

Registration number: 11434329

Novolex UK Holdings, Ltd

Annual Report and Consolidated Financial
Statements

for the Period from 26 June 2018 to 31
December 2018

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Novolex UK Holdings, Ltd.

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Novolex UK Holdings, Ltd

Company Information

Directors	C J Klein P M Palmisano S B Bikulege Mr A J Coverdale
Company secretary	Entity Central Corporate Services (UK) Limited
Registered office	C/O Cogency Global (UK) Limited 6 Lloyds Avenue Unit 4CL London EC3N 3AX
Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Glass Wharf Bristol BS2 0FR

Novolex UK Holdings, Ltd

Strategic Report for the period from 26 June 2018 to 31 December 2018

The directors present their strategic report for the period from 26 June 2018 to 31 December 2018.

Principal activity

The principal activity of the company is a holding company and of the group is plastic thermoforming and extrusion of plastic film

Fair review of the business

The results for the period for the group was a loss of £2,800,311. This is the first period of financial statements for the group containing four trading subsidiaries.

The company's key financial and other performance indicators during the period were as follows:

	Unit	2018
Gross Profit	£	8,955,545
EBITDA	£	4,993,046
Sales volume	Tonnes	15,514


Principal risks and uncertainties

The group's financial performance is directly impacted by the economic environment as consumer spending is essential to achieve sales. In order to manage this risk the group strives to deliver competitively priced products and provide a quality supply chain.

Brexit poses a potential risk surrounding the free movement of goods and services. It may also be that Brexit imposes various tariffs and regulations which may indirectly affect the company. There is also consideration of the potential fall in the value of sterling against other currencies following Brexit and the resulting risk facing the company. The group of companies have ways of mitigating the impact of this risk on the business through the use of financial instruments.

The financial position of the company and borrowing facilities are as set out in the financial statements. As an intermediate holding company, there are limited risks attributable to the business, but given the absence of trading, there is a reliance on the parent company for ongoing support, which is evidenced through a letter of support. Given the overall forecast for the group, and parent support provided, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the annual financial statements.

Approved by the Board on 30/01/2020 and signed on its behalf by:


.....
Mr A J Coverdale
Director

Novolex UK Holdings, Ltd

Directors' Report for the Period from 26 June 2018 to 31 December 2018

The directors present their Annual Report and Financial Statements for the period from 26 June 2018 to 31 December 2018.

Incorporation

The company was incorporated on 26 June 2018 and commenced trading on 5 July 2018.

Directors of the group

The directors who held office during the period and up to the date of signing the Annual Report and Financial Statements were as follows:

C J Klein (appointed 16 November 2018)

A N McCallum (appointed 16 November 2018 and resigned 15 November 2019)

P M Palmisano (appointed 16 November 2018)

S B Bikulege (appointed 26 June 2018)

The following director was appointed after the period end:

Mr A J Coverdale (appointed 3 December 2019)

Financial instruments

The company and group have procedures to identify risk and manage the risks that may hinder its financial performance objectives. The objective is to limit counterparty exposure, ensure sufficient capital and to mitigate the risk identified. The group does not consider it necessary to employ derivatives to manage risk based on the current activities of the group.

Objectives and policies

The directors are responsible for monitoring financial risk. Appropriate policies have been developed and implemented to identify, evaluate and manage the key risks.

Novolex UK Holdings, Ltd

Directors' Report for the Period from 26 June 2018 to 31 December 2018

Price risk, credit risk, liquidity risk and cash flow risk

Commodity price risk

The group is exposed to fluctuations of its raw materials since plastic is inherently a petroleum by-product. The risk is inherent to the plastic industry. The directors, in partnership with customers and the group's supplier base, mitigate these risks where possible through customers supply commitments and suppliers agreeing to fixed periodic pricing.

Currency risk

Global plastic resin prices are quoted in US Dollars and Euros. This adds to the risks of price movements in raw materials as discussed above. The directors consider that the most effective way of reducing this risk is in addition to the above, to peg the company's raw material pricing in sterling as much as possible.

Liquidity risk

The group maintains stocks for supply to customers. There is a risk that these stocks may be illiquid. The directors minimise this risk through stock holding agreements and close partnership with customers to pro-actively predict the requirements of customers in order to reduce waste and lead times.

There is a risk that the trade debtors of the group may not be receivable. The directors obtain credit reports from an independent agency on all new customers and maintain close relationships with ongoing customers in order to reduce the risk of non-payment by debtors.

Interest rate risk

The directors have prepared detailed cash flow forecasts and consider this to be a minor risk to the group. The LIBOR rate is considered stable and therefore the potential increase of interest payable by the group is considered minimal.

Novolex UK Holdings, Ltd

Directors' Report for the Period from 26 June 2018 to 31 December 2018

Employment of disabled persons

Novolex UK Holdings, Ltd is committed to employment policies that provide and promote equal employment and advancement opportunities and to providing an environment that ensures tolerance and respect for all employees. Novolex's policy is that no employee will be treated less favourably, victimised or harassed on the grounds of their disability, gender, marital or civil partnership status, race, nationality, colour, ethnicity, religion, sexual orientation, age, or any other class protected by applicable law.

Employee involvement

Novolex UK Holdings, Ltd recognises the importance of engaging with and developing employees for both enhancing the performance of the business and in achieving and maintaining the highest standards in the workplace. The company continues to invest in people, processes and technology in order to deliver on its core people values.

Future developments

The company was formed on the acquisition of the Waddington Group by Novolex. The Novolex Group is a packaging company and will work with the directors and management to further develop the company through continuing to focus on improve efficiencies and productivity.

Research and development

The group has expended resources during the year on developing new products for both existing and potential customers. Much of this work is speculative and does not necessarily result in new products reaching the market place.

Approved by the Board on 30/1/2020 and signed on its behalf by:



.....
Mr A J Coverdale
Director

Novolex UK Holdings, Ltd

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 6 month period. Under that law the directors have prepared the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and parent company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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; 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 group and parent 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 group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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 group and parent 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 group and parent company's auditors are aware of that information.

Novolex UK Holdings, Ltd

Independent Auditor's Report to the Members of Novolex UK Holdings, Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Novolex UK Holdings, Ltd group financial statements and parent company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2018 and of the group's loss for the 6 month and 5 day period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Consolidated Financial Statements (the "Annual Report"), which comprise: the consolidated and parent balance sheets as at 31 December 2018; the consolidated profit and loss account, the consolidated statement of cash flows, and the consolidated and parent company statements of changes in equity for the 6 month and 5 day period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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 group 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.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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 group's or the parent 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the group's trade, customers, suppliers and the wider economy.

Novolex UK Holdings, Ltd

Independent Auditor's Report to the Members of Novolex UK Holdings, Ltd

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 period ended 31 December 2018 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 group and parent company and their 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 6, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Novolex UK Holdings, Ltd

Independent Auditor's Report to the Members of Novolex UK Holdings, Ltd

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. 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 parent 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.

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 parent 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 parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



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Nick Muzzlewhite (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP, Statutory Auditor
2 Glass Wharf
Bristol
BS2 0FR

Date: 31 January 2020

Novolex UK Holdings, Ltd

Consolidated Profit and Loss Account for the Period from 26 June 2018 to 31 December 2018

	Note	For the period 26 June 2018 to 31 December 2018 £
Turnover	3	37,497,540
Cost of sales		<u>(28,541,995)</u>
Gross profit		8,955,545
Distribution costs		(3,455,754)
Administrative expenses		(5,928,132)
Other operating income	4	<u>2,720</u>
Operating loss	5	(425,621)
Interest payable and similar expenses	7	<u>(2,711,321)</u>
Loss before tax		(3,136,942)
Taxation	11	<u>336,631</u>
Loss for the financial period		<u><u>(2,800,311)</u></u>
Loss attributable to:		
Owners of the company		<u><u>(2,800,311)</u></u>

The above results were derived from continuing operations.

Novolex UK Holdings, Ltd

(Registration number: 11434329)

Consolidated Balance Sheet as at 31 December 2018

	Note	2018 £
Fixed assets		
Intangible assets	12	20,412,722
Tangible assets	13	<u>12,095,445</u>
		<u>32,508,167</u>
Current assets		
Stocks	16	8,990,549
Debtors	17	16,306,588
Cash at bank and in hand	18	<u>6,856,134</u>
		32,153,271
Creditors: Amounts falling due within one year	19	<u>(13,178,503)</u>
Net current assets		<u>18,974,768</u>
Total assets less current liabilities		51,482,935
Creditors: Amounts falling due after more than one year	19	(54,027,803)
Provisions for liabilities	20	<u>(255,343)</u>
Net liabilities		<u>(2,800,211)</u>
Capital and reserves		
Called up share capital	22	100
Profit and loss account	23	<u>(2,800,311)</u>
Equity attributable to owners of the company		<u>(2,800,211)</u>
Total equity		<u>(2,800,211)</u>

The financial statements on pages 10 to 36 were approved by the Board of Directors on 31/12/2018 and signed on its behalf by:



Mr A J Coverdale
Director

The notes on pages 16 to 36 form an integral part of these financial statements.

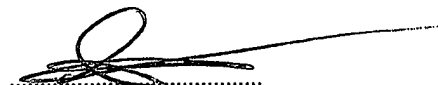
Novolex UK Holdings, Ltd

(Registration number: 11434329)
Parent Balance Sheet as at 31 December 2018

	Note	2018 £
Fixed assets		
Investments	14	54,027,803
Current assets		
Debtors	17	1,114,151
Creditors: Amounts falling due within one year	19	<u>(1,114,051)</u>
Net current assets		<u>100</u>
Total assets less current liabilities		54,027,903
Creditors: Amounts falling due after more than one year	19	<u>(54,027,803)</u>
Net assets		<u>100</u>
Capital and reserves		
Called up share capital		<u>100</u>
Total equity		<u>100</u>

The company made a profit after tax for the financial period of £-.

The financial statements on pages 10 to 36 were approved by the Board of Directors on 30/01/2020 and signed on its behalf by:



Mr A J Coverdale
Director

Novolex UK Holdings, Ltd

Consolidated Statement of Changes in Equity for the Period from 26 June 2018 to 31 December 2018

Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £
Loss for the period	-	(2,800,311)	(2,800,311)
Total comprehensive loss	-	(2,800,311)	(2,800,311)
New share capital subscribed	100	-	100
At 31 December 2018	100	(2,800,311)	(2,800,211)

The notes on pages 16 to 36 form an integral part of these financial statements.

Novolex UK Holdings, Ltd

Parent Statement of Changes in Equity for the Period from 26 June 2018 to 31 December 2018

	Share capital £	Total £
New share capital subscribed	<u>100</u>	<u>100</u>
At 31 December 2018	<u><u>100</u></u>	<u><u>100</u></u>

The notes on pages 16 to 36 form an integral part of these financial statements.

Novolex UK Holdings, Ltd

Consolidated Statement of Cash Flows for the Period from 26 June 2018 to 31 December 2018

		For the period 26 June 2018 to 31 December 2018 £
	Note	
Cash flows from operating activities		
Loss for the period		(2,800,311)
Adjustments to cash flows from non-cash items		
Depreciation and amortisation	5	2,720,409
Finance costs	7	2,508,439
Income tax expense	11	(336,631)
		2,091,906
Working capital adjustments		
Decrease in stocks		248,780
Decrease in trade debtors		3,886,767
Decrease in trade creditors		(18,766,050)
Unpaid share capital	21	100
Decrease in deferred income, including government grants		(2,745)
Cash generated from operations		(12,541,242)
Income taxes received		54,354
Net cash flow from operating activities		(12,486,888)
Cash flows from investing activities		
Acquisitions of tangible assets	13	(290,871)
Net assets acquired through business combinations	15	(31,791,920)
Net cash flows from investing activities		(32,082,791)
Cash flows from financing activities		
Interest paid	7	(2,508,439)
Proceeds from other borrowing draw downs		54,027,803
Payments to finance lease creditors		(93,551)
Net cash flows from financing activities		51,425,813
Net increase in cash and cash equivalents		6,856,134
Cash and cash equivalents at 26 June		-
Cash and cash equivalents at 31 December		6,856,134

The notes on pages 16 to 36 form an integral part of these financial statements.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

C/O Cogency Global (UK) Limited

6 Lloyds Avenue

Unit 4CL

London

EC3N 3AX

The principal place of business is:

37-39 Burners Lane

Kiln Farm

Milton Keynes

Buckinghamshire

MK11 3HA

These financial statements were authorised for issue by the Board on 30th January 2019

2 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of significant accounting policies and key accounting estimates

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

Summary of disclosure exemptions

The Company is a qualifying entity for the purposes of FRS 102 and has elected to take the exemption under FRS 102, para 1.12(b) not to present the Company statement of cash flows.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2018.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £nil.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Disclosure of long or short period

The company was incorporated on 26 June 2018 and on 5 July 2018 it acquired its subsidiaries. As the subsidiaries had a financial year end of 31 December 2018, it was decided that the holding company should have a coterminous year end and it was therefore shortened to also be 31 December 2018 and therefore the results are for the period from 26 June 2018 to 31 December 2018.

Going concern

The financial statements have been prepared on a going concern basis as following the preparation of cash forecasts management are of the opinion that the working capital generated by the company for the foreseeable future will be sufficient to enable the company to meet their liabilities for at least twelve months from the date of the approval of the financial statements.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Key sources of estimation uncertainty

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

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

The group is leasing a premises at a rate below the market rate and each year an adjustment to the fair value of the lease interest is made to the income statement to recognise the impairment of the interest. In determining the annual adjustment the company review whether the estimated discount rate and estimated market rent is still valid

Stock valuation

The company reviews its stock on a regular basis and, where appropriate, makes provisions for slow moving and obsolete stock based on estimates of future sales activity. The estimates of the future sales activity will be based on both historical experience and expected outcomes based on knowledge of the markets in which the company operates as well as strategic assessments of potential new markets. Market performance is reviewed periodically throughout the year and the impact on the provision assessed.

Trade debtors

The company monitors the risk profile of trade debtors regularly and makes a provision for amounts that may not be recoverable on the basis of expected portfolio losses. When a trade debtor is not collectable it is written off against the bad debt provision.

Impairment of goodwill

The group considers whether goodwill is impaired. Where an indication of impairment is identified an estimation of recoverable value is made. No indication of impairment existed at the year end. The carrying amount is £18,686,516.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The Group recognises revenue when all of the following conditions are satisfied:

- the amount of revenue can be reliably measured;
- all of the significant risks and rewards of ownership have been transferred to the customer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the Group's activities.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Government grants

Government grants are recognised when the conditions for receipt are met and there is reasonable assurance that the grant will be received. Grants related to assets are initially taken to deferred income and then released to profit or loss on a systematic and rational basis over the useful lives of the related assets. The majority of grants received by the group are to assist with the purchase of plant and machinery. Grants related to income are deducted in reporting the related expense.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to group companies with no future related costs are recognised in profit or loss in the period in which they become receivable.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

The financial statements of overseas subsidiary undertakings are translated at the rate ruling at the balance sheet date. The exchange differences arising on the retranslation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings to the extent that they are used to finance or provide a hedge against group equity investments in foreign enterprises, which are taken to reserves together with the exchange difference on the net investment in these enterprises. Tax charges and credits attributable to exchange differences on those borrowings are also taken to reserves.

Tax

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 is also recognised directly in other comprehensive income.

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 group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off as incurred unless it meets the recognition criteria of a tangible asset as defined by FRS 102 Section 18, in which case it is recognised as an asset of the group.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property	6-100% straight line
Fixtures, fittings and equipment	7-100% straight line
Motor vehicles	18-50% straight line
Other property, plant and machinery	6-100% straight line on plant and equipment and varying rates for tools

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Leasehold interest intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Leasehold interest intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 years
Leasehold interest	Amortised over the lease term

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows only, cash and cash equivalents include bank overdrafts repayable on demand.

Since the characteristics of such banking arrangements are that the bank balance often fluctuates from being positive to overdrawn, they are considered an integral part of the group's and company's cash management.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification, recognition and measurement

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the Balance Sheet. The corresponding dividends relating to the liability component are charged as interest expense in the Profit and Loss Account.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

3 Turnover

The analysis of the group's turnover for the period by market is as follows:

	For the period 26 June 2018 to 31 December 2018 £
UK	21,617,691
Europe	<u>15,879,849</u>
	<u>37,497,540</u>

4 Other operating income

The analysis of the group's other operating income for the period is as follows:

	For the period 26 June 2018 to 31 December 2018 £
Government grants	<u>2,720</u>

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

5 Operating loss

Arrived at after charging/(crediting)

	For the period 26 June 2018 to 31 December 2018 £
Depreciation expense	1,596,468
Amortisation expense	1,123,941
Research and development cost	228
Operating lease expense - property	712,650
Operating lease expense - plant and machinery	130,895
Operating lease expense - other	<u>11,866</u>

6 Government grants

The majority of grants received by the group are to assist with the purchase of plant and machinery. Grants related to income are deducted in reporting the related expense.

The amount of grants recognised in the financial statements was £2,720.

7 Interest payable and similar expenses

	For the period 26 June 2018 to 31 December 2018 £
Interest on bank overdrafts and borrowings	2,268
Interest on obligations under finance leases and hire purchase contracts	3,646
Interest expense on other finance liabilities	346,905
Foreign exchange (gains) / losses	202,882
Interest payable on loans from group undertakings	<u>2,155,620</u>
	<u>2,711,321</u>

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	For the period 26 June 2018 to 31 December 2018 £
Wages and salaries	5,539,657
Social security costs	384,815
Pension costs, defined contribution scheme	164,219
Other employee expense	283
	<u>6,088,974</u>

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows:

	For the period 26 June 2018 to 31 December 2018 No.
Production	391
Administration and support	125
Other departments	6
	<u>522</u>

9 Directors' remuneration

The directors received no remuneration from this company during the period as they were remunerated higher up the group and the group were not recharged for any services provided by directors.

10 Auditors' remuneration

	For the period 26 June 2018 to 31 December 2018 £
Audit of company and consolidated financial statements	70,000
Audit of subsidiary financial statements	20,000
	<u>90,000</u>

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

11 Taxation

Tax charged/(credited) in the income statement

	2018 £
Current taxation	
UK corporation tax	(184,280)
Foreign tax	<u>(96,467)</u>
Total current income tax	(280,747)
Deferred taxation	
Arising from origination and reversal of timing differences	<u>(55,884)</u>
Tax receipt in the income statement	<u>(336,631)</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK of 19%.

The differences are reconciled below:

	2018 £
Loss before tax	<u>(3,136,942)</u>
Corporation tax at standard rate	(596,019)
Effect of expense not deductible in determining taxable profit (tax loss)	223,125
Effect of foreign tax rates	47,456
Deferred tax expense relating to changes in tax rates or laws	3,670
Increase from tax losses for which no deferred tax asset was recognised	2,982
Tax increase from effect of capital allowances and depreciation	11,428
Tax decrease from effect of adjustment in research and development tax credit	<u>(29,273)</u>
Total tax credit	<u>(336,631)</u>

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2018		
Accelerated tax depreciation - UK	-	255,343
Accelerated tax depreciation - Republic of Ireland	<u>162,725</u>	<u>-</u>
	<u>162,725</u>	<u>255,343</u>

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

12 Intangible assets

Group

	Goodwill £	Other intangible assets £	Total £
Cost or valuation			
Additions acquired at acquisition	-	1,866,646	1,866,646
Additions	19,670,017	-	19,670,017
At 31 December 2018	19,670,017	1,866,646	21,536,663
Amortisation			
Amortisation charge	983,501	140,440	1,123,941
At 31 December 2018	983,501	140,440	1,123,941
Carrying amount			
At 31 December 2018	18,686,516	1,726,206	20,412,722

The aggregate amount of research and development expenditure recognised as an expense during the period is £228.

Individually material intangible assets

Goodwill

The carrying amount of this asset is £18,686,516 and the remaining amortisation period is 9 years and 6 months.

Other intangible assets - Leasehold interest

The carrying amount of this asset is £1,726,206 and the remaining amortisation period is 10 years and 8 months. The group has an option to acquire the leasehold interest on the land and buildings at predetermined rates up to 2030. As there are no plans for the option to be exercised by the group, no value has been assigned to the option.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

13 Tangible assets

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost					
Additions	29,349	32,451	-	229,071	290,871
Acquired through business combinations	<u>489,956</u>	<u>296,008</u>	<u>6,272</u>	<u>12,608,806</u>	<u>13,401,042</u>
At 31 December 2018	<u>519,305</u>	<u>328,459</u>	<u>6,272</u>	<u>12,837,877</u>	<u>13,691,913</u>
Depreciation					
Charge for the period	<u>39,633</u>	<u>46,870</u>	<u>1,213</u>	<u>1,508,752</u>	<u>1,596,468</u>
At 31 December 2018	<u>39,633</u>	<u>46,870</u>	<u>1,213</u>	<u>1,508,752</u>	<u>1,596,468</u>
Carrying amount					
At 31 December 2018	<u><u>479,672</u></u>	<u><u>281,589</u></u>	<u><u>5,059</u></u>	<u><u>11,329,125</u></u>	<u><u>12,095,445</u></u>

Included within the net book value of land and buildings above is £68,857 in respect of freehold land and buildings, £31,018 in respect of long leasehold land and buildings and £379,797 in respect of short leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2018
	£
Other property, plant and equipment	<u><u>531,328</u></u>

Restriction on title and pledged as security

Other property, plant and equipment with a carrying amount of £531,328 has been pledged as security for finance lease and hire purchase liabilities.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

14. Investments

Company

	2018
	£
Investments in subsidiaries	<u>54,027,803</u>
Subsidiaries	£
Cost	
Additions	<u>54,027,803</u>
Carrying amount	
At 31 December 2018	<u>54,027,803</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held 2018
Subsidiary undertakings			
A & J Plastics Limited	C/O Cogency Global (UK) Limited 6 Lloyds Avenue Unit 4CL London England EC3N 3AX	Ordinary	100%
Deltaform Limited	C/O Cogency Global (UK) Limited 6 Lloyds Avenue Unit 4CL London England EC3N 3AX	Ordinary	100%
Holfeld Plastics Limited	Avoca Rover Park, Arlow, Co Wicklow Republic of Ireland	Ordinary	100%

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

Par-Pak Europe Limited	C/O Cogency Global (UK) Limited 6 Lloyds Avenue Unit 4CL London England EC3N 3AX	Ordinary	100%
Waddington Europe Limited	C/O Cogency Global (UK) Limited 6 Lloyds Avenue Unit 4CL London England EC3N 3AX	Ordinary	100%

The company has a direct investment in Par-Pak Europe Limited which in turn has the investments in the other companies listed above.

The principal activity of A & J Plastics Limited is extrusion of plastic film

The principal activity of Deltaform Limited is plastic thermoforming and extrusion of plastic film

The principal activity of Holfeld Plastics Limited is plastic thermoforming and extrusion of plastic film

The principal activity of Par-Pak Europe Limited is plastic thermoforming and extrusion of plastic film

The principal activity of Waddington Europe Limited is Dormant

For the period ending 31 December 2018 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

A & J Plastics Limited

Deltaform Limited

Par-Pak Europe Limited

Waddington Europe Limited

Waddington Europe Limited is a dormant subsidiary that is exempt from preparing and filing individual accounts by virtue of section 394A and section 448A respectively of the Companies Act 2006.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

15 Business combinations

On 5 July 2019, Novolex UK Holdings, Ltd acquired 100% of the issued share capital of Par-Pak Europe Limited and its subsidiary companies.

Par-Pak Europe Limited and its subsidiary companies contributed £37,497,540 to group revenue and £1,816,810 to the group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Book value (equal to fair value) 2018 £
Assets and liabilities acquired	
Financial assets	20,000,547
Stocks	9,239,329
Tangible assets	13,401,042
Identifiable intangible assets	1,866,646
Financial liabilities	<u>(13,822,370)</u>
Total identifiable assets	<u>30,685,194</u>
Goodwill	<u>19,670,017</u>
Total consideration	<u><u>50,355,211</u></u>
Satisfied by:	
Cash	3,672,592
Other	<u>(54,027,803)</u>
Total consideration transferred	<u><u>(50,355,211)</u></u>

16 Stocks

	Group 2018 £	Company 2018 £
Raw materials and consumables	4,770,426	-
Finished goods and goods for resale	<u>4,220,123</u>	<u>-</u>
	<u><u>8,990,549</u></u>	<u><u>-</u></u>

Group

The cost of stocks recognised as an expense in the period amounted to £20,406,239.

Impairment of stocks

The amount of impairment loss included in profit or loss is £268,007.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

17 Debtors

		Group 2018 £	Company 2018 £
	Note		
Trade debtors		15,079,882	-
Amounts owed by group undertakings		-	1,114,151
Other debtors		193,216	-
Prepayments		840,682	-
Deferred tax assets	11	162,725	-
Income tax asset		30,083	-
		<u>16,306,588</u>	<u>1,114,151</u>

18 Cash and cash equivalents

		Group 2018 £	Company 2018 £
Cash on hand		1,704	-
Cash at bank		<u>6,854,430</u>	<u>-</u>
		<u>6,856,134</u>	<u>-</u>

19 Creditors

		Group 2018 £	Company 2018 £
	Note		
Due within one year			
Loans and borrowings	24	70,662	-
Trade creditors		5,041,753	-
Amounts due to group undertakings		1,050,681	1,114,051
Social security and other taxes		1,315,000	-
Outstanding defined contribution pension costs		17,362	-
Other payables		499,430	-
Accruals		4,691,351	-
Income tax liability		488,869	-
Deferred income		<u>3,395</u>	<u>-</u>
		<u>13,178,503</u>	<u>1,114,051</u>
Due after one year			
Amounts due to related parties	28	<u>54,027,803</u>	<u>54,027,803</u>

Intercompany loans are denominated in GBP with a nominal interest rate of LIBOR + 7.27%, and the final instalment is due on 05 July 2025. The carrying amount at year end is £54,027,803

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

20 Deferred tax and other provisions

Group

	Deferred tax £	Total £
Deferred tax acquired	275,660	275,660
Increase (decrease) in existing provisions	(20,317)	(20,317)
At 31 December 2018	<u>255,343</u>	<u>255,343</u>

21 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the group to the scheme and amounted to £164,219.

Contributions totalling £17,362 were payable to the scheme at the end of the period and are included in creditors.

22 Share capital

Allotted, called up and unpaid shares

	2018	
	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

New shares allotted

During the period 100 Ordinary shares having an aggregate nominal value of £100 were allotted for an aggregate consideration of £100. These shares were allotted on incorporation.

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

These shares carry voting rights and are entitled to dividends. There are no restrictions in place.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

23 Reserves

Group

Profit and loss account

This reserve represents accumulated profits net of any distributions made to shareholders.

The changes to each component of equity resulting from items of other comprehensive income for the current period were as follows:

Company

Profit and loss account

This reserve represents accumulated profits net of any distributions made to shareholders.

24 Loans and borrowings

	Group	Company
	2018	2018
	£	£
Current loans and borrowings		
Finance lease liabilities	<u>70,662</u>	<u>-</u>

Group

Other borrowings

Finance lease and hire purchase liabilities are denominated in GBP with a nominal interest rate of 7.8% to 13.25%, and the final instalment is due on 12 December 2019. The carrying amount at year end is £70,662.

The finance lease and hire purchase liability is secured over the assets under the finance lease and hire purchase agreement.

Novolex UK Holdings, Ltd

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

25 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2018
	£
Not later than one year	84,194
	<u>84,194</u>

The obligation includes future interest payments of £13,532.

Operating leases

The total of future minimum lease payments is as follows:

	2018
	£
Not later than one year	994,901
Later than one year and not later than five years	3,568,891
Later than five years	1,310,606
	<u>5,874,398</u>

The amount of non-cancellable operating lease payments recognised as an expense during the period was £855,411.

26 Dividends

The directors are proposing a final dividend of £Nil per share.

27 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements was £116,595.

Novolex UK Holdings, Ltd.

Notes to the Financial Statements for the Period from 26 June 2018 to 31 December 2018

28 Related party transactions

Group

Summary of transactions with parent

Parent and the ultimate parent company

During the year the parent extended the company an interest only loan. Interest on this loan is charged at the LIBOR rate plus 7.27% with the principal amount repayable on 5 July 2025.

Loans from related parties

	Parent £
2018	
Advanced	54,027,803
Repaid	(1,041,569)
Interest transactions	<u>2,155,620</u>
At end of period	<u><u>55,141,854</u></u>

Company

Loans from related parties

	Parent £
2018	
Advanced	54,027,803
Repaid	(1,041,569)
Interest transactions	<u>2,155,620</u>
At end of period	<u><u>55,141,854</u></u>

29 Parent and ultimate parent undertaking

The company's immediate parent is Novolex Holdings, LLC, incorporated in the United States of America.

The ultimate parent is Novolex Inc, incorporated in the United States of America.