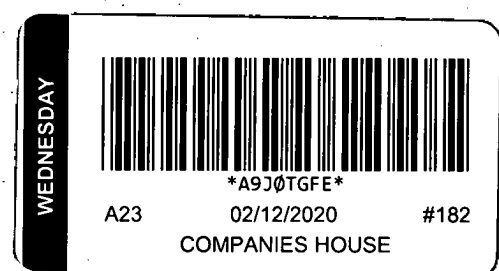


Registered Number 07321610

**Project Magnum (Bidco) Limited**  
**Annual Report and Financial Statements**  
**for the year ended 7 December 2019**



# Project Magnum (Bidco) Limited

## Annual Report and Financial Statements

### for the year ended 7 December 2019

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# Project Magnum (Bidco) Limited

## Directors and advisers

### Directors

A Henderson

N Maskrey

P Morris

J Naughton

R Summers

### Company secretary

J S McLean

### Registered Office

69 South Accommodation Road

Leeds

LS10 1NQ

### Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square

29 Wellington Street

Leeds

LS1 4DL

### Solicitors

Eversheds LLP

Bridgewater Place

Water Lane

Leeds

LS11 5DR

### Financiers

Investec Bank plc

30 Gresham Street

London

EC2V 7QP

### Bankers

Bank of Scotland

33 Old Broad Street

London

EC2N 1HZ

# Project Magnum (Bidco) Limited

## Strategic report for the year ended 7 December 2019

The directors present their strategic report and the audited financial statements of the Company for the year ended 7 December 2019.

### Principal Activities

The principal activity of the Company is that of an intermediate holding company.

### Review of Business

The results of the business for the year are as expected for a holding company.

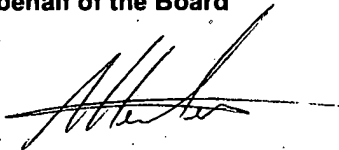
### Key Performance Indicators ("KPIs")

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

### Principal risks and uncertainties facing the Group

The Company is entirely dependent on the performance of the other companies within the Allied Glass Group (the "Group"). The principal risks are described within the financial statements of Project Aqua Topco Limited, Allied Glass Containers Limited and Lax & Shaw Limited which are publicly available.

### On behalf of the Board



**A Henderson**  
Director

1 December 2020

# Project Magnum (Bidco) Limited

## Directors' report for the year ended 7 December 2019

The directors present their annual report and the audited financial statements of the Company for the year ended 7 December 2019.

### Equity dividends

The directors have neither declared nor paid a dividend in the current or prior year.

### Directors

The current directors of the Company are set out on page 1, all of whom served throughout the year and up to the date of signing the financial statements. No director had at any time during the year any material interest in a contract with the Company.

### Financial risk management

As an intermediary holding company the financial risk management of the Company is very much dependent on the financial risk management of other Group companies, as disclosed within their respective financial statements.

### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

# Project Magnum (Bidco) Limited

## Directors' report for the year ended 7 December 2019 (continued)

### Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves 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 that they be reappointed will be proposed at the annual general meeting.

### Subsequent events

Particulars of matters arising since the balance sheet date are given in notes 10 and 11 to the financial statements.

### Approval

The Directors' report was approved by the board on 1 December 2020 and signed on its behalf by:



**A Henderson**  
Director

# Project Magnum (Bidco) Limited

## Independent auditors' report to the members of Project Magnum (Bidco) Limited

### Report on the audit of the financial statements

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#### Opinion

In our opinion, Project Magnum (Bidco) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 7 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 7 December 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; the statement of accounting policies; and the notes to the financial statements.

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#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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# Project Magnum (Bidco) Limited

## **Independent auditors' report to the members of Project Magnum (Bidco) Limited (continued)**

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Strategic Report and Directors' Report*

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 year ended 7 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.



# Project Magnum (Bidco) Limited

## Independent auditors' report to the members of Project Magnum (Bidco) Limited (continued)

### *Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

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.

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## Other required reporting

### **Companies Act 2006 exception reporting**

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

We have no exceptions to report arising from this responsibility.



Tom Yeates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
1 December 2020

## Project Magnum (Bidco) Limited

### Statement of comprehensive income for the year ended 7 December 2019

	Note	7 December 2019 £'000	8 December 2018 £'000
Operating result	1	-	-
Finance costs	2	(5,074)	(4,531)
<b>Loss before taxation</b>		<b>(5,074)</b>	<b>(4,531)</b>
Taxation	4	964	861
<b>Loss for the financial year</b>		<b>(4,110)</b>	<b>(3,670)</b>
Other comprehensive income		4,110	3,670
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>

The above results all relate to continuing activities.

There is no difference between the loss before taxation and loss for the financial year stated above and their historical cost equivalents.

The statement of accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

# Project Magnum (Bidco) Limited

## Statement of financial position as at 7 December 2019

	Note	7 December 2019 £'000	8 December 2018 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	5	44,889	44,889
<b>Total non-current assets</b>		<b>44,889</b>	<b>44,889</b>
<b>Current assets</b>			
Trade and other receivables	6	34,032	28,958
<b>Total current assets</b>		<b>34,032</b>	<b>28,958</b>
<b>Total assets</b>		<b>78,921</b>	<b>73,847</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	68,749	63,675
<b>Total current liabilities</b>		<b>68,749</b>	<b>63,675</b>
<b>Total liabilities</b>		<b>68,749</b>	<b>63,675</b>
<b>Equity</b>			
Called up share capital	8	414	414
Retained earnings		9,758	9,758
<b>Total equity</b>		<b>10,172</b>	<b>10,172</b>
<b>Total equity and liabilities</b>		<b>78,921</b>	<b>73,847</b>

The statement of accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

The financial statements on pages 8 to 16 were approved by the board of directors on 1 December 2020 and signed on its behalf by:



**A Henderson**  
Director

Registered number: 07321610

# Project Magnum (Bidco) Limited

## Statement of changes in equity for the year ended 7 December 2019

	Called up share capital	Retained earnings	Total Equity
	£'000	£'000	£'000
Balance at 10 December 2017	414	9,758	10,172
Loss for the financial year	-	(3,670)	(3,670)
Other comprehensive income:			
Payments received for group relief in excess of the prevailing tax rate	-	3,670	3,670
Balance at 8 December 2018	414	9,758	10,172
Loss for the financial year	-	(4,110)	(4,110)
Other comprehensive income:			
Payments received for group relief in excess of the prevailing tax rate	-	4,110	4,110
<b>Balance at 7 December 2019</b>	<b>414</b>	<b>9,758</b>	<b>10,172</b>

The statement of accounting policies and notes on pages 11 to 16 form an integral part of these financial statements.

# Project Magnum (Bidco) Limited

## Statement of accounting policies for the year ended 7 December 2019

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

### Basis of preparation

The financial statements of Project Magnum (Bidco) Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

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

- The requirements of IFRS 7 Financial instruments: Disclosures;
- The requirements within IAS 1 relating to the presentation of certain comparative information;
- The requirement within IAS 7 to present a cash flow statement;
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective); and
- The requirements of IAS 24 to disclose transactions between two or more members of a group and key management compensation disclosure.

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. There are no areas of note involving a higher degree of judgement or complexity and areas where assumptions and estimates are significant.

### Going concern

At 7 December 2019 the Company had net current liabilities of £34,717,000 (2018: £34,717,000). The Directors have prepared the financial statements under the going concern basis as they have received confirmation that repayment of amounts owed to group undertakings will not be sought until such time as the Company has the necessary funds.

### New standards and amendments

The following new standards and amendments to standards are mandatory for the first time for the financial period beginning 9 December 2018:

- IFRS 9 'Financial Instruments' (effective 1 January 2018)
- IFRS 15 'Revenue from Contracts with Customers' (effective 1 January 2018)
- Amendments to IFRS 2 'Share-based Payment' that clarify the classification and measurement of share-based payment transactions (effective 1 January 2018)
- 'Annual Improvements to IFRS Standards 2014–2016 Cycle' (effective 1 January 2018)
- 'Transfers of Investment Property (Amendments to IAS 40)' (effective 1 January 2018)
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective 1 January 2018)

# Project Magnum (Bidco) Limited

## Statement of accounting policies for the year ended 7 December 2019 (continued)

### **New standards and amendments**

The adoption of the above pronouncements did not have any impact on the Company's reported transactions and balances, as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

### **Consolidation**

The company is a wholly-owned subsidiary of Project Aqua Topco Limited. It is included in that company's consolidated financial statements which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

### **Investments**

Investments held by the parent company in subsidiary undertakings are carried at cost less impairments to write them down to their recoverable amount. Impairment is made if there is an indication at the balance sheet date that the carrying value is not recoverable.

### **Current and deferred taxation**

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### **Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds.

# Project Magnum (Bidco) Limited

## Notes to the financial statements for the year ended 7 December 2019

### 1 Operating result

Fees payable of £3,000 (2018: £3,000) to the Company's auditor were borne by Allied Glass Containers Limited, a fellow Group company.

### 2 Finance costs

	2019 £'000	2018 £'000
<b>Finance costs</b>		
Interest payable on group company loans	5,074	4,531

### 3 Directors and employee information

All directors of the Company are employed and remunerated by other Group companies. The directors receive no remuneration in respect of services to the Company (2018: £nil). The Company has no employees (2018: nil).

### 4 Taxation

	2019 £'000	2018 £'000
<b>Current tax</b>		
UK corporation tax at 19% (2018: 19%)	(964)	(861)
<b>Current and total tax credit</b>	<b>(964)</b>	<b>(861)</b>

The tax assessed for the year is in line with (2018: in line with) the effective rate of corporation tax in the UK 19% (2018: 19%).

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016 to reduce the main rate to 17% from 1 April 2020. This change was substantively enacted at the balance sheet date and its effects are included in these financial statements. Under the 2020 Spring Budget it was announced that the rate would remain at 19%, but this was not substantively enacted at the balance sheet date.

# Project Magnum (Bidco) Limited

## Notes to the financial statements for the year ended 7 December 2019 (continued)

### 5 Investments

<b>Cost and net book value</b>	<b>£'000</b>
At 8 December 2018 and 7 December 2019	<b>44,889</b>

The carrying value of the investments is supported by the underlying net asset position.

<b>Subsidiaries</b>	<b>Interest in ordinary share and voting rights</b>	<b>Direct / Indirect holding</b>	<b>Country of registration</b>	<b>Principal activity</b>
Allied Glass Holdings Limited	100%	Direct	England	Parent
Allied Glass Containers Limited	100%	Indirect	England	Glassware
Alux Glass Limited	50%	Indirect	England	Dormant
Lax & Shaw Limited	100%	Indirect	England	Glassware
Gregg & Company (Knottingley) Limited	100%	Indirect	England	Dormant

The registered office of all subsidiary undertakings is 69, South Accommodation Road, Leeds, LS10 1NQ.

### 6 Trade and other receivables

	<b>7 December 2019 £'000</b>	<b>8 December 2018 £'000</b>
Amounts owed by group undertakings	<b>34,032</b>	<b>28,958</b>

Amounts owed by group undertakings are repayable on demand and incur no interest. The Company holds no security in respect of the amounts owed.



# Project Magnum (Bidco) Limited

## Notes to the financial statements for the year ended 7 December 2019 (continued)

### 7 Trade and other payables

	7 December 2019 £'000	8 December 2018 £'000
Amounts owed to group undertakings	68,749	63,675

Amounts owed to group undertakings are repayable on demand, carry no interest charge or security except for unsecured loans of £47,482k (2018: £42,408k) which carry interest of 12% per annum.

The Company is a guarantor to the Group's £75m financing facility entered into on 24 February 2017.

### 8 Called up share capital

	7 December 2019		8 December 2018	
	Number	£'000	Number	£'000
<b>Authorised</b>				
Ordinary shares of £0.01 each	41,391,404	414	41,391,404	414
<b>Allotted and fully paid</b>				
Ordinary shares of £0.01 each	41,391,404	414	41,391,404	414

### 9 Related parties

#### a) Transactions with subsidiaries

The Company is exempt from disclosing transactions with other Group companies.

#### b) Transactions with parent companies

The Directors consider CBPE Capital LLP to be the ultimate controlling party and parent undertaking at the balance sheet date.

There were no transactions with CBPE Capital LLP during the year (2018: none)

## **Project Magnum (Bidco) Limited**

### **Notes to the financial statements for the year ended 7 December 2019 (continued)**

#### **10 Controlling parties**

The immediate holding company is Allied Glass Group Limited, which is incorporated in Great Britain and registered in England and Wales.

The ultimate holding company Project Aqua Topco Limited, which is incorporated in Great Britain and registered in England and Wales.

The Directors consider the ultimate controlling party to be CBPE Capital LLP at the balance sheet date.

Project Aqua Topco Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 7 December 2019. The consolidated financial statements of Project Aqua Topco Limited are available from Companies House.

On 20 December 2019, Project Aqua Topco Limited was acquired by an affiliate of Sun European Partners LLP, and Tonic Topco Limited, a company incorporated in Jersey, became the ultimate holding company at that date. Sun European Partners LLP is now considered to be the ultimate controlling party.

#### **11 Post balance sheet events**

Subsequent to the year end the coronavirus pandemic (Covid-19) has spread across the globe, resulting in the UK government taking measures to limit social contact such as restricting movement. The impact of Covid-19 is a non-adjusting post balance sheet event in these financial statements. The impact of the pandemic on the Group's performance and liquidity and the measures taken by management in response are explained in the Strategic reports of Allied Glass Containers Limited and Project Aqua Topco Limited, which are publicly available.