Group Strategic Report, Report of the Directors and

Audited Consolidated Financial Statements for the Year Ended 31st December 2022

for

Vibrant Topco Limited

Vibrant Topco Limited

Contents of the Financial Statements for the Year Ended 31st December 2022

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	4
Report of Independent Auditors	7
Consolidated Income Statement	10
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cashflow Statement	16
Notes to the Consolidated Cashflow Statement	17
Notes to the Consolidated Financial Statement	18

Vibrant Topco Limited

Company Information
for the Year Ended 31st December 2022

DIRECTORS:	K F Brennan S R Davidson J M Gunton M E Hall D S Guha N Kankiwala
REGISTERED OFFICE:	Building 3 Croxley Park Watford Hertfordshire WD18 8YG
REGISTERED NUMBER:	11994988 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP One Chamberlain Square Birmingham, B3 3AX

Vibrant Topco Limited

Group Strategic Report
for the Year Ended 31st December 2022

The directors present their strategic report of the company and the group for the year ended 31st December 2022.

INTRODUCTION

The Strategic Report has been prepared by the Directors to provide additional information in respect of the Group's strategies and business objectives.

The Strategic report contains forward-looking statements, which have been made in good faith by the Directors based on information available up to the point of approval of this report. Therefore, there are inherent uncertainties involved in making these statements, including both economic and business risk factors.

BUSINESS MODEL

The Group of Vibrant Topco Limited comprises several brands operating as a wholesale & retail business both within the UK and export primarily to Europe.

KEY PERFORMANCE INDICATORS

As a result of the Group's strategy to focus on its core business, and therefore dispose of certain non-core assets, turnover year in year has reduced by £10.8m to £195.6m (2021: £206.4m).

Loss before taxation decreased by £76.3m to £73.0m loss (2021: £149.3m loss).

The Balance Sheet position of the Group at 31st December 2022 is net liabilities of £219.1m (2021: £158.7m net liability). The Balance sheet position at 31st December 2022 of the Company is net assets of £46.3m (2021: £44.6m net assets).

The key performance indicators for the group include turnover, gross margin, operating profit which are stated in our Consolidated Income Statement. Non-financial key performance indicators include health and safety, quality, technical performance, order intake, fulfilment and demand forecast. The financial position of the group and company at the end of the year is given in the Consolidated and Company Balance Sheets.

During the year the Group closed the remaining cash and carry business. The Group experienced a significant downturn in performance in 2022, and has seen increasing levels of cost inflation across ingredients, energy, transport and warehousing. The Group was not successful in passing on these costs in 2022 and this has led to significant losses. The Group has recovered and undertaken a refinancing exercise which was completed in August 2023, with the raising of £30 million in debt and equity (see Note 29 Post Balance Sheet Events).

PRINCIPAL RISKS AND UNCERTAINTIES

Risks are manged across the group which includes those relevant to the company.

Financial risk

The group's activities expose it to a number of financial risks. The risks on interest payable on Bank Borrowings is managed by a swap which expires in March 2024. The Group's interest is paid half yearly and represents a significant outgoing at March and September of each year.

The group's customers are either UK based or European in origin. The majority of income is received in sterling or euro. A significant proportion of purchases are in US $. The Group manages this risk by hedging where appropriate although this ended in October 2023 and any new deals have to be agreed with HSBC.

Liquidity risk

The Group manages liquidity risk by forecasting on a 13 week basis and an annual budget. The Group's customers are for 21% of the business large supermarket chains. For the remaining 79% of the business its sales are to independent traders and there is a risk of bad debts. The suppliers are spread across a large number of businesses. The supply is manged by monitoring suppliers and paying when they request. This exposes the Group to a supplier risk as the Group has limited credit insurance. This is managed by paying suppliers regularly.

Health and Safety risk

Health and safety risks in operations are subject to the group's procedures and are reported at board level. The Group has around 750 employees some of whom operate plants and equipment on a regular basis. A detailed health & safety policy exists with risk assessments carried out for each task. Reports on Health and Safety are made to the Group Board each month and to the Leadership Team which includes the Executive Directors each week.

Pricing risk

Pricing is adjusted each month and takes account of the sales prices and its position within the market. The Leadership team focus on these prices each month to see that they reflect the position in commodities markets and appropriate levels of gross margin. The Group has a proven record of passing on price increases to customers.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Credit risk
Credit risk is covered in some cases by credit insurance. The Group maintains control over its credit ledgers and reviews them on a weekly basis to ensure that customers who can afford the Group's products are given an appropriate level of credit. The Group's wide ranging customers ensure that this risk is appropriately managed.

Cash flow risk
The Group reviews its cash flows on a weekly basis and adjusts them accordingly. The Group has implemented its policy to ensure that there is adequate cash available to meet its liabilities as they fall due. The Group maintains a weekly cash flow forecast for at least 6 months. The Group received £30 million in additional funding in August 2023 which is sufficient to take it through to December 2024.

DIRECTORS' STATEMENT OF COMPLIANCE WITH THE DUTY TO PROMOTE THE SUCCESS OF THE GROUP
Section 172 of the Act requires directors to act in a way that they consider, in good faith, would be, most likely to promote the success of a company. In doing so, the directors must take into consideration the interests of the various stakeholders of the Company, the impact of the Company's operations on the community and the environment, take a long-term view on decisions they make as well aiming to maintain a reputation for high standards and fair treatment between the members of the Company. In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, the Company explains below how the directors have discharged their duty under section 172.

- Employee engagement is important to our success. We strive to put in place a diverse and inclusive workplace where every employee can reach their potential. We work with our people to ensure we are delivering to their expectations and making the correct business decisions.
- Customers; we maintain a high degree of customer contact to anticipate the future needs of customers. We collaborate and innovate with our customers to improve product performance.
- Suppliers; we engage with our suppliers to build a relationship from which we can mutually benefit to ensure they are performing to our standards and conducting business to our expectations.
- Shareholders and lenders. We work to ensure our shareholders and lenders have a good understanding of our strategy and performance.
- Governing bodies and regulators. We engage with government agencies and key regulatory bodies to ensure we have the licences to operate safely and ensure regulatory compliance. We work with local and governments and health agencies where we have operations.
- Communities. We are committed to building positive relations with the communities in which we operate.
- Culture. The Board are responsible for the overall effectiveness in directing the Company and promoting a culture of openness and debate. The Directors are required to act with integrity, lead by example and promote this culture within the Company.

The Strategic report and financial statements on pages 10 to 32 were approved by the Board of Directors on 22 December 2023 and signed on its behalf by

M E Hall
Director

Vibrant Topco Limited

Report of the Directors
for the Year Ended 31st December 2022

The directors present their report with the audited financial statements of the group for the year ended 31st December 2022.

RESULTS AND DIVIDENDS
The loss for the year to 31st December 2022, after taxation, amounted to £60.4 million. (2021: £150.2 million)

No dividends will be distributed for the year ended 31st December 2022 (2021: nil).

FUTURE DEVELOPMENTS
The Group of Vibrant Topco Limited will continue to comprise of several brands operating as a wholesale & retail business both within the UK and export primarily to Europe.

DIRECTORS
The directors shown below have held office during the whole of the period from 1st January 2022 to the date of this report.

K F Brennan
S R Davidson
J M Gunton

Other changes in directors holding office are as follows:

M E Hall	– appointed on 24 March 2023
D S Guha	– appointed on 20 December 2023
N Kankiwala	– appointed on 20 December 2023
G E J Dibb-Fuller	– resigned on 20 December 2022
R Samani	– resigned on 24 March 2023
U Parmar	– resigned on 24 March 2023

PRINCIPAL RISKS AND UNCERTAINTIES
These are included and considered within the principal risks and uncertainties section in the Strategic report.

ENGAGEMENT WITH EMPLOYEES
Employee engagement is important to our success. We work to create a diverse and inclusive workplace where every employee can reach their full potential and be at their best.

We engage with, consult and provide information to our staff through a variety of methods including notice boards, presentations and emails.

DISABLED EMPLOYEES
Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the group and the company that the training, career development and promotion of disabled persons should, as far as possible be identical to that of other employees.

POST BALANCE SHEET EVENTS
Events subsequent to the year-end are disclosed in note 29.

GOING CONCERN
The Group's activities and recent trading performance, together with the factors likely to affect its future development and performance, as well as the Group's approach to credit risk, cash flows and liquidity risks are set out in the Strategic Report for the Group and The Company.

In preparing the financial statements on a going concern basis the Directors have considered the following:

- Financial Forecasts for the Group prepared to 31st December 2024
- The profile of the facilities and the need for further funding to meet its liability and debt obligations
- Operational improvements that are being implemented across the business to deliver the above forecasts.

The base case financial forecasts representing board approved budget which have underpinned the refinancing exercise and the associated due diligence ahead of August 2023 funding. The forecasts have been prepared to 31st December 2024 recognising the current trading conditions and inflationary pressures, operational efficiencies, restructuring program and transition of warehousing and distribution to new providers. They include expected price increases from current negotiations.

GOING CONCERN - continued

The Directors have prepared forecasts through 31 December 2024 which have stress-tested the forecasts to reduce consumer demand and lower gross margins. ("Downside Forecasts"). In each case the Group and the Company would have sufficient cash to meet its liabilities as they fall due for at least 12 months from the date of signing the financial statements.

Notwithstanding the risks, for the reasons outlined, the Directors have a reasonable expectation that the Group and the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months form the date these financial statements are approved. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

STREAMLINED ENERGY & CARBON REPORTING (SECR)

The Group's 2022 GHG emissions were calculated and reported based on the 'The Greenhouse Gas Protocol: GHG Protocol: A Corporate Accounting and Reporting Standard – Revised Edition' (GHG Protocol). We followed an operational control approach and used data from sites and vehicles associated with seven entities within the group, for the periods within 2022 when their operations were under the group's control. Data about electricity, gas, and fuel came from invoices, meter readings, or tracking systems over the year. All data was converted to MWh and tCO2e using the relevant government conversion factors. All of our energy use is based in the UK, we have no manufacturing or office facilities under our control outside of the UK. In 2022, we had fewer sites than in 2021. We switched to more energy-efficient compressors at one of our factories and consolidated our energy procurement across the group, leading to more precise data tracking.

	Change (%)	FY2022	FY2021
Total Scope 1 & 2 emissions - gross location based (tCO2e)	-10.88%	4,022.53	4,513.42
Total Scope 1 & 2 emissions - net market based (tCO2e)	-13.21%	3,201.87	3,689.41
Intensity Ratio - gross location based (tCO2e per FTE)		6.72	5.88
Intensity Ratio - net market based (tCO2e per FTE)		5.35	4.81
Total energy usage (MWh)	-5.09%	19,328.29	20,364.20

QUALIFYING THIRD PARTY INDEMNITY INSURANCE

The directors had qualifying third party indemnity insurances during the year and also at the date of approval of the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, Report of the Directors and Audited Consolidated Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements 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).

Under company law, 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 company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Vibrant Topco Limited

Report of the Directors
for the Year Ended 31st December 2022

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

INDEPENDENT AUDITORS
The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Directors report and the financial statements on pages 10 to 32 were approved by the Board of Directors on 22 December 2023 and signed on its behalf by

....
M E Hall - Director

Date: 22/12/23

Independent auditors' report to the members of Vibrant Topco Limited

Report on the audit of the financial statements

Opinion

In our opinion, Vibrant Topco Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2022 and of the group's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 Group Strategic Report, Report of the Directors and Audited Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated Balance Sheet and Company Balance Sheet as at 31 December 2022; the Consolidated Income Statement, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year 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

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 group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

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

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

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 Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the year ended 31 December 2022 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 company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Report of the Directors.

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, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to food safety regulation, health and safety regulation, road transport regulation and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and taxation legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry with management and those charged with governance of any known instances of non-compliance with laws, regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates;

- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations;
- Incorporating unpredictability into the nature, timing and/or extent of our testing; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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

We have no exceptions to report arising from this responsibility.

Matt Palmer

Matt Palmer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
22 December 2023

Vibrant Topco Limited

Consolidated Income Statement
for the Year Ended 31st December 2022

	Notes	31.12.22 Continuing £'000	31.12.22 Discontinued £'000	31.12.22 Total £'000
TURNOVER	3	178,449	17,171	195,620
Cost of sales		(164,653)	(15,955)	(180,608)
GROSS PROFIT		13,796	1,216	15,012
Administrative expenses		(60,133)	(3,406)	(63,539)
OPERATING LOSS	5	(46,337)	(2,190)	(48,527)
Interest receivable and similar income	6	3,473	-	3,473
Interest payable and similar expenses	7	(27,933)	-	(27,933)
LOSS BEFORE TAXATION		(70,797)	(2,190)	(72,987)
Tax on loss	8	12,596	(1)	12,595
LOSS FOR THE FINANCIAL YEAR		(58,201)	(2,191)	(60,392)

The notes form part of these financial statements

Vibrant Topco Limited

Consolidated Income Statement
for the Year Ended 31st December 2022 (continued)

	Notes	31.12.21 Continuing £'000	31.12.21 Discontinued £'000	31.12.21 Total £'000
TURNOVER	3	197,673	8,764	206,437
Cost of sales		(146,750)	(6,858)	(153,608)
GROSS PROFIT		50,923	1,906	52,829
Administrative expenses		(175,237)	(1,946)	(177,183)
		(124,314)	(40)	(124,354)
Other operating income		23	-	23
OPERATING LOSS	5	(124,291)	(40)	(124,331)
Interest receivable and similar income	6	4,024	-	4,024
Amounts written off investments		-	(3,582)	(3,582)
Interest payable and similar expenses	7	(25,378)	-	(25,378)
LOSS BEFORE TAXATION		(145,645)	(3,622)	(149,267)
Tax on loss	8	(963)	-	(963)
LOSS FOR THE FINANCIAL YEAR		(146,608)	(3,622)	(150,230)

Vibrant Topco Limited (Registered number: 11994988)

Consolidated Balance Sheet
31st December 2022

	Notes	31.12.22 £'000	31.12.22 £'000	31.12.21 £'000	31.12.21 £'000
FIXED ASSETS					
Intangible assets	10		30,952		39,445
Tangible assets	11		17,694		19,273
Investments	13		24,050		31,766
			72,696		90,484
CURRENT ASSETS					
Stocks	14	32,012		48,545	
Debtors	15	50,828		58,232	
Cash at bank and in hand		3,689		5,829	
		86,529		112,606	
CREDITORS					
Amounts falling due within one year	16	(71,699)		(66,773)	
NET CURRENT ASSETS			14,830		45,833
TOTAL ASSETS LESS CURRENT LIABILITIES			87,526		136,317
CREDITORS					
Amounts falling due after more than one year	17		(306,594)		(292,139)
DEFERRED TAX	22		-		(2,819)
ACCRUALS AND DEFERRED INCOME	23		-		(35)
NET LIABILITIES			(219,068)		(158,676)
CAPITAL AND RESERVES					
Called up share capital	24		385		385
Share premium account	25		42,143		42,143
Accumulated losses	25		(261,596)		(201,204)
TOTAL EQUITY			(219,068)		(158,676)

The financial statements were approved by the Board of Directors and authorised for issue on .... and were signed on its behalf by:

....

M E Hall - Director

The notes form part of these financial statements

Vibrant Topco Limited (Registered number: 11994988)

Company Balance Sheet
31st December 2022

	Notes	31.12.22 £'000	31.12.22 £'000	31.12.21 £'000	31.12.21 £'000
FIXED ASSETS					
Investments	13		28,528		28,528
CURRENT ASSETS					
Debtors	15	17,787		16,100	
NET CURRENT ASSETS			17,787		16,100
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS			46,315		44,628
CAPITAL AND RESERVES					
Called up share capital	24		385		385
Share premium account	25		42,143		42,143
Retained earnings	25		3,787		2,100
TOTAL EQUITY			46,315		44,628
Company's profit for the financial year			1,687		1,400

The financial statements were approved by the Board of Directors and authorised for issue on 22/12/23 and were signed on its behalf by:

M E Hall - Director

The notes form part of these financial statements

Vibrant Topco Limited

Consolidated Statement of Changes in Equity for the Year Ended 31st December 2022

	Called up share capital £'000	Share premium £'000	Accumulated losses £'000	Total equity' £'000
Balance at 1st January 2021	363	39,909	(50,974)	(10,702)
Changes in equity				
Issue of share capital	22	2,234	-	2,256
Total comprehensive expense	-	-	(150,231)	(150,231)
Balance at 31st December 2021	385	42,143	(201,204)	(158,676)
Changes in equity				
Total comprehensive expense	-	-	(60,392)	(60,392)
Balance at 31st December 2022	385	42,143	(261,596)	(219,068)

The notes form part of these financial statements

Vibrant TopCo Limited

Company Statement of Changes in Equity
for the Year Ended 31st December 2022

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 1st January 2021	363	39,909	700	40,972
Changes in equity				
Issue of share capital	22	2,234	-	2,256
Total comprehensive income	-	-	1,400	1,400
Balance at 1st December 2021	385	42,143	2,100	44,628
Changes in equity				
Total comprehensive income	-	-	1,687	1,687
Balance at 31st December 2022	385	42,143	3,787	46,315

The notes form part of these financial statements

Vibrant Topco Limited

Consolidated Cash Flow Statement
for the Year Ended 31st December 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Cash (used in)/generated from operations	1	(6,804)	3,612
Corporation Tax paid		(292)	(3,441)
Net cash from operating activities		(7,096)	171
Cash flows from investing activities			
Purchase of subsidiaries (net of cash)		-	(37,357)
Purchase of tangible fixed assets		(1,063)	(5,240)
Purchase of intangible fixed assets		-	(5,475)
Proceeds from disposal of trade & assets		-	30,498
Proceeds from disposal of Investment		10,000	-
Deal and Debts fees		-	(1,912)
Net cash from investing activities		8,937	(19,486)
Cash flows from financing activities			
Payments to financing/Line of credit		-	(11,914)
Proceeds from Shareholder loan		-	9,782
Drawdown of borrowings		6,500	17,500
Share Issue		-	2,254
Interest Paid		(10,608)	(12,331)
Fees for arrangement of borrowings		-	(205)
Net cash from financing activities		(4,108)	5,086
Decrease in cash and cash equivalents		(2,267)	(14,229)
Exchange gains on cash and cash equivalents		127	-
Cash and cash equivalents at beginning of year	2	5,829	20,058
Cash and cash equivalents at end of year	2	3,689	5,829

The notes form part of these financial statements

Vibrant Topco Limited

Notes to the Cash Flow Statement
for the Year Ended 31st December 2022

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH (USED IN)/GENERATED FROM OPERATIONS

	2022	2021
	£'000	£'000
Loss before taxation	(72,987)	(149,267)
Depreciation and amortisation	10,425	20,077
Loss on disposal of property, plant and equipment	702	338
Impairment of goodwill	-	114,173
Loss on disposal of trade and assets	-	3,582
Unwind of fair value adjustments	-	774
Finance costs	27,914	21,354
Finance income	(3,473)	-
	(37,419)	11,031
Decrease/(increase) in stocks	16,533	(11,373)
Decrease/(increase) in trade and other debtors	20,633	(11,222)
(Decrease)/increase in trade and other creditors	(6,551)	15,177
Cash (used in)/generated from operations	(6,804)	3,613

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2022

	2022	2021
	£'000	£'000
Cash and cash equivalents	3,689	5,829
	3,689	5,829

Year ended 31st December 2021

	2021	2020
	£'000	£'000
Cash and cash equivalents	5,829	20,058

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22	Acquired	Other non-cash changes	At 31.12.22
	£'000	£'000	£'000	£'000
Net cash				
Cash and cash equivalents	5,829	(2,267)	127	3,689
	5,829	(2,267)	127	3,689
Debt				
Debts falling due within 1 year	(17,500)	(6,500)	(3,917)	(227,917)
Debts falling due after 1 year	(292,138)	-	(14,456)	(306,594)
	(303,639)	(6,500)	(18,373)	(334,511)

Other non-cash changes include accrued interest on the amounts owed to group undertakings, and the unwind of deal fees allocated against the amounts owed to group undertakings and bank loans.

1. **STATUTORY INFORMATION**

Vibrant Topco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

Group of Vibrant Topco Limited comprises several brands operating as a wholesale & retail business both within the UK and export primarily to Europe.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention modified by financial assets and financial liabilities held at fair value through the profit and loss. The financial statements have been rounded to the nearest £'000.

These consolidated and company financial statements have been prepared on a going concern basis.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to express its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.
The accounting policies have been applied consistently, other than where new policies have been adopted.

Going Concern
The Group's activities and recent trading performance, together with the factors likely to affect its future development and performance, as well as the Group's approach to credit risk, cash flows and liquidity risks are set out in the Strategic Report for the Group and The Company.

In preparing the financial statements on a going concern basis the Directors have considered the following:

- Financial Forecasts for the Group prepared to 31st December 2024
- The profile of the facilities and the need for further funding to meet its liability and debt obligations
- Operational improvements that are being implemented across the business to deliver the above forecasts.

The base case financial forecasts represent the board approved budget which underpinned the refinancing exercise and the associated due diligence ahead of August 2023 funding. The forecasts have been prepared to 31st December 2024 recognising the current trading conditions and inflationary pressures, operational efficiencies, restructuring program and transition of warehousing and distribution to new providers. They include expected price increases from current negotiations.

The Directors have prepared forecasts through to December 2024 which have stress-tested the forecasts to reduce consumer demand and lower gross margins. ("Downside Forecasts"). In each case the Group and the Company would have sufficient cash to meet its liabilities as they fall due for at least 12 months from the date of signing the financial statements.

Notwithstanding the risks, for the reasons outlined, the Directors have a reasonable expectation that the Group and the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months form the date these financial statements are approved. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

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

- the requirement of paragraph 3.17(d).
- the requirement to disclose the company income statement and cash flow statement
- the requirement to disclose remuneration for key management personnel

Subsidiary company audit exemption
For the year ended 31st December 2022, East End Foods Holdings Limited (Registered number: 07812840), East End Foods Properties Limited (Registered number: 07813491), Spice & Seasoning International Limited (Registered number: 09078673), East End Foods Limited (formerly TRS International Foods Limited. Registered number: 00938359), Everest Dairies Limited (Registered number: 03481276), Cashew Newco Limited (Registered number: 13199879), Fudco Limited (Registered number: 13755240) and Narottam TM Limited (Registered number: 11389208) were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

2. **ACCOUNTING POLICIES – continued**

Basis of consolidation
The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings made up to 31st December 2022.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Investments for the Company
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes in to consideration potential voting rights that are currently exercisable The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Significant judgements and estimates
The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions impact recognised assets and liabilities, as well as revenue, expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the year include:

Impairment of intangible assets and goodwill
The Group considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units. This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cashflows.

Stock provision
The Group considers the recoverability of the costs of inventory and associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions and anticipated saleability of packaging, finished goods and future usage of raw materials.

Useful economic lives of tangible fixed assets
The useful economic lives and residual values of tangible fixed assets are estimated based on economic utilisation and physical condition of the assets and are amended when necessary resulting in changes to the annual depreciation charge.

Impairment of debtors
The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Recoverability of deferred tax asset
Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The company therefore assesses the likelihood of future taxable profits being sufficient to recover the deferred tax asset.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The Group operates a retail outlet for the sale of a range of branded and own branded products. Sales of goods are recognised on sale to the customer, which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of businesses, is being amortised evenly over the estimated useful life of ten years.

2. ACCOUNTING POLICIES – continued

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents & licences	-	4% straight line balance
Computer Software	-	15% reducing balance

Tangible fixed assets
Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined as the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using straight line and reducing balance methods.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property – 1% straight line
Leasehold property – 15 years straight line
Plant and machinery – 15% reducing balance
Fixtures and fittings - 15% reducing balance
Motor vehicles – 25% reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Financial instruments
The Group and Company have adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets
Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. **ACCOUNTING POLICIES – continued**

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Business combinations
Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Group.

The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed and of the equity instruments issued plus the costs directly attributable to the business combination.

At the acquisition date, the Group recognised goodwill as:

- the fair value of the consideration transferred; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

Provisions
A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date..

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022	2021
	£'000	£'000
United Kingdom	135,848	156,541
Europe	58,550	46,633
Rest of World	1,222	3,263
	195,620	206,437

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£'000	£'000
Wages and salaries	30,152	27,754
Social security costs	1,527	2,421
Other pension costs	268	419
	31,947	30,594

The monthly average number of employees during the year was as follows:

	2022	2021
	Number	Number
Manufacturing	533	458
Sales and marketing	92	85
Administration and support	129	224
	754	767

The Company had no employees during the year.

	2022	2021
	£	£
Directors' remuneration	1,233,602	1,500,248
Compensation for loss of office	-	337,489

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Directors' remuneration	408,000	624,667

5. OPERATING LOSS

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

	2022	2021
	£'000	£'000
Hire of plant and machinery	623	1,037
Other operating leases	272	493
Depreciation - owned assets	1,941	1,491
Loss on disposal of fixed assets	702	-
Goodwill amortisation	4,198	18,281
Patents and licences amortisation	1	304
Computer software amortisation	4,285	-
Auditors' remuneration	502	175
Inventory recognised as an expense	4,070	-
Auditors' remuneration for taxation work	94	45
Impairment of goodwill	-	114,173
Loss on disposal of operations	-	3,582
Foreign exchange differences	116	849
Bad debt write-off	1,927	(1,327)
Inventory provision charge/(release)	6,339	388

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£'000	£'000
Movement on derivatives	3,468	4,024
Bank loan interest	5	-
	3,473	4,024

7. INTEREST PAYABLE AND SIMILAR INCOME

	2022	2021
	£'000	£'000
Bank interest	97	-
Bank loan interest	13,380	12,164
Amortisation of deal & loan fees	2,347	1,979
Shareholder Loan Interest	12,109	11,235
	27,933	25,378

8. TAX ON LOSS

Analysis of the tax charge
The tax charge on the loss for the year was as follows:

	31.12.22	31.12.21
	£'000	£'000
Current tax:		
UK corporation tax	(1,051)	2,163
Adjustments, including that in respect of prior periods	(1,133)	(44)
Total current tax	(2,184)	2,119
Deferred tax:		
Originiation and reversal of timing differences	(8,175)	(504)
Adjustment in respect of previous periods	346	(1,212)
Effects of changes in tax rates	(2,582)	560
Total deferred tax	(10,411)	(1,156)
Total tax (credit)/charge	(12,595)	963

8. **TAX ON LOSS - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22 £'000	31.12.21 £'000
Loss before tax	(72,987)	(149,267)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(13,867)	(28,360)
Effects of:		
Expenses not deductible for tax purposes	3,365	34,688
Income not taxable	(5,231)	(4,669)
Effect of group relief/other reliefs	-	-
DT not provided	6,507	-
Adjustments in respect of prior periods	(787)	(1,256)
Tax rate changes	(2,582)	560
Total tax (credit)/charge	(12,595)	963

Factors that may affect future tax charges
In the Spring Budget 2021, the Government announced that from 1 April 2021 the corporation tax rate would remain the at 19% until 31 March 2023. At that point, the corporation tax rate will increase to 25%.

9. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. **INTANGIBLE ASSETS**

Group

	Goodwill £'000	Patents and licences £'000	Computer software £'000	Totals £'000
COST				
At 1st January 2022	181,602	48	6,457	188,107
Disposals	-	(9)	-	(9)
At 31st December 2022	181,602	39	6,457	188,098
AMORTISATION				
At 1st January 2022	148,357	19	286	148,662
Amortisation for year	4,198	1	4,285	8,484
At 31st December 2022	152,555	20	4,571	157,146
NET BOOK VALUE				
At 31st December 2022	29,047	19	1,886	30,952
At 31st December 2021	33,245	29	6,171	39,445

11. TANGIBLE ASSETS

Group

	Freehold property £'000	Short leasehold £'000	Plant and machinery £'000
COST			
At 1st January 2022	9,825	5,107	22,230
Additions	-	514	549
Disposals	-	(21)	(4,200)
At 31st December 2022	9,825	5,600	18,579
ACCUMULATED DEPRECIATION			
At 1st January 2022	201	2,465	16,120
Charge for year	96	490	1,277
Eliminated on disposal	-	(21)	(3,755)
At 31st December 2022	297	2,934	13,642
NET BOOK VALUE			
At 31st December 2022	9,528	2,666	4,937
At 31st December 2021	9,624	2,642	6,110

	Fixtures and fittings £'000	Motor vehicles £'000	Totals £'000
COST			
At 1st January 2022	2,522	626	40,310
Additions	-	-	1,063
Disposals	(266)	(157)	(4,644)
At 31st December 2022	2,256	469	36,729
ACCUMULATED DEPRECIATION			
At 1st January 2022	1,813	438	21,037
Charge for year	-	78	1,941
Disposals	-	(167)	(3,943)
At 31st December 2022	1,813	349	19,035
NET BOOK VALUE			
At 31st December 2022	443	120	17,694
At 31st December 2021	709	188	19,273

The net book value of land included in Freehold Property amounted to £5,005,161 (2021: £5,005,161) and is not depreciated.

12. DISCONTINUED OPERATIONS

On 29 July 2022, the Group discontinued the operations of TRS Cash & Carry Limited which is the cash & carry business in Southall, West London. It then ceased to trade as TRS Cash & Carry Limited and became a dormant entity. Trading for the entity in 2022 is presented as Discontinued Operations through the profit and loss account, with comparatives presented for 2021.

13. **INVESTMENTS**

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Shares in group undertakings	-	-	28,528	28,528
Participating interests	12,588	21,804	-	-
Loans to undertakings in which the company has a participating interest	11,462	9,962	-	-
	24,050	31,766	28,528	28,528

Additional information is as follows:

Group

	Interest in associates	Loans to associates	Total
	£'000	£'000	£'000
COST			
At 1st January 2022	21,804	9,962	31,766
Additions	-	1,500	1,500
Disposals	(9,216)	-	(9,216)
At 31st December 2022	12,588	11,462	24,050
NET BOOK VALUE			
At 31st December 2022	12,588	11,462	24,050
At 31st December 2021	9,962	21,804	31,766

The disposal made in the year related to the sale of 98,305 A4 Ordinary shares and 9,130,550 preferences shares held in Warp Snacks Debtco Limited for a total consideration of £10,000,000.

Loan notes to associates are unsecured and are repayable on 31st December 2031. Interest is charged at 10% per annum with a cessation period from 1 January 2022 up to and including 4 June 2024.

The following were subsidiary undertakings of the Company at the year end:

Name	County of incorporation	Class of shares	Holding	Principal activity
Vibrant Debtco Limited *	England	Ordinary	100%	Holding
Vibrant Midco Limited *	England	Ordinary	100%	Holding
Vibrant Foods Limited *	England	Ordinary	100%	Holding
TRS Wholesale Co. Limited *	England	Ordinary	100%	Trading
East End Foods Limited (formerly TRS International Foods Limited) *	England	Ordinary	100%	Trading
TRS Cash & Carry Limited **	England	Ordinary	100%	Trading
Spice & Seasoning International Limited ***	England	Ordinary	100%	Trading
East End Foods Holdings Limited ****	England	Ordinary	100%	Holding
East End Foods Properties Limited ****	England	Ordinary	100%	Property
Vibrant Brands Limited (formerly East End Foods Limited) ****	England	Ordinary	100%	Trading
Narottam Holdings Limited	UAE	Ordinary	100%	Holding
Narottam TM Limited *****	England	Ordinary	100%	Holding
Everest Dairies Limited *********	England	Ordinary	100%	Trading
Cashew Newco Limited *	England	Ordinary	100%	Trading
Fudco Limited *	England	Ordinary	100%	Non-trading
WARP Snacks Topco Limited*********	England	Ordinary	31%	Holding

* The registered office is Building 3 Croxley Park, Watford, Hertfordshire, WD18 8YG.

** The registered office is TRS Head Office, Southbridge Way, The Green, Southall, Middlesex, UB2 4BY.

13. **INVESTMENTS Continued**

*** Spice & Seasoning International Ltd is a wholly owned subsidiary of TRS Wholesale Co. Limited. Its registered office is Unit 6 Hollands Centre, Hollands Road, Haverhill, Suffolk, CB9 8PR.

**** The registered office is East End House, Kenrick Way, West Bromwich, West Midlands, B71 4EA.

***** The registered office is 31 High View Close, Leicester, LE4 9LJ.

******** The registered office is 109 Coleman Road, Leicester, LE5 4LE.

********* The registered office is 132 Townsend Drive, Attleborough Fields Industrial Estate, Nuneaton, CV11 6TJ

14. **STOCKS**

	2022	2021
	£'000	£'000
Raw materials and packaging	15,901	15,436
Work in progress	1,831	97
Finished goods	14,280	33,012
	32,012	48,545

There is no material difference between the balance sheet value of stocks and their replacement cost.

Stocks are stated after provision for impairment of £7,004,226 (2021: £665,685).

The Company has no inventory (2021: £nil).

15. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	22,436	46,047	-	-
Amounts owed by group undertakings	-	-	17,787	16,100
Other debtors	3,743	4,091	-	-
Corporation tax receivable	742	-	-	-
Derivative financial instruments	5,469	877	-	-
Deferred tax asset (see note 22)	7,896	-	-	-
VAT	1,907	1,088	-	-
Prepayments and accrued income	8,635	6,129	-	-
	50,828	58,232	17,787	16,100

Trade debtors are shown net of an impairment amounting to £1,941,037 (2021: £1,711,308) as at the year end.

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

16. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£'000	£'000
Other Loans (see note 18)	27,917	17,500
Trade creditors	17,606	37,945
Corporation Tax	-	1,194
Other taxation and social security	751	519
Other creditors	2,222	855
Derivative financial instruments	1,324	201
Accrued expenses	21,879	8,559
	71,699	66,773

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£'000	£'000
Bank and shareholder loans (see note 18)	306,594	292,139

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£'000	£'000
Amounts falling due within one year or on demand:		
RCF and bank laons	27,917	17,500
	27,917	17,500
Amounts falling due in more than 5 years:		
Repayable by instalments		
Bank loans	175,241	173,139
Shareholder loans	131,353	119,000
	306,594	292,139

The RCF bore interest averaging at 5.140% (2021: 2.817%) during the year ended 31 December 2022. The RCF is unsecured and the repayment terms for each drawdown of the RCF vary from 61 days to 91 days.

Bank loans represent £175,241,479 (2021: £173,289,350) net of issue costs, which bear interest averaging at 6.08% (2020: 6.08%). The bank debt is repayable 26 November 2026 and is secured against the assets of The Group.

The loan notes bear interest at 10% p.a. are repayable on 26 November 2026. The loan notes are listed at TISE, the Channel Island's stock exchange.

Shareholder loans are not secured.

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Land & Buildings 2022	Others 2022	Land & Buildings 2021	Others 2021
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	1,316	586	2,133	424
Within 2 to 5 years	5,236	1,052	5,366	1,170
In more than 5 years	5,548	19	6,807	149
	12,100	1,657	14,306	1,743

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2022	2021
	£'000	£'000
Bank loans	175,241	173,139

Under the terms of the Group's financial arrangements, security has been granted over the Group's assets to the Group's financiers.

21. FINANCIAL INSTRUMENTS

The Group and Company have the following financial instruments:

		Group		Company	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Financial assets that are debt instruments measured at amortised cost:					
	Note				
Trade debtors	15	22,436	46,047	-	-
Other debtors	15	3,743	4,091	-	-
Amounts due from group undertakings	15	-	-	17,787	16,100
Financial assets at fair value through profit or loss:					
	Note				
Derivative financial instruments	15	5,469	877	-	-
Financial liabilities that are debt instruments measured at amortised cost:					
	Note				
Trade creditors	16	17,606	37,945	-	-
Other creditors	16	2,222	855	-	-
RCF	16	24,000	17,500	-	-
Bank loans	18	175,241	173,139	-	-
Shareholder loans	18	131,353	119,000	-	-
Financial liabilities at fair value through profit or loss:					
	Note				
Derivative financial instruments	16	1,324	201	-	-

The Group has entered into an interest rate swap to receive interest at Libor-BBA and pay interest at an all in fixed rate of 1.04%, which is based on a Libor-BBA rate. The swap is based on a principal amount of £130,000,000, the principal amount of the group's sterling Senior loan facilities, and matures in 2024.

The instrument is used to hedge the group's exposure to interest rate movements on the Senior loan facility. The hedging arrangement fixes the total interest payable on the sterling Senior loan to 7.5%. The fair value of the interest rate swap is £5,463,352 (2021: £838,295).

Cash flows on both the loan and the interest rate swaps are paid every six months. During 2022, a hedging gain of £3,468,180 (2021: £838,295) was recognised in the profit and loss for changes in the fair value of the interest rate swap.

22. DEFERRED TAX

	31.12.22 £'000	31.12.21 £'000
Deferred tax		
Deferred tax	(7,896)	2,819
	(7,896)	2,819

	Deferred tax £'000
Balance at 1st January 2022	2,819
Adjustment in respect of prior years	41
Credit to Income Statement during year	(10,756)
Balance at 31st December 2022	(7,896)

23. ACCRUALS AND DEFERRED INCOME

	2022 £'000	2021 £'000
Deferred government grants	-	35

The company had no deferred government grants as at the year end (2021: £nil)

24. CALLED UP SHARE CAPITAL

Group and Company

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £'000	2021 £'000
757,845 (2021: 757,845)	Ordinary A1	£0.01	8	8
157,385 (2021: 157,385)	Ordinary A2	£0.01	2	2
349,484 (2021: 349,484)	Ordinary B	£0.01	3	3
222,504 (2021: 222,504)	Ordinary C	£0.01	2	2
37,040,795 (2021: 37,040,795)	Preference	£0.01	370	370
			385	385

Ordinary A1 shares have full voting rights attached. Ordinary B, C and preference shares do not confer voting rights.

Preference shareholders are entitled to dividends in priority to any other class of shares. Ordinary A1, B and C shareholders are entitled to dividends pari passu with each other after preference shareholders.

25. RESERVES

Group

	Accumulated losses £'000	Share premium account £'000	Totals £'000
At 1st January 2022	(201,204)	42,143	(159,061)
Deficit for the year	(60,392)	-	(60,392)
At 31st December 2022	(261,596)	42,143	(219,453)

25. **RESERVES Continued**

Company

	Retained earnings	Share premium account	Totals
	£'000	£'000	£'000
At 1st January 2022	2,100	42,143	44,243
Profit for the year	1,687	-	1,687
At 31st December 2022	3,787	42,143	45,930

26. **PENSION COMMITMENTS**

The group operates a number of defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension charges amounted to £268,362 (2021: £419,085). Outstanding contributions of £161,714 (2021: £148,446) were included within creditors at the year end.

27. **CAPITAL COMMITMENTS**

The Group did not have capital commitments at the year end (2021: £nil).

The Company had no capital commitments as at the year end (2021: £nil).

28. **RELATED PARTY DISCLOSURES**

During the year, the Group made a payment of £87,970 (2021: £123,008) to Exponent Private Equity Partners IV, LP for services pertaining to Directors responsibilities.

During the year, the Group made payments totalling £1,000,000 to Eat Real Limited, and £700,000 to Lakshmi and Sons Limited, companies under common control. These companies are both subsidiaries of WARP Snacks Limited to whom a payment was made in the prior year (2021: £1,500,000).

During the year, under a transitional services arrangement, the Group acted as an agent for Eat Real Limited (ERL), a subsidiary of WARP Snacks Limited, making sales of £17,901,724, and also making purchases of £13,906,953 in association with this agreement, and invoiced ERL to recover these costs. The transitional services arrangement ended on 30 June 2022. Subsequent to the arrangement, ERL made net sales of £676,357 and recharged operating expenses of £142,064 on behalf of the Group. The Group also made sales to ERL of £1,058,312, made purchases incurring costs of £457,916, and also recharged warehousing costs of £453,600 made on behalf of ERL. ERL is a company under common control. At the year end the amount due from ERL was £2,468,243.

During the year, the Group made payments of £8,112,245 (2021: £6,210,002) to Meadow Foods in a supplier arrangement.

Company
The company has taken advantage of exemption, under the Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

29. **POST BALANCE SHEET EVENTS**

In the period since December 2022 the Group has received cash injections of £10 million in January 2023 and £15 million in March 2023 from the sale of its remaining investment in Warp Group Limited (30%). The sale was to its common shareholder Exponent for book value.

On 31 March 2023 the Group entered into signed a waiver and consent letter with Pemberton and HSBC. On 4th May 2023 the Group signed Amendment & restatement agreement from its Lenders detailing the conditions under which future funding should be provided. This agreement with Lenders provided £2 million in funding. The lenders provided a further £12 million on 31 August after completing due diligence.

At the same time Exponent agreed subject to due diligence, a further equity commitment of £18 million. This due diligence was completed successfully and the equity injection was made on 31 August 2023.

30. ULTIMATE CONTROLLING PARTY AND PARENT UNDERTAKING

The ultimate controlling party is Exponent Private Equity Partners IV, LP, a fund managed by Exponent Private Equity LLP. There is no immediate parent company.

Vibrant TopCo Limited is the smallest and largest group, which prepares publicly available consolidated financial statements in which the Company's results are consolidated. Consolidated financial statements are available from Companies house, Cardiff, CF14 3UZ.