings) Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

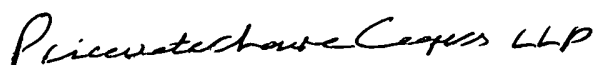
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Simon White (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
2 May 2017

Vita (Holdings) Limited

Profit and loss account for the year ended 31 December 2016

	Note	2016 €	2015 €
Administrative income/(expense)		20,796,192	(26,145,257)
Operating profit/(loss)	1	20,796,192	(26,145,257)
Income from shares in group undertakings	6	165,148,525	-
Profit/(loss) before interest and taxation		185,944,717	(26,145,257)
Interest receivable and similar income	2	5,372,186	748,510
Interest payable and similar expenses	3	(2,659,376)	(4,378,810)
Profit/(loss) before taxation		188,657,527	(29,775,557)
Tax on profit/(loss)	4	(691,063)	703,845
Profit/(loss) for the financial year	11	187,966,464	(29,071,712)

All results are generated from continuing operations.

The Accounting policies and notes form part of these financial statements.

The Company incurred no income or expense other than those recognised in the Profit and loss account above in either the current or prior years, and therefore no separate Statement of comprehensive income has been presented.

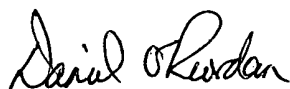
Vita (Holdings) Limited

Balance sheet as at 31 December 2016

	Note	2016 €	2015 €
Fixed assets			
Investments	5	576,380,338	576,380,338
Current assets			
Debtors (includes €150,538,754 (2015: €164,656,668) due after more than one year)	7	158,230,570	170,129,085
Cash at bank and in hand		12,427,318	8,100,236
		170,657,888	178,229,321
Creditors: amounts falling due within one year	8	(24,637,652)	(22,763,442)
Net current assets		146,020,236	155,465,879
Total assets less current liabilities		722,400,574	731,846,217
Creditors: amounts falling due after more than one year	9	(505,610,090)	(703,022,197)
Net assets		216,790,484	28,824,020
Capital and reserves			
Called up share capital	10	1,499	119,217,193
Profit and loss account	11	216,788,985	(90,393,173)
Total shareholder's funds		216,790,484	28,824,020

The Accounting policies and notes form part of these financial statements.

The financial statements on pages 8 to 21 were approved by the board of directors on 2 May 2017 and were signed on its behalf by:



Mr D O'Riordan
Director
2 May 2017

Vita (Holdings) Limited
Registered Number
5396870

Vita (Holdings) Limited

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total shareholder's funds
	€	€	€
At 1 January 2015	119,217,193	(61,321,461)	57,895,732
Loss for the financial year and total comprehensive expense	-	(29,071,712)	(29,071,712)
At 31 December 2015	119,217,193	(90,393,173)	28,824,020
Capital reduction of ordinary shares	(119,215,694)	119,215,694	-
Bonus issue of ordinary shares	106,746,000	(106,746,000)	-
Capital reduction of ordinary shares	(106,746,000)	106,746,000	-
Profit for the financial year and total comprehensive income	-	187,966,464	187,966,464
At 31 December 2016	1,499	216,788,985	216,790,484

Vita (Holdings) Limited

Accounting policies

Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Vita (Holdings) Limited for the year ended 31 December 2016 were authorised for issue by the board of directors on 2 May 2017 and the balance sheet was signed on behalf of the board by Mr D O’Riordan. Vita (Holdings) Limited is private limited company and is incorporated and domiciled in England and Wales.

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 (the Act), as applicable to companies using FRS 101. FRS 101 sets out a reduced disclosure framework for a “qualifying entity”, as defined in the standard, which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

Vita (Holdings) Limited is a wholly owned subsidiary of Vita (Lux III) S.à.r.l. Its results are included in the consolidated financial statements of Vita (Lux III) S.à.r.l., a company incorporated in Luxembourg. Copies of their financial statements can be obtained from Vita (Lux III) S.à.r.l., 5, Rue Guillaume Kroll, L-1882, Luxembourg. Therefore the company has taken the exemption under section 400 of the Companies Act 2006 from preparing consolidated financial statements.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2016. The financial statements are prepared in Euro.

These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared, on the going concern basis, using the historical cost convention, as stated in the accounting policies.

The Company is a qualifying entity for the purposes of FRS 101. Note 13 gives details of the Company’s ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

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

- IFRS 7, “Financial Instruments: Disclosures”
- IAS 7, “Statement of cash flows”
- The requirements of IAS 24, “Related party disclosures” to disclose related party transactions entered into between two or more members of a group.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its 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 financial statements pertain primarily to investments, which are described in further detail below.

Going concern

The Company meets its day-to-day working capital requirements through its cash reserves and borrowings. The current economic conditions continue to create uncertainty, particularly over the level of demand for the Company’s services. The Company’s forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves and borrowings.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company has received written confirmation from a fellow group undertaking that it will not demand repayment of amounts owed by the Company during twelve months from the approval of these financial statements, unless the Company has adequate funds to make such repayment. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Investments

Investments in subsidiary undertakings are initially stated at cost. Provision is made for any impairment.

Vita (Holdings) Limited

Accounting policies (continued)

Taxation

Corporation tax payable is provided on taxable profits at the current rate after adjusting for double taxation relief in respect of overseas taxation.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign currencies

Transactions denominated in foreign currencies are translated into Euro at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated into Euro at the rate of exchange prevailing at the year end (or, where appropriate, at the rate of exchange in a related foreign currency forward contract). Any gain or loss arising from a change in exchange rates subsequent to the date of transaction is included as an exchange gain or loss in the Profit and loss account.

Finance costs

Finance costs are deducted from the carrying value of debt and are recognised in the Profit and loss account over the term of such instruments at a constant rate on the carrying value.

Cash flow statement

The Company is a wholly owned subsidiary of Vita (Lux III) S.à.r.l., which produces consolidated financial statements that are publicly available. Consequently, the Company is exempt from the requirement of IAS 7 "Statement of Cash Flows" to prepare a cash flow statement.

Financial liabilities

Initial recognition

Financial liabilities within the scope of IAS 39 "Financial Instruments" are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs.

The Company's financial liabilities include inter-company loans and interest.

Subsequent measurement – Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that do not meet the hedge accounting criteria of IAS 39. Gains or losses on liabilities held for trading are recognised in the Profit and loss account.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts, together with any costs or fees incurred, are recognised in profit or loss.

Vita (Holdings) Limited

Accounting policies (continued)

Financial assets

Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current investments.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise receivables, cash and commercial paper in the balance sheet.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Profit and loss account. Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the Profit and loss account within interest income or expenses in the period in which they arise.

Vita (Holdings) Limited

Notes to the financial statements

for the year ended 31 December 2016

1 Operating profit/(loss)

The directors received no emoluments for their services to the Company in the year and the preceding year. The Company has no employees (2015: none).

Auditors' remuneration of €3,000 (2015: €3,000) for statutory audit services was borne by a fellow Group company. The auditors received no fees for non-audit services (2015: €nil).

Operating profit for the year ended 2016 includes €20,836,074 foreign currency gains (2015: operating loss includes €26,164,546 foreign currency losses) arising on the retranslation of inter-company loans.

The closing exchange rate of Sterling to Euro at 31 December 2016 was 1.1706 (2015: 1.3564) and average rate was 1.2203 (2015: 1.3780).

2 Interest receivable and similar income

	2016 €	2015 €
Interest receivable from group undertakings	5,372,186	748,510

3 Interest payable and similar expenses

	2016 €	2015 €
Interest payable to group undertakings	2,659,376	4,378,810

Vita (Holdings) Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

4 Tax on profit/(loss)

	2016 €	2015 €
Current tax		
United Kingdom corporation tax at 20% (2015: 20.25%)	-	(691,063)
Adjustments in respect of prior years	691,063	(12,782)
Tax on profit/(loss)	691,063	(703,845)

The tax assessed for the year differs from (2015: differs from) the standard rate of Corporation tax in the UK. The differences are explained as follows:

	2016 €	2015 €
Profit/(loss) before taxation	188,657,527	(29,775,557)
Tax on profit/(loss) before taxation at standard UK Corporation tax of 20% (2015: 20.25%)	37,731,505	(6,029,550)
(Income not taxable)/expenses not deductible for tax purposes	(37,310,533)	5,338,487
Losses utilised	(420,972)	-
Adjustments in respect of prior years	691,063	(12,782)
Tax charge/(credit) for the financial year	691,063	(703,845)

Potential deferred tax assets of €33.9 m (2015: €42.2m) have not been recognised in respect of losses carried forward, as it is considered the degree of certainty around the level of future taxable profits is not sufficient to recognise these assets.

On 16 March 2016 the UK Chancellor announced a further reduction in the main rate of UK corporation tax to 17% with effect from 1 April 2020 (instead of 18% as previously announced). This change became substantively enacted on 15 September 2016. As such the deferred tax assets and liabilities have been re-measured accordingly.

Vita (Holdings) Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

5 Investments

	Subsidiary undertakings
	€
Cost or valuation	
At 31 December 2015 and 31 December 2016	576,380,338

The directors believe that the carrying value of the investments is supported by their underlying net assets. The subsidiary undertakings at the year end are as follows (* indicates held indirectly):

International

Metzeler Schaum Inc	8343 Douglas Ave Ste 400 Dallas, TX 75225, USA	*100%	Cellular foams
Vitafoam Inc.	8343 Douglas Ave Ste 400 Dallas, TX 75225, USA	*100%	Nonwoven products
Vita Foam Products (Changshu) Company Limited	No. 55 Dong Zhang Wan He Rd, Changshu Economic & Technology Development Zone, Changshu, China	*100%	Cellular foams

Vita (Holdings) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2016

5 Investments (continued)

Subsidiary undertakings	Registered office	% shares held by Company	Principal activity
United Kingdom			
Vita (Group) Unlimited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	100%	Parent company
Ball & Young Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Cellular foams
British Vita Property (UK) 2 Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Property company
Vita Cellular Foams (UK) Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Cellular foams
Vita Industrial (UK) Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Administrative services
Vita Liquid Polymers Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Liquid compounds
Vita International Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Parent company
Vita Investments North America Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Parent company
Vita Industrial (Lithuania) Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Investment company
Vita Industrial (Poland) Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Investment company
Vita Lithuania (UK) Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Investment company
Pathway Holdings Limited	Oldham Road, Middleton, Manchester, M24 2DB, United Kingdom	*100%	Parent company

Vita (Holdings) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2016

5 Investments (continued)

Continental Europe

Vita (France) SAS	Le Dome – BP 12910, Rue de la Haye, 95731 Roissy CDG Cedex, France	*100%	Parent company
Vita Polymers France SAS	Le Dome – BP 12910, Rue de la Haye, 95731 Roissy CDG Cedex, France	*100%	Parent company
ICOA France SAS	Zone Industrielle 10100 Crancey, France	*100%	Cellular foams
Tramico SAS	Zone Industrielle de l'Europe, 76220 Gournay en Bray, France	*100%	Cellular foams
Vita (Germany) GmbH	Donaustr. 51; 87700 Memmingen, Germany	*100%	Parent company
Deutsche Vita Polymere GmbH	Bamberger Strasse 58, 96215 Lichtenfels, Germany	*100%	Parent company
Koepp Schaum GmbH	Rheingaustraße 19, 65375 Oestrich-Winkel, Germany	*100%	Cellular foams
Metzeler Schaum GmbH	Donaustr. 51; 87700 Memmingen, Germany	*100%	Cellular foams
Metzeler Schaum	Donaustr. 51; 87700 Memmingen, Germany	*100%	Cellular foams
Unterstützungskasse GmbH			
Radium Latex GmbH	Triftenstrasse 81, 32791 Lage, Germany	*100%	Cellular foams
Veenendaal Schaumstoffwerk GmbH	Bamberger Strasse 58, 96215 Lichtenfels, Germany	*100%	Cellular foams
Vita (Netherlands) BV	Fort Willemweg 61 6219 PA Maastricht Breda, The Netherlands	*100%	Parent company
Vita Interfoam BV	Fort Willemweg 61 6219 PA Maastricht Breda, The Netherlands	*100%	Parent company
Caligen Europe BV	Konijnenberg 59, 4825 BC Breda, The Netherlands	*100%	Cellular foams
Draka Interfoam BV	Van de Endelaan 15 2182 ES Hillegom, The Netherlands	*100%	Cellular foams
Radium Foam BV	Fort Willemweg 61 6219 PA Maastricht Breda, The Netherlands	*100%	Cellular foams
Litraco NV	Pater Eudore Devroyestraat, 1040 Etterbeek, Belgium	*100%	Nonwoven products
Metzeler Slovakia S.R.O.	Pol'ná 7/4156, Senec 903 01, Slovakia	*100%	Cellular foams
Vita Polymers Poland Sp. z o.o	ul.Sienkiewicza 31/33; 56-120 Brzeg Dolny, Poland	*100%	Cellular foams
UAB Vita Baltic International	Jurgiskes, LT-62181 Alytus, Lithuania	*100%	Cellular foams
Vitafoam Bulgaria EOOD	Plovdiv 4003, ul.Vasil Levski 172, Bulgaria	*100%	Cellular foams
Vitafoam Magyarorszag KFT	HU-7030 Paks. 8806/2 hrsz, Hungary	*100%	Cellular foams
Vitafoam Romania SRL	545200 Ludus, Str. 1 Mai Nr. 34, Jud. Mures, Romania	*100%	Cellular foams
Vitafoam RS d.o.o. Beograd-Stari Grad	545200 Ludus, Str. 1 Mai Nr. 34, Jud.Mures, Serbia	*100%	Cellular foams
Vitafoam Albania SHPK	Elbasan, Bradashesh, Elbasan-Metalurgjik, Rr. Mozge, zona kadastrale 8526, Albania	*100%	Cellular foams

Vita (Holdings) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2016

6 Income from shares in group undertakings

On 2 February 2016, Vita (Group) Unlimited, a direct subsidiary of the Company, declared a distribution of an amount in Sterling equal to €165,148,525 to the Company (2015: €nil), satisfied by the reduction of the loan payable by the Company to Vita (Group) Unlimited.

7 Debtors

	2016 €	2015 €
Amounts owed by group undertakings (includes €150,538,754 (2015: €164,656,668) due after more than one year)	158,230,570	169,438,022
Corporation tax	-	691,063
	158,230,570	170,129,085

Amounts owed by group undertakings are unsecured and interest is charged on a floating rate basis. The rates are linked to the LIBOR (or equivalent) for the currency of each loan, and an appropriate margin is added.

8 Creditors: amounts falling due within one year

	2016 €	2015 €
Bank loans and overdrafts	-	36,513
Amounts owed to group undertakings	24,549,291	22,678,431
Accruals and deferred income	88,361	48,498
	24,637,652	22,763,442

Amounts owed to group undertakings are interest free and repayable 45 days after the end of the month in which they arose.

9 Creditors: amounts falling due after more than one year

	2016 €	2015 €
Amounts owed to group undertakings	505,610,090	703,022,197

Amounts owed to group undertakings are unsecured and interest is charged on a floating rate basis. The rates are linked to the LIBOR (or equivalent) for the currency of each loan, and an appropriate margin is added.

Vita (Holdings) Limited

Notes to the financial statements (continued) for the year ended 31 December 2016

10 Called up share capital

	€
Allotted, called up and fully paid	
At 1 January 2015 and 31 December 2015:	
200 Ordinary shares of €1.49 each and 99,297,764 Ordinary Shares of €1.20 each	119,217,193
Capital reduction of ordinary shares	(119,215,694)
Bonus issue of ordinary shares	106,746,000
Capital reduction of ordinary shares	(106,746,000)
At 31 December 2016: 200 Ordinary shares of €1.49 each and 1,001 Ordinary Shares of €1.20 each	1,499

The Ordinary shares are denominated in sterling at £1 each and the exchange rate applied is 1.20 and 1.49 respectively.

On 27 January 2016, the Company undertook a capital reduction of €119,215,694 share capital by way of a directors' solvency statement.

On 2 February 2016, there was a bonus issue in the Company of 106,746,000 ordinary shares of €1 each, followed by a capital reduction of the same by way of a directors' solvency statement.

11 Reserves

	Profit and loss account €
At 1 January 2015	(61,321,461)
Loss for the financial year	(29,071,712)
At 31 December 2015	(90,393,173)
Capital reduction of ordinary shares	119,215,694
Bonus issue of ordinary shares	(106,746,000)
Capital reduction of ordinary shares	106,746,000
Profit for the financial year	187,966,464
At 31 December 2016	216,788,985

Vita (Holdings) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2016

12 Related party transactions

The Company has taken advantage of the exemption under paragraph 3(C) from the provisions of IAS 24, 'Related Party Disclosures', from disclosing related party transactions with fellow Group companies on the grounds that throughout the year it was a wholly owned subsidiary of a group headed by the Vita (Lux III) S.à.r.l., whose financial statements are publicly available. There were no other related party transactions.

13 Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Vita (Lux III) S.à.r.l.

Vita (Lux III) S.à.r.l. is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2016. The consolidated financial statements may be obtained from 5, Rue Guillaume Kroll, L-1882, Luxembourg.

The Company's ultimate controlling party is TPG Partners IV-AIV, LP, a partnership located in the Cayman Islands. The ultimate parent company is Vita Cayman Limited.

14 Contingent liabilities

The Company has given guarantees to its bankers in respect of advances to certain group undertakings. The directors are of the opinion that no liability is likely to arise on the part of the Company in respect of these guarantees.