

## MTW County Limited

Report and Financial Statements

Year ended

31 December 2016

Company Number 06483143



**MTW County Limited**  
**Report and financial statements**  
**for the year ended 31 December 2016**

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**Directors**

A D Gray  
G P B Veal

**Secretary and registered office**

Prima Secretary Limited, St. Ann's Wharf, 112 Quayside, Newcastle upon Tyne NE1 3DX

**Company number**

06483143

**Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# MTW County Limited

## Strategic report for the year ended 31 December 2016

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The directors present their strategic report together with the audited financial statements for the year ended 31 December 2016. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

### Business review and principal activities

The Company serves as an investment holding company. No change to this activity is envisaged. The Company's transactions are principally denominated in US dollars and this currency has been determined as the functional and presentational currency.

In early 2015 The Manitowoc Company Inc. announced its intention to split itself into two separate publicly quoted entities, namely The Manitowoc Company Inc. (the Cranes business) and Welbilt Inc. (formerly known as Manitowoc Foodservice Inc) (the Foodservice business). This was effected on 4<sup>th</sup> March 2016.

The separation process involved a number of organizational changes to allow the business to separate cleanly.

During the year, the Company;

- Sold its investment in Enodis Limited and Berisford Overseas Limited at net asset value.
- Purchased Manitowoc Foodservice UK Holding Limited at net asset value.

The statement of comprehensive income is set out in page 7 and shows a loss before tax of \$24.9m (2015: loss of \$11.0m).

The directors continue to monitor the valuation of the Company's investments in subsidiaries with respect to the forecast cash flows and net assets from the underlying operating companies.

The directors do not recommend payment of a dividend (2015: \$nil.)

### Principal risks and uncertainties

Throughout the year, the Company identifies and reviews potential risk and uncertainties that could have a material impact on performance and has put in place internal processes and controls designed to mitigate these risks. Detailed planning processes and contingency plans are in place for adverse change to macro-economic conditions. Appropriate review and development processes are followed for all employees including for succession. The principal risks the Company is exposed to are as follows:

#### *Foreign exchange risk*

The Company is party to a non-functional-currency loan note which is subject to retranslation at rates that are out of the control of the Company, resulting in gains or losses arising in the Statement of Comprehensive Income.

#### *Liquidity and interest rate risk*

The Company is a participant in the group treasury function which has the objective of maintaining a balance between continuity of funding and appropriately investing in the money markets. All cash management is performed centrally and the Company's cash position is monitored weekly. The Company's policy is also to maintain access to a mixture of long term and short term debt finance from group companies and to regularly review interest rates.

# MTW County Limited

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

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## Going concern

The Company has a commitment from its ultimate parent company that it will not demand repayment of any intercompany loans for a period of at least twelve months after the signing of these financial statements, if such repayment would leave the Company unable to meet its other liabilities. In addition, the ultimate parent company has confirmed that it will continue to provide financial support as necessary. As a consequence, the directors believe that the Company is well placed to manage its business risk successfully. After making enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and the financial statements.

## Approval

This strategic report was approved on behalf of the Board on 25/09/17



A D Gray

Director

# **MTW County Limited**

## **Report of the directors for the year ended 31 December 2016**

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The directors present their report together with the audited financial statements for the year ended 31 December 2016.

### **Directors**

The directors who held office during the year and to date were as follows:

M DeLon Jones – resigned 1<sup>st</sup> February 2017  
A D Gray  
G P B Veal

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and exist at the date of this report.

### **Directors' 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# MTW County Limited

## Report of the directors for the year ended 31 December 2016 (*continued*)

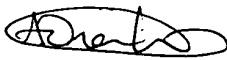
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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP, are deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

### On behalf of the Board



A D Gray

### Director

Date 25/09/17

# **MTW County Limited**

## **Independent auditor's report**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MTW COUNTY LIMITED**

We have audited the financial statements of MTW County Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, 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). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

## MTW County Limited

### Independent auditor's report (*continued*)

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#### 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 where 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.

*BDO LLP*  
Marc Reinecke (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
Date *25-9-2017*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# MTW County Limited

## Statement of Comprehensive Income for the year ended 31 December 2016

	Note	2016 \$'000	2015 \$'000
Waiver of intercompany receivable		(15)	-
Loss on sale of investments		(12,684)	-
Foreign exchange gains		31	352
Other administrative expenses		-	1
Total administrative (expenses)/income		(12,668)	353
<b>Operating (loss)/profit</b>	3	<b>(12,668)</b>	<b>353</b>
Interest payable	4	(12,260)	(11,378)
<b>Loss on ordinary activities before taxation</b>		<b>(24,928)</b>	<b>(11,025)</b>
Taxation on loss on ordinary activities	5	-	-
<b>Loss for the year</b>		<b>(24,928)</b>	<b>(11,025)</b>
<b>Comprehensive income for the year</b>		<b>(24,928)</b>	<b>(11,025)</b>

The notes on pages 10 to 15 form part of these financial statements.

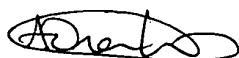
# MTW County Limited

## Balance sheet at 31 December 2016

<b>Company number: 06483143</b>	<b>Note</b>	<b>2016 \$'000</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>	<b>2015 \$'000</b>
<b>Fixed assets</b>					
Investments	6		21,634		43,198
<b>Current assets</b>					
Debtors: amounts falling due within one year	7	9,364		7,725	
		<u>9,364</u>		<u>7,725</u>	
<b>Creditors: amounts falling due within one year</b>	8	<b>(664,474)</b>		<b>(659,471)</b>	
<b>Net current liabilities</b>			<b>(655,110)</b>		<b>(651,746)</b>
<b>Total assets less current liabilities</b>			<b>(633,477)</b>		<b>(608,548)</b>
<b>Net liabilities</b>			<b>(633,476)</b>		<b>(608,548)</b>
<b>Capital and reserves</b>					
Called up share capital	9		10		10
Profit and loss account			<b>(633,486)</b>		<b>(608,558)</b>
			<u><b>(633,476)</b></u>		<u><b>(608,548)</b></u>

The financial statements were approved by the Board of Directors and authorised for issue on

25/09/17



A D Gray

Director

Date

The notes on pages 10 to 15 form part of these financial statements.

# MTW County Limited

## Statement of changes in equity For the year ended 31 December 2016

	Share capital \$'000	Profit and loss account \$'000	Total equity \$'000
1 January 2016	10	(608,558)	(608,548)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(24,928)	(24,928)
<b>Total comprehensive income for the year</b>	-	(24,928)	(24,928)
<b>31 December 2016</b>	<b>10</b>	<b>(633,486)</b>	<b>(633,476)</b>
1 January 2015	10	(597,533)	(597,523)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(11,025)	(11,025)
<b>Total comprehensive income for the year</b>	-	(11,025)	(11,025)
<b>31 December 2015</b>	<b>10</b>	<b>(608,558)</b>	<b>(608,548)</b>

The notes on pages 10 to 15 form part of these financial statements.

# MTW County Limited

## Notes forming part of the financial statements for the year ended 31 December 2016

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### 1 Accounting policies

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

#### *Consolidated Financial Statements*

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the publicly available consolidated financial statements of the Welbilt Inc. These financial statements present information about the Company as an individual undertaking and not about its group.

#### *Cash Flow*

The Company has taken advantage of the exemption in FRS102 under paragraph 1.12 which allows exemption from the requirements of Section 7 Statement of cash flows and Section 3 Financial Statement Presentation paragraph 3.17(d) in relation to cash flows. The Company is included in the consolidated financial statements of Welbilt Inc. Refer to Note 12 for more information on where to obtain a copy of the consolidated financial statements.

#### *Investments*

Investments are held at cost less permanent diminution in value.

#### *Foreign currency translation*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated in US dollar at the rates of exchange ruling at the balance sheet date. All differences are taken to the statement of comprehensive income.

#### *Financial assets*

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities and equity are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

# MTW County Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

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### 1 Accounting policies (continued)

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *Reserves*

The Company's reserves include:

Called up share capital reserve represents the nominal value of the shares issued.

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Investments are held at cost less permanent diminution in value. Judgement has been applied by the directors in estimating the recoverability of loans and investments and they have determined that no adjustment is required.

### 3 Operating loss

No auditors' remuneration has been charged in the financial statements in either year, as this is borne by Enodis Group Limited. Management believe that \$15,000 (2015: \$15,000) of the total audit fee disclosed by that company is attributable to the audit of the Company.

No Directors received any remuneration from the Company (2015: \$nil). The Company has no employees other than the Directors (2015: none).

# MTW County Limited

Notes forming part of the financial statements  
for the year ended 31 December 2016 (continued)

<b>4 Interest payable</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest payable on amounts due to group undertakings	(12,260)	(11,378)
	<u>(12,260)</u>	<u>(11,378)</u>
<b>5 Taxation on loss on ordinary activities</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss on ordinary activities before tax	(24,928)	(11,025)
	<u>(24,928)</u>	<u>(11,025)</u>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20 (2015 – 20.25%)	(4,986)	(2,233)
Effects of:		
Disallowed expenditure	4,876	-
Group relief surrendered for nil consideration	110	2,247
Net transfer pricing adjustment	-	(14)
	<u>-</u>	<u>-</u>
Total tax charge for the year	-	-
	<u>-</u>	<u>-</u>
The Company has non trading deficits of \$26.7m carried forward (2015: \$26.7m). No deferred tax asset has been recognised as the directors consider suitable profits to utilise the losses to be uncertain.		
<b>6 Investments</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cost:</b>		
At the beginning of the year	1,913,018	1,913,018
Acquired during the year	21,634	-
Disposed of during the year	(1,913,018)	-
	<u>21,634</u>	<u>1,913,018</u>
At the end of the year	21,634	1,913,018
	<u>21,634</u>	<u>1,913,018</u>
<b>Impairment:</b>		
At the beginning of the year	1,869,820	1,869,820
Provided during the year	-	-
Released during the year	(1,869,820)	-
	<u>-</u>	<u>-</u>
At the end of the year	-	1,869,820
	<u>-</u>	<u>1,869,820</u>
<b>Net book values:</b>		
At the beginning of the year	43,198	43,198
At the end of the year	21,634	43,198
	<u>21,634</u>	<u>43,198</u>

# MTW County Limited

## Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

### 6 Investments (continued)

The directors undertake a detailed review of the net asset positions of the subsidiaries each year, resulting in the impairment provision identified in these financial statements.

The subsidiaries (both direct and indirect) of the Company at the end of the year are:

Company	Country of Incorporation	Proportion of voting rights and ordinary share capital held 2016/2015
<i>Food equipment</i>		
*Enodis Commercial Foodservice Shanghai Limited	China	69.9%
Welbilt (Halesowen) Limited (formerly Manitowoc Beverage Systems Limited)	UK	69.9%
Welbilt UK Limited (formerly Manitowoc Foodservice UK Limited)	UK	69.9%
<i>Property</i>		
Enodis Investments Limited	UK	69.9%
Enodis Property Developments Limited	UK	69.9%
Enodis Property Group Limited	UK	69.9%
<i>Corporate</i>		
Beleggingsmaatschappij Interrub BV	Netherlands	69.9%
Berisford Holdings Limited	UK	69.9%
Berisford (Jersey) Limited	Channel Islands	100.0% (2015: 69.9%)
Manitowoc Holdings UK Limited (formerly Berisford (Overseas) Limited)	UK	100.0% (2015: 69.9%)
Enodis Group Limited	UK	69.9%
Enodis Holdings Limited	UK	69.9%
Enodis Industrial Holdings Limited	UK	69.9%
Enodis International Limited	UK	69.9%
Manitowoc Foodservice UK Holding Limited	UK	100.0% (2015: - )
Manitowoc Group UK Limited (formerly Enodis Limited)	UK	100.0%
Enodis Strand Limited	UK	69.9%
* Glenluce Limited	Isle of Man	69.9%
Manston Limited	BVI	69.9%
Merrychef Limited	UK	69.9%
Manitowoc UK Limited (formerly S&W Berisford Limited)	UK	100.0% (2015: 69.9%)
* TRUpour Limited	Ireland	69.9%

Subsidiaries marked with \* are either in the process of being liquidated or have been liquidated since the balance sheet date.

UK subsidiaries have a registered office at St. Ann's Wharf, 112 Quayside, Newcastle upon Tyne NE1 3DX. Netherlands subsidiaries have a registered office at Prins Bernhardplein 200, 1097 JB, Amsterdam, Netherlands. Channel Islands subsidiaries have a registered office at PO Box 197, SG Hambros House, 18 Esplanade, JE4 8PT, Jersey. Isle of Man subsidiaries have a registered office at 2nd Floor, Belgravia house, 34-44, Circular Road, Douglas, Isle of Man. Ireland subsidiaries have a registered office at PMFS, Corraglea, Roscommon, Ireland. British Virgin Island subsidiaries have a registered office at Columbus Centre Building Road Town PO Box 659 British Virgin Islands.

# MTW County Limited

Notes forming part of the financial statements  
for the year ended 31 December 2016 (continued)

<b>7. Debtors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Amount owed by group undertaking	9,364	7,725
	<hr/>	<hr/>
	<b>9,364</b>	<b>7,725</b>
	<hr/>	<hr/>

These amounts are non-interest bearing and repayable on demand.

<b>8. Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Amount owed to group undertakings – loan principal	560,724	560,724
Amount owed to group undertakings – accrued interest	103,750	98,747
	<hr/>	<hr/>
	<b>664,476</b>	<b>649,471</b>
	<hr/>	<hr/>

The loan principal within the above is split into two: Loan A which is non-interest bearing; and Loan B which bears interest at US\$ 3 month LIBOR + 378 basis points. Neither loan is secured, and under the terms of the loan agreements both loans are repayable in 2018 or on demand.

	<b>Loan A</b>	<b>Loan B</b>
	<b>\$'000</b>	<b>\$'000</b>
Drawn down in November 2008	959,200	953,818
Repaid in January 2009 following the transfer of the US-based operations to the US	(676,147)	(676,147)
	<hr/>	<hr/>
	<b>283,053</b>	<b>277,671</b>
	<hr/>	<hr/>



## MTW County Limited

### Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

#### 9 Share capital

	2016 \$	2015 \$
<i>Allotted, called up and fully paid</i>		
5,000 (2015: 5,000) ordinary share of £1 each	10,000	10,000
	<hr/>	<hr/>
	10,000	10,000
	<hr/>	<hr/>

#### 10 Related party disclosures

The Company is a wholly owned subsidiary of Welbilt Inc. and has taken advantage of the exemption conferred under FRS 102 not to disclose transactions with Welbilt Inc. or other wholly owned subsidiaries within the group.

#### 11 Subsequent events

There are no events subsequent to the reporting date.

#### 12 Ultimate parent company

The Company's immediate parent is Manitowoc FSG international Holdings Inc., a company incorporated in Nevada, USA. The Directors regard Welbilt Inc., a company incorporated in the US, as the ultimate parent company and controlling entity. At the reporting date Welbilt Inc. was the smallest and largest group which prepares consolidated results and of which the Company forms a part. Copies of the financial statements of Welbilt Inc. for the period up to 31<sup>st</sup> December 2016 can be obtained from the Secretary at 2227 Welbilt Boulevard, New Port Richey, Florida 34655, USA.