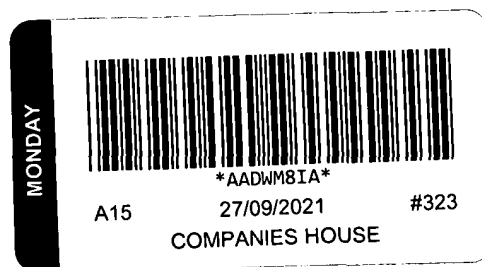


REGISTERED NUMBER: 07321677 (England and Wales)

Seatex Rubber Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2020



Seatex Rubber Limited (Registered number: 07321677)

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for the year ended 31 December 2020**

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Seatex Rubber Limited (Registered number: 07321677)

**Company Information
for the year ended 31 December 2020**

DIRECTORS: Mr C Ji
Mrs Z Yu

SECRETARY: Intertrust (UK) Limited

REGISTERED OFFICE: Ts2 Pinewood Business Park, Coleshill Road,
Solihull,
West Midlands,
B37 7HG

REGISTERED NUMBER: 07321677 (England and Wales)

**Directors' Report
for the year ended 31 December 2020**

The directors present their report with the financial statements of the Company for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company for the year under review was for the distribution of rubber tyres and tubes.

DIRECTORS

The directors of the company, who were in office during the year and up to the date of signing the financial statements,

Mr C Ji
Mrs Z Yu

EVENTS AFTER THE BALANCE SHEET DATE

The COVID-19 pandemic and related impacts are considered non-adjusting post balance sheet events. Consequently, there is no impact on the recognition and measurement of assets and liabilities in the Company's 31 December 2020 financial statements.

GOING CONCERN

The directors have reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, the Company has adopted the going concern basis in preparing the financial statements.

FUTURE OUTLOOK

Brexit considerations

The UK left the European Union ("EU") at 23.00GMT on 31 January 2020 and exited the subsequent 11-month transition window at 23.00 GMT on 31 December 2020. On 24 December 2020 a Trade and Cooperation Agreement (the "Agreement") was formalised between the EU and the UK which established the basis for the broad relationship between the EU and the UK going forwards.

Whilst the Agreement reduces the inherent uncertainty arising from the UK's exit from the EU, the macro-economic affect this trade deal has on the UK economy is difficult to determine. However, as the Notes are a limited recourse obligation of the Company, the Company is not ultimately exposed if the underlying borrowers are unable to repay the Loans.

COVID-19 pandemic

On 31 December 2019, the World Health Organisation ("WHO") was informed that a limited number of cases of pneumonia, of an unknown cause, were detected in Wuhan, Hubei. On 7 January 2020, Chinese authorities identified a new type of coronavirus (COVID-19) as the cause. The first cases of COVID-19 were confirmed in Hong Kong on 23 January 2020.

Since 31 December 2019, the development and spread of COVID-19 has resulted in the occurrence of a multitude of associated events. Among these are the identification of the virus, its spreads in the terms of number of infected people and geographical prevalence, action taken by government and non-governmental organizations, actions taken by private entities, and the resulting economic effects of these.

As of December 2020, the United Kingdom rolled out its first vaccine, Pfizer/BioNTech which was shortly followed by its second the Oxford/Astrazeneca vaccine. It is hoped that these and other vaccines will play a crucial part in slowing down the spread of the virus assisting both the NHS and the UK economy in its recovery.

The directors are monitoring the financial performance of the assets to ensure the Company has sufficient liquidity to repay its Noteholders as well as the impact of COVID-19 on the Loans repayments which have been outlined in detail in the going concern assessment.

Directors' Report (continued)
for the year ended 31 December 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 102). 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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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 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.

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.

ON BEHALF OF THE BOARD:



Mrs Z Yu
Director

____ September 2021

Seatex Rubber Limited (Registered number: 07321677)

Income Statement
for the year ended 31 December 2020

	Note	2020 £	2019 £
CONTINUING OPERATIONS			
Administrative expenses		<u>(351,952)</u>	<u>(12,758)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(351,952)	(12,758)
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(351,952)</u>	<u>(12,758)</u>

There are no other comprehensive expenses or income other than as included in the loss for the current and prior years and therefore a separate statement of comprehensive income is not presented.

The accompanying notes form an integral part of these financial statements

**Statement of Financial Position
as at 31 December 2020**

		2020 £	2019 £
	Note		
ASSETS			
CURRENT ASSETS			
Trade and other receivables	4	902,258	1,888,356
Prepayments and accrued income		20,072	-
Cash at bank and in hand	5	1,199,140	105,257
TOTAL ASSETS		<u>2,121,470</u>	<u>1,993,613</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade payables: amounts falling due within one year	6	(1,883,609)	(1,403,800)
TOTAL LIABILITIES		<u>(1,883,609)</u>	<u>(1,403,800)</u>
NET ASSETS		<u>237,861</u>	<u>589,813</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Called up share capital	7	1	1
Retained earnings	8	237,860	589,812
TOTAL EQUITY		<u>237,861</u>	<u>589,813</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the Year Ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the Year Ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors' acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the companies
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 4 to 9 were approved by the Board of Directors and authorised for issue on _____ September 2021 and were signed on its behalf by:



Mrs Z Yu
Director

Registered number: 07321677

The accompanying notes form an integral part of these financial statements

Seatex Rubber Limited (Registered number: 07321677)

**Statement of Changes in Equity
for the year ended 31 December 2020**

	Note	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019		1	602,570	602,571
Loss for the financial year		-	(12,758)	(12,758)
Balance at 31 December 2019 and 1 January 2020		1	589,812	589,813
Loss for the financial year	8	-	(351,952)	(351,952)
Balance at 31 December 2020		1	237,860	237,861

The accompanying notes form an integral part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2020**

1 ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2 OPERATING LOSS

The operating (loss)/profit is stated after charging/(crediting):

	2020	2019
	£	£
Foreign exchange loss	462	1,481
Administrative expenses	351,490	11,277
	<u>(351,952)</u>	<u>(12,758)</u>

3 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2020	2019
	£	£
Current tax:		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2020

4 TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by group undertakings	902,075	1,888,173
Other receivables	183	183
	<u>902,258</u>	<u>1,888,356</u>

5 CASH AT BANK AND IN HAND

	2020 £	2019 £
Cash at bank and in hand	<u>1,199,140</u>	<u>105,257</u>

6 TRADE AND OTHER PAYABLES FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade payables	(5,542)	(166)
Employee benefits payable	(24,844)	(36,317)
Amounts owed to group undertakings	(1,797,706)	(1,313,447)
Other payables	(55,517)	(53,870)
	<u>(1,883,609)</u>	<u>(1,403,800)</u>

7 CALLED UP SHARE CAPITAL

	2020 £	2019 £
Allotted, issued and fully paid:		
1 ordinary share with nominal value £1	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

8 RESERVES

	Called up share capital £	Retained earnings £	Totals £
At 1 January 2020	1	589,812	589,813
Loss for the year	-	(351,952)	(351,952)
At 31 December 2020	<u>1</u>	<u>237,860</u>	<u>237,861</u>

9 ULTIMATE PARENT COMPANY

The company is a 100% owned subsidiary of Sailun Tire Americas Inc, a Canadian corporation. Seatex Rubber Limited and Sailun Tire Americas Inc. are part of an international group, controlled by Sailun Group Co. Ltd., a Chinese publically listed corporation.

Notes to the Financial Statements - continued
for the year ended 31 December 2020

10 RELATED PARTY DISCLOSURES	2020	2019
The intercompany balances owed by/(to) the company consists of:	£	£
Seatex United Limited	(703,255)	(653,162)
Maxam Tire Solutions Limited	(767,313)	(333,146)
Maxam Holdings S.A.R.L	10,773	11,122
Sailun Tire Americas Inc.	(327,138)	(327,138)
Sailun Group (Hong Kong) Co. Limited	891,302	1,877,050
	<u>(895,631)</u>	<u>574,726</u>

Transactions with related companies are mainly attributable to management services and start-up costs.

Related party transactions in the normal course of business are measured at the exchange amount.

All of the related party balances are non-interest bearing do not carry fixed date of repayment and are due on demand.