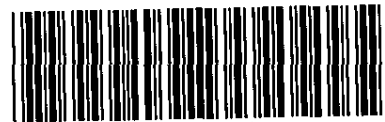


Company Registration No. 05643286 (England and Wales)

MACDERMID ACTIUM, LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

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MACDERMID ACTIUM, LTD

COMPANY INFORMATION

Directors	P A Bray M J Siegmund
Secretary	M J Siegmund
Company number	05643286
Registered office	Unit 2 Genesis Business Park Albert Drive Sheerwater Woking GU21 5RW United Kingdom
Auditor	Grant Thornton UK LLP Regent House 80 Regent Road Leicester LE1 7NH

MACDERMID ACTIUM, LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Principal activities and business review

The principal activity of the company during the financial year was that of an intermediate holding company for the group of specialty chemical companies owned by Element Solutions Inc. (the Group).

The profit before taxation for the year amounted to £665,000 (2020: £476,000) which included dividend income of £656,000 (2020: 458,000).

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 and uncertainties affecting the company are considered to relate to the performance of the company's subsidiary undertakings. The subsidiary undertakings are managed on a daily basis by their directors, and other senior managers. The performance of each subsidiary undertaking is continually monitored by the group using a comprehensive management process.

There has been limited overall impact of Brexit, it was due to the structure of the group allowing cross subsidiary trading to remove logistical challenges in dealing with customers. COVID-19 has had a limited effect on the overall performance of investments held by the company.

Financial and non-financial key performance indicators

Given the nature of the business, the company's directors are of the opinion that further analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

The group's key performance indicators are discussed in the consolidated financial statements of Element Solutions Inc. for the year ended 31 December 2021, which are publicly available, but do not form part of these financial statements, and are available from their website at www.elementsolutionsinc.com.

Future developments

The company is part of the group headed by Element Solutions Inc., which is well established and as such the directors do not consider that there will be significant developments or plans for change in the company's activities in the near future.

On behalf of the board

Paul Bray
.....

P A Bray
Director

Date: 20/12/2022
.....

MACDERMID ACTIUM, LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Directors

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

P A Bray
M J Siegmund

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £nil (2020: £12,000,000). The directors do not recommend payment of a further dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Financial risk management

The main risk arising from the company's financial instruments is interest rate risk. The company does not enter into derivative transactions. It is, and has been throughout the year under review, the company's policy that no trading in the financial instruments shall be undertaken.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The department has guidelines to manage interest rate risk and circumstances where it would be appropriate to use financial instruments to manage these.

The board reviews and agree policies for managing interest rate risk as summarised below.

Impairment of investments

The company holds significant investments and balances in group companies. The financial position of the company may be adversely impacted should the carrying value of these investments and balance be impaired. The directors use their judgement to determine the extent to which fixed asset investments have a value that will benefit the performance of the company over future periods on an annual basis.

Auditor

Grant Thornton UK LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, and are deemed reappointed in accordance with Section 487(2) of the Companies Act 2006.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of:

- an indication of likely future developments in the business of the company required by paragraph 7(1) (b).

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

MACDERMID ACTIUM, LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern

The company meets its day-to-day working capital requirements through its intercompany financing arrangements. The company has net current assets of £6,795,000 (2020: £6,130,000) at the reporting date and made a profit after tax of £665,000 (2020: £476,000) for the financial year.

The COVID-19 pandemic is a worldwide event. It has caused widespread disruption to businesses and financial markets, in addition to the human toll on life and health. Unfortunately, this pandemic could not have been predicted or prevented.

Trading subsidiaries implemented action points to minimise disruptions caused by the COVID-19. Those actions have permitted trading companies to continue their operations and remain as ongoing businesses.

Therefore, the directors of the company have not impaired the value of investments in the trading companies and hence believe the company's status as a going concern is not at risk.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future due to the continued support of the ultimate parent company, Element Solutions Inc. (through the related treasury company, MacDermid Performance Acquisitions Limited).

On behalf of the board

Paul Bray
.....

P A Bray
Director

Date: 20/12/2022
.....

MACDERMID ACTIUM, LTD

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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;
- 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 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 MACDERMID ACTIUM, LTD

Opinion

We have audited the financial statements of MacDermid Actium, Ltd (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MACDERMID ACTIUM, LTD (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

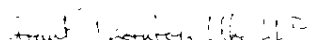
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MACDERMID ACTIUM, LTD (CONTINUED)

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006) and the relevant tax compliance regulations in the jurisdiction in which the company operates. We enquired of management, whether they were aware of any instances of noncompliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our commercial experience and through discussion with management.
- we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and evaluating management's incentives and opportunities for manipulation of the financial statements. We considered the risk of fraud to be higher through the potential for management override of controls.
- audit procedures performed by the engagement team included:
 - testing manual journal entries determined to be of unusual value, large value or with certain description characteristics, journals to suspense accounts or journals with unusual user postings.
 - challenging assumptions and judgements made by management in its estimates.
- assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - understanding of the financial reporting framework and the relevant tax compliance regulations specific to the entity.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed noncompliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

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.



Christopher Frostwick MA FCA (Senior Statutory Auditor)
For and on behalf of Grant Thornton UK LLP, Statutory Auditor
Chartered Accountants
Regent House
80 Regent Road
Leicester
LE1 7NH
21/12/2022.....

MACDERMID ACTIUM, LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
Turnover		-	-
Administrative expenses		(1)	(1)
Operating loss	5	(1)	(1)
Income from shares in group undertakings	6	656	458
Interest receivable from group undertakings	6	10	19
Profit before taxation		665	476
Tax on profit	7	-	-
Profit for the financial year		665	476

MACDERMID ACTIUM, LTD**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Investments	9		1,693		1,693
Current assets					
Debtors	11	6,795		6,130	
Net current assets			6,795		6,130
Total assets less current liabilities			8,488		7,823
Capital and reserves					
Called up share capital	12		-		-
Share premium account	13		30		30
Profit and loss reserves	13		8,458		7,793
Total equity			8,488		7,823

The financial statements were approved by the board of directors and authorised for issue on 20/12/2022 and are signed on its behalf by:

Paul Bray

 P A Bray
 Director

MACDERMID ACTIUM, LTD**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Share capital £'000	Share premium account £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2020		-	30	19,317	19,347
Year ended 31 December 2020:					
Profit and total comprehensive income for the year		-	-	476	476
Dividends	8	-	-	(12,000)	(12,000)
Balance at 31 December 2020		-	30	7,793	7,823
Year ended 31 December 2021:					
Profit and total comprehensive income for the year		-	-	665	665
Balance at 31 December 2021		-	30	8,458	8,488

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

MacDermid Actium, Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit 2 Genesis Business Park, Albert Drive, Sheerwater, Woking, Surrey, GU21 5RW, United Kingdom.

The company's principal activities and nature of its operations are disclosed in the Strategic Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000, unless stated otherwise.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of MacDermid Actium, Ltd are consolidated in the financial statements of Element Solutions Inc. which are available from Suite 1860, 500 East Broward Boulevard, Fort Lauderdale, Florida, 33394, USA and are also available from www.elementsolutionsinc.com.

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Going concern

The company meets its day-to-day working capital requirements through its intercompany financing arrangements. The company has net current assets of £6,795,000 (2020: £6,130,000) at the reporting date and made a profit after tax of £665,000 (2020: £476,000) for the financial year.

The COVID-19 pandemic is a worldwide event. It has caused widespread disruption to businesses and financial markets, in addition to the human toll on life and health. Unfortunately, this pandemic could not have been predicted or prevented.

Trading subsidiaries implemented action points to minimise disruptions caused by the COVID-19. Those actions have permitted trading companies to continue their operations and remain as ongoing businesses.

Therefore, the directors of the company have not impaired the value of investments in the trading companies and hence believe the company's status as a going concern is not at risk.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future due to the continued support of the ultimate parent company, Element Solutions Inc. (through the related treasury company, MacDermid Performance Acquisitions Limited).

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fixed asset investments

The directors use their judgement to determine the extent to which fixed asset investments have a value that will benefit the performance of the company over future periods. To assist in making this judgement, the directors undertake an assessment of the carrying value of the company's investments in subsidiaries. In performing this assessment undertaken as at 31 December 2021 value in use was derived from the rolled up valuations of each entity in the group based on a net assets approach or a net present value approach from the lowest level of the group structure. Changes to the assumptions used in this assessment could significantly alter the directors' assessment of the carrying value of its investments, which is £1,693,000 (2020: £1,693,000) as shown in note 9.

3 Employees

The company had no employees in the current or prior year.

4 Directors' remuneration

No directors received any remuneration from the company during either the current or preceding year. The directors' service to the company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their service to other fellow subsidiary undertakings or the ultimate parent company.

MACDERMID ACTIUM, LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****5 Operating loss**

	2021	2020
	£'000	£'000
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	5	4

6 Interest receivable and similar income

	2021	2020
	£'000	£'000
Interest income		
Interest receivable from group companies	10	19
Income from fixed asset investments		
Income from shares in group undertakings	656	458
Total income	666	477

7 Taxation

	2021	2020
	£'000	£'000
UK corporation tax on profits for the current period	-	-

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2021	2020
	£'000	£'000
Profit before taxation	665	476
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	126	90
Tax effect of expenses that are not deductible in determining taxable profit	(126)	(87)
Group relief	-	(3)
Taxation charge for the year	-	-

In March 2020 the corporation tax rate enacted was 19% and this has been applied for the tax calculation in 2021. In March 2021 the Chancellor announced that the tax rate would increase to 25%, this has been substantively enacted and used in the measurement of deferred tax at the reporting date.

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Dividends

	2021 £'000	2020 £'000
Final paid	-	12,000

9 Fixed asset investments

	Notes	2021 £'000	2020 £'000
Investments in subsidiaries	10	1,693	1,693

Movements in fixed asset investments

	Shares in group undertakings £'000
Cost or valuation	
At 1 January 2021 & 31 December 2021	1,693
Carrying amount	
At 31 December 2021	1,693
At 31 December 2020	1,693

10 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office key	Class of shares held	% Held Direct	Indirect
MacDermid Offshore Fluidos do Brazil Industrial Ltda	a)	Ordinary	98.00	-

Registered Office addresses:

- a) Rua Afonso Figueiró, n. 43, Parque Industrial José G. Gimenes, City of Cambé, State of Paraná, 86183-752, Brazil.

11 Debtors

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	6,795	6,130

Amounts owed by group undertakings classified as loans attract interest at market rates. All balances are repayable on demand and are unsecured.

MACDERMID ACTIUM, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Share capital

	2021 Number	2020 Number	2021 £'000	2020 £'000
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	2	2	-	-
	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

13 Reserves

Share premium

The share premium account represents consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Profit and loss reserves represent cumulative profit and loss net of distributions to owners.

14 Financial commitments, guarantees and contingent liabilities

On 13 April 2016 the company entered into a guarantee in respect of the bank borrowings of fellow subsidiary undertakings of the Element Solutions Inc. group. The guarantee is secured by a charge on the company's tangible and intangible assets. At 31 December 2021 the directors believe that the group will continue to meet its liabilities under its credit agreement and that there was no financial effect on the company as a result of providing this guarantee.

15 Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose details of intra-group transactions.

During the year MacDermid Actium, Ltd received a dividend of £656,139 (2020: £457,696) from MacDermid Offshore Fluidos do Brazil Industrial Ltda which is a non-wholly owned subsidiary of the company.

16 Ultimate controlling party

The immediate parent company is MacDermid Continental Investments Limited, a company registered in England & Wales. MacDermid Continental Investments Limited has its registered office at: Unit 2 Genesis Business Park, Albert Drive, Woking, Surrey, GU21 5RW.

The ultimate controlling entity is Element Solutions Inc., a company incorporated in the United States of America. Element Solutions Inc has its registered office at: Suite 1860, 500 East Broward Boulevard, Fort Lauderdale, Florida, 33394, USA.

The largest and smallest group in which the results of the company are consolidated is headed by Element Solutions Inc., a company incorporated in the United States of America. The consolidated financial statements of the group are available to the public and may be obtained from the following address: Suite 1860, 500 East Broward Boulevard, Fort Lauderdale, Florida, 33394, USA and are also available from www.elementsolutionsinc.com.