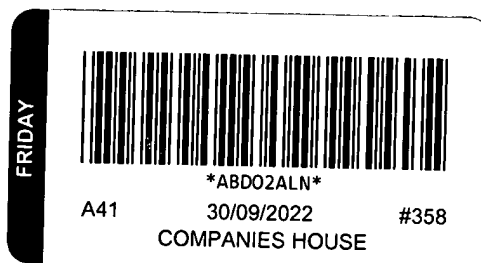


Company Registration No. 08087520 (England and Wales)

**TUBES HOLDCO LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



**TUBES HOLDCO LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	E Speranza B P Wilson
<b>Secretary</b>	L Carino
<b>Company number</b>	08087520
<b>Registered office</b>	2 New Star Road Leicester LE4 9JD
<b>Auditors</b>	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX

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**TUBES HOLDCO LIMITED**

**CONTENTS**

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	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 9
Income statement	10
Statement of comprehensive income	11
Statement of financial position	12
Statement of changes in equity	13
Notes to the financial statements	14 - 20

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# **TUBES HOLDCO LIMITED**

## **STRATEGIC REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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

#### **Fair review of the business**

The financial position of the business is satisfactory.

No dividend was received from the company's subsidiary during the year (2020: £750,000 received).

The company is an intermediate holding company within the AMETEK Inc Group, and does not trade. No specific key performance indicators or any risks or uncertainties are given due to the nature of the company's operations. The statement of comprehensive income and statement of financial position are set out on pages 10 and 11 respectively.

#### **Section 172 (1) Statement**

A director of a Company must act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard, (amongst other matters), to:

- likely consequences of any decisions in the long-term;
- interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

In discharging their Section 172 duties the directors of the Company considers that they have had regard in material respects to the factors set out above.

## **TUBES HOLDCO LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The key stakeholders of the Company are the Group (AMETEK Inc and its global subsidiaries), the Group's employees, and, as the parent of the main contracting tubes subsidiary for the UK Group of companies, some of the Group's suppliers and business partners.

Group stakeholder engagement takes place at a group level, including engagement with lending institutions and some regulatory authorities. The company looks to the global position for guidance and takes this into account as part of its decision making process when seeking to promote the success of the company for the benefit of all its stakeholders. The Company follows Group policies and procedures, including those relating to standards of business conduct, employees, the environment, the community, and other stakeholders. More detail regarding the Group's oversight of and responsibility for these policies is set out on page 35 of AMETEK Inc's Form10K for 31 December 2021.

Board meetings are held periodically where the directors consider business such as inter-company agreements, acquisitions and compliance requirements. In considering items of business the Company makes autonomous decisions on each transaction's own merits, after consideration of the long term success of the Company, Section 172 factors, where relevant, and the stakeholders impacted.

As regards principal decisions during the year, dividends were paid as detailed in the Directors' Report.

On behalf of the board



B P Wilson

**Director**

30 September 2022

# **TUBES HOLDCO LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Company Registration No. 08087520**

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

#### **Principal activities**

The principal activity of the company continued to be that of acting as a holding company.

#### **Directors**

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

E Speranza  
B P Wilson

#### **Results and dividends**

The results for the year are set out on page 10.

The total distribution of dividends for the year ended 31 December 2021 was £0 (2020: £750,000).

#### **Going concern**

As a non-trading entity, this business was not directly affected by COVID-19; however, the value of the investment in the company's subsidiaries and the receipt of dividend income could be impacted by the results of the trading subsidiaries which are susceptible to the impact of the pandemic, though to date, there has not been a significant impact. As noted on pages 10 and 12 respectively, the company has generated a loss after tax of £163,000 for the year-ended 31 December 2021 and has net current liabilities of £11,086,000 and net assets of £15,468,000 at this date. The net current liabilities at the balance sheet date comprise of an intercompany loan and the associated accrued interest repayable to Fine Tubes Limited, a wholly owned subsidiary.

In assessing whether the financial statements should be prepared on a going concern basis the Directors have considered the principal activity of the company and prepared a cash flow forecast through to 30 September 2023. The forecast assumes that the intercompany loan and associated accrued interest shall not be repaid until 30 September 2023 at the earliest, unless the directors consider that they have available cash to ensure liquidity to secure the operations of the company during the period. The directors received a letter of comfort from the directors of Fine Tubes on 20 September 2022 to this effect.

In addition, as detailed in note 16 to these financial statements, a group restructuring exercise has taken place during 2022 which has resulted in the Company acquiring a fixed rate bonus loan receivable of \$1,000,000,000 for consideration of an interest bearing loan of \$1,000,255,342. The fixed rate bonus loan note is owed to the Company by Ametek International Limited, the interest bearing loan is owed by the Company to Ametek Global Limited.

The bonus loan note, together with the fixed rate income on this loan note is due for settlement to the Company in 2031. The finance costs associated to the interest-bearing loans, which are at a rate of 6.75%, are due to be settled annually. This increases the forecast cash outflows of the Company in the 12 months following approval of these financial statements.

These forecasts show that the cash outflows are at a level in excess of historical dividend income within the Company. As a result of this the Directors have sought, and obtained, written confirmation from their parent undertaking, Ametek European Holdings Limited, that they will provide the necessary support to allow the Company to meet their liabilities as they fall due for a period until 30 September 2023. In considering the ability of Ametek European Holdings Limited to provide such support, the Directors note Ametek European Holdings Limited controls its wholly owned subsidiary, Ametek Global Limited, to whom the Company will owe the interest on the acquired interest bearing loans to.

On the basis of the assessments made, including obtaining the aforementioned letters of support the Directors have concluded it is appropriate for the financial statements to be prepared on a going concern basis.

# **TUBES HOLDCO LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Directors' insurance**

AMETEK Inc. has indemnified one or more directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and remains in place to the date of this report.

#### **Employee involvement**

It is the policy of the AMETEK group to keep employees fully informed of matters affecting them as employees and to make them aware of the financial and economic factors influencing company performance. Encouragement is given to employees to contribute towards the group's financial performance by means of an annual bonus scheme and share scheme for certain employees.

#### **Community and environment**

The AMETEK group is fully committed to pursuing the best environmental practice and conducting its activities in a way that fully recognises its responsibilities to the environment.

#### **Post reporting date events**

On 24 February 2022 Russia commenced military operations in Ukraine resulting in a number of countries (including the US, UK and EU) imposing new sanctions against certain entities and individuals in Russia. No adjustments have been made within these financial statements in respect of the conflict. The Directors note the Company has no significant exposure to Ukraine or Russia in either its supply chain or customers. Accordingly, the Directors do not consider the conflict will have any direct impact on its future financial performance or position. The Directors will continue to monitor the wider economic impact of the conflict and the exposure this has on the Company.

On 2 August 2022 Abaco UK Holdco Limited transferred its entire shareholding Abaco Systems Limited and its related subsidiary companies to Tubes Holdco Limited. The transfer was at fair market value of \$85,000,000. The financing was by the issuance of 1 £1 share at a premium.

On 3 August 2022 Tubes Holdco Limited purchased a bonus loan note from Ametek European Holdings Limited, a fellow group company, in exchange of an interest-bearing loan (IBL) with a fair market value of \$1,000,255,342. The IBL has a 10-year term and accrues interest at a rate of 6.75% per annum. On 4 August 2022, Ametek European Holdings Limited assigned the IBL to a fellow subsidiary company, Ametek Global Limited, on the same terms.

#### **UK Streamlined Energy and Carbon Reporting (SECR)**

The company has complied with the UK Streamlined Energy and Carbon Reporting (SECR) requirements along with other UK entities that are part of the UK organisational structure of AMETEK Inc. The relevant information is reported in our highest UK entity, AMETEK European Holdings Limited.

#### **Auditor**

The auditor, Ernst & Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

## **TUBES HOLDCO LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **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, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



B P Wilson

**Director**

30 September 2022



## **TUBES HOLDCO LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors are responsible for preparing the Annual 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. 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; 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. 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.

# **TUBES HOLDCO LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TUBES HOLDCO LIMITED**

---

### **Opinion**

We have audited the 2021 financial statements of Tubes Holdco Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 17 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard 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 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.

### **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 below. 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**

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.

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 the period to 30 September 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. 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.

### **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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

# **TUBES HOLDCO LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TUBES HOLDCO LIMITED**

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### **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 5, 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.

## TUBES HOLDCO LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TUBES HOLDCO LIMITED

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***Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

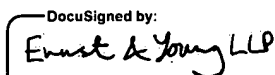
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety and GDPR.
- We understood how the company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance.
- Based on our understanding we designed our audit procedures to identify non-compliance with these laws and regulations and to respond to the assessed risks. Our procedures included verifying that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry with no indication of non-compliance identified.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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.

DocuSigned by:  


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**Jos Burkill (Senior Statutory Auditor)**

**for and on behalf of Ernst & Young LLP**

**Statutory Auditor**

**Bristol**

30 September 2022

# TUBES HOLDCO LIMITED

## INCOME STATEMENT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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	Notes	2021 £'000	2020 £'000
Interest receivable and similar income	6	-	750
Interest payable and similar expenses	7	(163)	(188)
<b>(Loss)/profit before taxation</b>		(163)	562
Taxation	8	-	-
<b>(Loss)/profit for the financial year</b>		<u>(163)</u>	<u>562</u>

The income statement has been prepared on the basis that all operations are continuing operations.

**TUBES HOLDCO LIMITED****STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**


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	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
<b>Profit for the year</b>	(163)	562
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>(163)</u>	<u>562</u>

**TUBES HOLDCO LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investments	10		26,554		26,554
<b>Current assets</b>		-		-	
<b>Creditors: amounts falling due within one year</b>	11	(11,086)		(10,923)	
<b>Net current liabilities</b>			(11,086)		(10,923)
<b>Total assets less current liabilities</b>			15,468		15,631
<b>Capital and reserves</b>					
Called up share capital	12		1,200		1,200
Share premium account	13		263		263
Profit and loss account	14		14,005		14,168
<b>Total equity</b>			15,468		15,631

The financial statements were approved by the board of directors and authorised for issue on 30 September 2022 and are signed on its behalf by:



B P Wilson  
Director

Company Registration No. 08087520

**TUBES HOLDCO LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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		<b>Share capital £'000</b>	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
<b>Balance at 1 January 2020</b>		1,200	263	14,356	15,819
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Year ended 31 December 2020:</b>					
Result for the year		-	-	562	562
Dividends	<b>9</b>	-	-	(750)	(750)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2020</b>		1,200	263	14,168	15,631
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Year ended 31 December 2021:</b>					
Result for the year		-	-	(163)	(163)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2021</b>		1,200	263	14,005	15,468
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



# **TUBES HOLDCO LIMITED**

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

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### **1 Accounting policies**

#### **Company information**

Tubes Holdco Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 New Star Road, Leicester, LE4 9JD.

#### **1.1 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.

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 £'000.

The financial statements have been prepared on the historical cost convention, except where otherwise stated. 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:

- The requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
  - categories of financial instruments
  - items of income, expenses, gains or losses relating to financial instruments and;
  - exposure to and management of financial risks
- share based payment disclosures, including:
  - a description of each type of share based payment arrangement that has existed and;
  - details of exercises and vests during the period
- related party transaction disclosures including (i) transactions with wholly owned subsidiaries of the AMETEK Inc group and (ii) disclosures related to key management remuneration.

#### **Group accounts**

The Company has taken advantage of the exemption in section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the Company as a single entity.

# TUBES HOLDCO LIMITED

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

### 1 Accounting policies

(Continued)

#### 1.2 Going concern

As a non-trading entity, this business was not directly affected by COVID-19; however, the value of the investment in the company's subsidiaries and the receipt of dividend income could be impacted by the results of the trading subsidiaries which are susceptible to the impact of the pandemic, though to date, there has not been a significant impact. As noted on pages 10 and 12 respectively, the company has generated a loss after tax of £163,000 for the year-ended 31 December 2021 and has net current liabilities of £11,086,000 and net assets of £15,468,000 at this date. The net current liabilities at the balance sheet date comprise of an intercompany loan and the associated accrued interest repayable to Fine Tubes Limited, a wholly owned subsidiary.

In assessing whether the financial statements should be prepared on a going concern basis the Directors have considered the principal activity of the company and prepared a cash flow forecast through to 30 September 2023. The forecast assumes that the intercompany loan and associated accrued interest shall not be repaid until 30 September 2023 at the earliest, unless the directors consider that they have available cash to ensure liquidity to secure the operations of the company during the period. The directors received a letter of comfort from the directors of Fine Tubes on 20 September 2022 to this effect.

In addition, as detailed in note 16 to these financial statements, a group restructuring exercise has taken place during 2022 which has resulted in the Company acquiring a fixed rate bonus loan receivable of \$1,000,000,000 for consideration of an interest bearing loan of \$1,000,255,342. The fixed rate bonus loan note is owed to the Company by Ametek International Limited, the interest bearing loan is owed by the Company to Ametek Global Limited.

The bonus loan note, together with the fixed rate income on this loan note is due for settlement to the Company in 2031. The finance costs associated to the interest-bearing loans, which are at a rate of 6.75%, are due to be settled annually. This increases the forecast cash outflows of the Company in the 12 months following approval of these financial statements.

These forecasts show that the cash outflows are at a level in excess of historical dividend income within the Company. As a result of this the Directors have sought, and obtained, written confirmation from their parent undertaking, Ametek European Holdings Limited, that they will provide the necessary support to allow the Company to meet their liabilities as they fall due for a period until 30 September 2023. In considering the ability of Ametek European Holdings Limited to provide such support, the Directors note Ametek European Holdings Limited controls its wholly owned subsidiary, Ametek Global Limited, to whom the Company will owe the interest on the acquired interest bearing loans to.

On the basis of the assessments made, including obtaining the aforementioned letters of support the Directors have concluded it is appropriate for the financial statements to be prepared on a going concern basis.

#### 1.3 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 the statement of total comprehensive income.

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.

#### 1.4 Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of total comprehensive income are measured at fair value.

# TUBES HOLDCO LIMITED

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

### 1 Accounting policies

(Continued)

#### **Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.5 Equity instruments

Equity instruments issued by the company are recorded at the 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.

### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

## 2 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The following are considered to have the most significant effect on the amounts recognised in the financial statements:

- Fixed asset investments – The determination on whether impairment provisions are required to reduce the carrying value of fixed asset investments.

# TUBES HOLDCO LIMITED

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

<b>3</b>	<b>Audit Fee</b>	<b>2021</b>	<b>2020</b>
	Fees payable to the company's auditors for the audit of the company's financial statements	4	4
		<u>4</u>	<u>4</u>

The audit fee is borne by a fellow group undertaking.

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2021 Number</b>	<b>2020 Number</b>
Directors	2	2
	<u>2</u>	<u>2</u>

<b>5</b>	<b>Directors' remuneration</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
	Remuneration for qualifying services	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

No director received remuneration from any company within the AMETEK group in respect of their qualifying services to Tubes Holdco Limited.

<b>6</b>	<b>Interest receivable and similar income</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
	<b>Other income from investments</b>		
	Dividends received	-	750
		<u>-</u>	<u>750</u>

<b>7</b>	<b>Interest payable and similar expenses</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
	Interest payable to group undertakings	163	188
		<u>163</u>	<u>188</u>

<b>8</b>	<b>Taxation</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
	UK corporation tax on profits for the current period	-	-
		<u>-</u>	<u>-</u>
	Total current tax	-	-
		<u>-</u>	<u>-</u>

# TUBES HOLDCO LIMITED

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

### 8 Taxation (Continued)

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £'000	2020 £'000
(Loss)/profit before taxation	(163)	562
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(31)	107
Unutilised tax losses carried forward	31	-
Group relief surrendered for nil value	-	35
Dividend income	-	(142)
Taxation for the year	-	-

#### Factors that may affect the future tax charge

The company's profits for this accounting period are taxed at a rate of 19%. The Finance Act 2021 enacted on 10 June 2021 increased the main rate of UK corporation tax from 19% to 25%, effective from 1 April 2023. Deferred taxes on the balance sheet have been measured at 25% (2020 – 19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK fiscal statement on 23 September 2022 included measures to target annual economic growth of 2.5%, encourage investment, higher wages and increased consumer spending. These measures included the cancellation of the planned increase in the corporation tax rate to 25%. The cancellation was not substantively enacted at the balance sheet date and hence has not been reflected in the measurement of deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the company's deferred tax balances.

### 9 Dividends

	2021 £'000	2020 £'000
Final paid	-	750

### 10 Fixed asset investments

	Notes	2021 £'000	2020 £'000
Investments in subsidiaries	17	26,554	26,554

# TUBES HOLDCO LIMITED

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

### 10 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £'000
<b>Cost or valuation</b>	
At 1 January 2021 & 31 December 2021	26,554
<b>Carrying amount</b>	
At 31 December 2021	26,554
At 31 December 2020	26,554

### 11 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts due to fellow subsidiary undertakings	11,086	10,923

Amounts due to fellow subsidiary undertakings carries interest at a rate of 3 Month GBP LIBOR (or its nearest equivalent) plus 150 basis points. Following the discontinuation of LIBOR at the end of 2021, from 1 January 2022 the interest rate on these amounts has been rebased to SONIA.

### 12 Share capital

	2021 £'000	2020 £'000
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,200,002 Ordinary shares of £1 each	1,200	1,200

### 13 Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

### 14 Profit and loss account

The account includes all current and prior period retained profits and losses.

### 15 Ultimate controlling party

The immediate parent company is AMETEK Global Tubes LLC, a company incorporated in the United States of America.

The ultimate parent company is AMETEK Inc., a company incorporated in the United States of America. AMETEK Inc. prepares group financial statements which include the company and are the smallest and largest consolidated accounts that the company is included in, and copies can be obtained from 2 New Star Road, Leicester LE4 9JD.

# TUBES HOLDCO LIMITED

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

### 16 Events after the reporting date

On 24 February 2022 Russia commenced military operations in Ukraine resulting in a number of countries (including the US, UK and EU) imposing new sanctions against certain entities and individuals in Russia. No adjustments have been made within these financial statements in respect of the conflict. The Directors note the Company has no significant exposure to Ukraine or Russia in either its supply chain or customers. Accordingly, the Directors do not consider the conflict will have any direct impact on its future financial performance or position. The Directors will continue to monitor the wider economic impact of the conflict and the exposure this has on the Company.

On 2 August 2022 Abaco UK Holdco Limited transferred its entire shareholding Abaco Systems Limited and its related subsidiary companies to Tubes Holdco Limited. The transfer was at fair market value of \$85,000,000. The financing was by the issuance of 1 £1 share at a premium.

On 3 August 2022 Tubes Holdco Limited purchased a bonus loan note from Ametek European Holdings Limited, a fellow group company, in exchange of an interest-bearing loan (IBL) with a fair market value of \$1,000,255,342. The IBL has a 10-year term and accrues interest at a rate of 6.75% per annum. On 4 August 2022, Ametek European Holdings Limited assigned the IBL to a fellow subsidiary company, Ametek Global Limited, on the same terms.

### 17 Subsidiaries

These financial statements are separate company financial statements for Tubes Holdco Limited.

On 12 January 2021 Tubes Holdco Limited disposed of its 100% ordinary share holding in AMETEK de LLC for £0 consideration. There was no profit or loss to be recognised at this disposal

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

Name of undertaking and address of registered office	Nature of business	Class of shareholding	% Held
Fine Tubes Limited	2 New Star Road, Leicester LE4 9JD England	Manufacture of stainless steel and nickel tubing	Ordinary 100
Superior Tube Company Inc	3900 Germantown Pike, Collegeville, Pennsylvania 19426, USA	Manufacture of stainless steel and nickel tubing	Ordinary 100
AMEPS USVI LLC	1000 Frederiksberg Gade, St Dormant Thomas, United States Virgin Islands		Ordinary 100