

Company Registration No. 13415620 (England and Wales)

WELLBEING MIDCO LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
For the period ended 31 March 2022



WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

CONTENTS

Company information	1
Strategic report	2
Directors' report	3
Independent auditor's report	6
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements including Statement of accounting policies	13

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

COMPANY INFORMATION

Directors	S Faithfull (Appointed 31 st July 21) P D Unsworth (Appointed 31 st July 21) T W Falcon (Appointed 24 th May 21) J G Jacovou (Appointed 30 th July 21) K J Terry (Appointed 30 th July 21) N P Hebron (Appointed 1 st June 22) (Resigned 28 th February 23)
Country of incorporation	United Kingdom
Company Number	13415620
Registered Office	Tyn Y Llidiart Industrial Estate Corwen Denbighshire Wales LL21 9RR
Auditors	Grant Thornton UK LLP Royal Liver Building Liverpool L3 1PS
Business Address	Tyn Y Llidiart Industrial Estate Corwen Denbighshire Wales LL21 9RR
Bankers	Barclays Bank plc Leicester LE87 2BB

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

STRATEGIC REPORT

The directors present their report and financial statements for the year ended 31 March 2022.

Review of the business

Wellbeing Midco limited is a wholly owned subsidiary of Wellbeing Topco Limited, a company registered in England and Wales, incorporated on 20 May 2021.

The company is based in Corwen, North Wales. The Wellbeing group of which the Company is part has manufacturing, warehousing and offices in Corwen, Wrexham, Chester and Deeside.

The ultimate parent company is considered to be Wellbeing Topco Limited and the ultimate controlling party is considered to be Elysian Capital III LP.

Principal activities and nature of operations

The company is a holding company as part of a group which manufactures a range of healthy natural snack bars, both under its own brands (Nine, Brynmor and Bounce) and those of its contract customers.

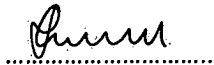
The position of the company at the year end

When considering working capital, the company had current assets of £34,938,000 compared to current liabilities of £17,283,000. The company has £16,000 of shareholders liabilities.

Analysis based on key performance indicators

The company is a holding company, the operating profit for the year was £952,000.

On behalf of the board



S Faithfull – Director

27th April 2023

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

DIRECTORS' REPORT

The directors present their report and financial statements for the period ended 31 March 2022.

Principal activities and nature of operations

The principal activity of the company was as a holding company for Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited and Deeside Cereals I Ltd that manufacture natural and vegetarian foods, and develops and sells health related food products. The company was incorporated on 24 May 2021 and the accounting reference date has subsequently been changed to 31 March.

Future developments

As the market recovers from the challenges of Covid 19, continued market growth is expected. The company will continue to focus on servicing the growing demand from its healthy snacking partners, the development of its own brands and the support for new branded customers.

Results and dividends

The results for the period are set out on page 9. The directors did not propose payment of a final dividend (2021: £Nil).

Financial risk management objective and policies

Risk management is a fundamental element of the company's business practice on all levels and is embedded into the business planning and controlling processes. Material risks, if there are any, are monitored and regularly discussed with the Board of Directors.

The company carries out an annual risk assessment, covering both financial and operational risks. A risk is defined as the possibility of an adverse event which has a negative impact on the achievement of the company's objectives.

Going concern

The company is a Holding company and so does not generate any income, however, trading since the end of the year in the subsidiary Companies has deteriorated, principally as a result of the rises in raw materials and energy prices experienced following the disruption in global markets. During this period the subsidiary Companies were not able to recover all of these costs from customers and have experienced losses to date. A plan has been prepared, reviewed and signed off by the directors to return the Companies to profitable trading. The implementation of the plan has begun and is expected to deliver over the coming months.

During this period the Group breached some of its banking covenants. The bank has agreed to not take any immediate action as a result of these breaches and has expressed a willingness to continue to support the Company's plan to recover. The bank has reserved its position in relation to the breaches while the success of the plan over the coming month's is established but continue to allow the Company to utilise its banking facilities.

The main shareholder has injected further cash funding, this was received in full by February 2023 and has covered the losses incurred and provided ongoing working capital to support the business while the plan is delivered.

The directors have concluded that uncertainty of delivery of the revised business plan given difficult trading conditions and the lack of confirmed bank facilities represent material uncertainties which cast doubt on the Company's ability to continue as a going concern.

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

DIRECTORS' REPORT (CONTINUED)

Going concern (continued)

Notwithstanding the fact the company does not trade, nevertheless, after taking advice and implementing the plan as described above, the directors have a reasonable expectation that the company has adequate resources to continue to operate for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing these financial statements. If the adoption of the going concern basis was inappropriate, adjustments which it is not practicable to quantify, would be required to write down assets to their recoverable value, to reclassify fixed to current assets and to provide for any additional liabilities that may arise.

Liquidity risk

The objective of the company in managing risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through the support of its subsidiaries. In the event that the operating cash flows would not cover all the financial obligations the company has third party credit facilities available and an intercompany loan facility. Given the absence of long term loans in the individual company the company is in a position to meet its commitments and obligations as they come due.

Directors

The following directors have held office throughout the year:

S Faithfull (Appointed 31st July 21)
P D Unsworth (Appointed 31st July 21)
T W Falcon (Appointed 24th May 21)
J G Jacovou (Appointed 30th July 21)
K J Terry (Appointed 30th July 21)
N P Hebron (Appointed 1st June 22)
(Resigned 28th February 23)

Director's indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Charitable and political contributions

There were no charitable or political donations made during the year.

Auditors

Grant Thornton UK LLP were appointed as auditors on 20th January 2022 and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors.

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

DIRECTORS' REPORT (CONTINUED)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The directors confirm that:

- as far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable.

Approved by the Board and signed on its behalf by:



.....
S Faithfull
Director

27th April 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLBEING MIDCO LIMITED

Opinion

We have audited the financial statements of **Wellbeing Midco Limited** for the year ended **31 March 2022**, which comprise **Statement of comprehensive income, Statement of financial position, Statement of changes in equity** and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at **31 March 2022** and of its Loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.3 where the directors have concluded there is uncertainty of delivery of the revised business plan given difficult trading conditions and a lack of confirmed banking facilities. As stated in note 1.3, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework FRS 102 'The financial Reporting Standards applicable in the UK and Republic of Ireland', Companies Act 2006 and the relevant tax compliance regulations.
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud:
 - Challenge assumptions and judgements, made by management in its significant accounting estimates:
 - Consideration for the potential for fraud in revenue recognition:
 - Identifying and testing journal entries: and
 - Identifying and testing related party transactions.

WELLBEING MIDCO LIMITED
For the period ended 31 March 2022

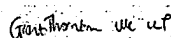
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We enquired of management whether they were aware of any instances or noncompliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

No matters relating to non-compliance with laws and regulations or relating to fraud were identified in relation to the above mentioned laws and regulations that were identified by us as most significant.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Carl Williams
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Royal Liver Building
Liverpool
L3 1PS

27th April 2023

WELLBEING MIDCO LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 March 2022

	Notes	Period Ended 31 Mar 2022 £'000
Turnover	2	-
Cost of sales		-
Gross Profit		-
Administrative expenses – pre exceptional items		(1)
Administrative expenses – exceptional due diligence		(32)
Administrative expenses		(33)
Other operating income	4	985
Operating profit pre-exceptional items		984
Operating profit	5	952
Interest payable and similar charges	6	(984)
(Loss) on ordinary activities before taxation		(32)
Tax on profit on ordinary activities	7	16
(Loss) for the period and total comprehensive income		(16)

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

There are no recognised gains and losses other than those passing through the Income Statement

The notes on pages 13 to 22 form part of these financial statements.

WELLBEING MIDCO LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 March 2022

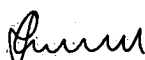
Company Registration No: 09055631

	Notes	2022 £'000
Fixed assets		
Investments	8	-
Current assets		
Debtors	9	34,938
Cash at bank and in hand		-
		<u>34,938</u>
Creditors: amounts falling due within one year	10	<u>(17,283)</u>
Net current assets		<u>17,655</u>
Total assets less current liabilities		17,655
Creditors: amounts falling due after more than one year	11	<u>(17,671)</u>
Net liabilities		<u>(16)</u>
Capital and reserves		
Called up share capital	13	-
Profit and loss account		<u>(16)</u>
Shareholders' funds / (liabilities)		<u>(16)</u>

The notes on pages 13 to 22 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 27th April 2023.

Signed on behalf of the board of directors:



.....
 S Faithfull
 Director

WELLBEING MIDCO LIMITED
 STATEMENT OF CHANGES IN EQUITY
 For the period ended 31 March 2022

	Called up share capital £'000	Profit and loss account £'000	Total reserves £'000
At 25 May 2021	-	-	-
(Loss) For the period	-	(16)	(16)
At 31 March 2022	-	(16)	(16)

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

1 ACCOUNTING POLICIES

1.1 Company information

Wellbeing Midco Limited incorporated in the UK on 25 May 2021, is a wholly owned subsidiary of Wellbeing Topco Limited, and its registered office is; Tyn'Y'Llidiart Industrial Estate, Corwen, Denbighshire, Wales, LL21 9RR. The principal activity of the company is that of a holding company.

1.2 Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in sterling (£). The individual accounts of Wellbeing Midco Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
 - categories of financial instruments,
 - items of income, expenses, gains or losses relating to financial instruments, and
 - exposure to and management of financial risks.

The company itself is a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006 as the results of the Company are consolidated within the ultimate parent company, Wellbeing Topco Limited. These accounts therefore present information about the company as an individual and not about its group.

1.3 Going concern

The company is a Holding company and so does not generate any income, however, trading since the end of the year in the subsidiary Companies has deteriorated, principally as a result of the rises in raw materials and energy prices experienced following the disruption in global markets. During this period the subsidiary Companies were not able to recover all of these costs from customers and have experienced losses to date. A plan has been prepared, reviewed and signed off by the directors to return the Companies to profitable trading. The implementation of the plan has begun and is expected to deliver over the coming months.

During this period the Group breached some of its banking covenants. The bank has agreed to not take any immediate action as a result of these breaches and has expressed a willingness to continue to support the Company's plan to recover. The bank has reserved its position in relation to the breaches while the success of the plan over the coming month's is established but continue to allow the Company to utilise its banking facilities.

The main shareholder has injected further cash funding, this was received in full by February 2023 and has covered the losses incurred and provided ongoing working capital to support the business while the plan is delivered.

The directors have concluded that uncertainty of delivery of the revised business plan given difficult trading conditions and the lack of confirmed bank facilities represent material uncertainties which cast doubt on the Company's ability to continue as a going concern.

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

1 ACCOUNTING POLICIES (CONTINUED)

1.3 Going concern (continued)

Notwithstanding the fact the company does not trade, nevertheless, after taking advice and implementing the plan as described above, the directors have a reasonable expectation that the company has adequate resources to continue to operate for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing these financial statements. If the adoption of the going concern basis was inappropriate, adjustments which it is not practicable to quantify, would be required to write down assets to their recoverable value, to reclassify fixed to current assets and to provide for any additional liabilities that may arise.

1.4 Significant judgements and estimates

Management have not made any significant judgements or estimates whilst preparing the financial statements.

1.5 Impairment of assets

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying value. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

1 ACCOUNTING POLICIES (CONTINUED)

1.9 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing differences. With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- The company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.10 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

1.11 Foreign currency translation

In preparing the financial statements of the company, transactions in currencies other than the functional currency of the company are recognised as the spot rate at the dates of the transactions, or at an average rate where this rate approximates to the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non – monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

2 TURNOVER

The company is a holding company and did not trade during the year.

3 EXCEPTIONAL ITEMS

During the year the Company via its subsidiary Wellbeing Bidco Limited purchased Healthfull Holdings Group Limited and Deeside Cereals Limited, the due diligence expenses are the costs incurred relating to that process.

4 OTHER OPERATING INCOME

	2022 £'000
Management fees	985

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2022 £'000
Auditors' remuneration;	
Audit fees	1

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2022 £'000
On loan notes	953
Amortisation of loan set up costs	31
	984

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax (credit)/charge is based on the profit For the period and represents:	2022 £'000
UK Corporation Tax	-
Adjustment in respect of prior periods	-
Total current tax	-
Deferred taxation: origination/reversal of timing	(16)
Adjustments in respect of prior periods	-
Tax on results of ordinary activities	(16)

WELLBEING MIDCO LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 For the period ended 31 March 2022

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax assessed For the period is lower than the standard rate of corporation tax in the United Kingdom at 19%. The differences are explained as follows:

Loss on ordinary activities before tax	<u>(32)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2021: 19%)	<u>(6)</u>
Expenses not deductible for tax purposes	<u>181</u>
Income not taxable for tax purposes	<u>(187)</u>
Prior year adjustment	-
Changes to deferred tax rate	<u>(4)</u>
Other tax adjustments, reliefs and transfers	<u>-</u>
	<u>(10)</u>
Tax results on ordinary activities	<u>(16)</u>

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is £nil. The main rate of corporation tax from 1 April 2022 is 19% (2021: 19%).

Factors that may affect future tax charges

In the spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. The directors do not believe a change in rate would have a material impact on the financial statements.

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

8 INVESTMENTS

£000's

Cost and net book value at 31 March 2022

-

In the opinion of the directors, the aggregate value of the company's investment in the subsidiary is not less than the amount included in the balance sheet. The investments are as follows;

Company: subsidiary undertaking	Country of registration of incorporation	Class	Shares Held	Nature of business
Wellbeing Bidco Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Holding company
Healthfull Holdings Group Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Holding company
Deeside Cereals I Limited	Deeside Industrial Park, Deeside, UK	Ordinary	100%	Food manufacturing
Healthfull Holdings Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK United	Ordinary	100%	Holding Company
Deeside Cereals I DB Pension Limited	Deeside Industrial Park, Deeside, UK	Ordinary	100%	Defined Benefit Pension Scheme
Wholebake (Topco) Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Holding company
Wholebake Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Food manufacturing
9 Brand Foods Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Branded Food Retail
Bounce Brands Limited	Tyn Y Llidiart Industrial Estate, Corwen, UK	Ordinary	100%	Branded Food Retail

The principal activity of Wellbeing Bidco Limited was to act as a holding company.

The principal activity of Healthfull Holdings Group Limited was to act as a holding company.

Deeside Cereals I Limited is engaged in the manufacture of food products

The principal activity of Healthfull Holdings Limited was to act as a holding company.

The principal activity of Deeside Cereals I DB Pension Limited was to act as a defined benefit pension scheme.

The principal activity of Wholebake (Topco) Limited was to act as a holding company.

Wholebake Limited is engaged in the manufacture of food products and 9Brand Foods Limited and Bounce Brands Limited are engaged in the retail of food products

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

9 DEBTORS

	2022 £'000
Amounts owed by group undertakings	34,921
Prepayments and accrued Income	1
Deferred tax (see note 12)	16
	<u>34,938</u>

Amounts owed to/from group undertakings are unsecured, interest free and repayable on demand

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000
Amounts owed to group undertakings	17,282
Accruals and deferred income	1
	<u>17,283</u>

Amounts owed to/from group undertakings are unsecured, interest free and repayable on demand

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £'000
Interest bearing loan notes	17,671
	<u>17,671</u>

Loan notes	2022 £'000
16,751,077 Fixed rate unsecured investor loan notes	16,751
448,923 Fixed rate unsecured management loan notes	449
	<u>17,200</u>

The loan notes are redeemable in 2031 and incur 9% loan note interest annually. The costs relating to the setup of the loan notes have been matched against the outstanding liability and are being amortised over the life of the loan notes. An analysis of the outstanding balance is as follows:

	Loan Notes £'000	Interest £'000	Set up costs £'000	Total net Loan notes £'000
Issued in year	17,200	-	(513)	16,687
Accrued interest	-	953	-	953
Amortised in year	-	-	31	31
At 31 March 2022	<u>17,200</u>	<u>953</u>	<u>(482)</u>	<u>17,671</u>

12 DEFERRED TAX

Deferred taxation provided for at 25% (2021: 19%) in the financial statements is set out below:

	2022 £'000
25 May 2021	-
Income Statement	16
At 31 March 2022	<u>16</u>

The differences are explained as follows:

Losses and other deductions	16
	<u>16</u>

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

13 CALLED UP SHARE CAPITAL

	2022
	£
Allotted, called up and fully paid	
1 Ordinary shares of 100p each	1
	<u>1</u>

14 RESERVES

Called up share capital represents the nominal value of shares that have been issued.

The Profit and loss account includes all current and prior period retained profits.

15 TRANSACTIONS WITH RELATED PARTIES

The immediate and ultimate parent company is Wellbeing Topco Limited of Tyn Y Llidiart Industrial Estate, Corwen, Denbighshire, Wales. LL21 9RR, a company registered in England and Wales. The Directors consider the ultimate controlling party to be Elysian Capital III LLP.

The company has taken advantage of the exemption available under FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Key Management

The key management of the company are considered to be the directors. All Directors who served Wellbeing Midco Limited during the year were remunerated by either Healthfull Holdings Limited, Wholebake Limited or Elysian Capital LLP.

Director's interests

The following directors had fixed rate unsecured loan notes as follows;

	£
S Faithfull	199,522
P D Unsworth	249,402
	<u>448,924</u>

Transactions with directors during the year were limited to the accrual of interest on loan notes as disclosed in note 11.

Guarantees

The largest set of consolidated accounts produced are those headed up by Wellbeing Topco Limited. Copies of those can be obtained from Companies House.

At 31 March 2022, there was a cross guarantee and debenture between Healthfull Holdings Group Limited, Healthfull Holdings Limited, Wholebake (Topco) Limited, Wholebake Limited, 9Brand Foods Limited and Bounce Brands Limited on the Bank's standard form with supporting security on the Bank's standard forms. The total value of the bank debt in the above companies is £1,529,000.

WELLBEING MIDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 March 2022

16 CONTINGENT LIABILITIES

The company had no contingent liabilities at 31 March 2022 or 25 May 2021.

As per Note 15 there are bank guarantees in place, and the total value of the bank debt in the above companies is £1,529,000.

17 POST BALANCE SHEET EVENTS

During July-22 the Wellbeing group was re-financed by Shawbrook Bank with Confidential Invoice Discounting, Real Property, Plant & Machinery and Cashflow facilities. The invoice discounting facility replaced the Barclays Bank facility at Wholebake Limited and 9Brand Foods Limited and continues at Deeside Cereals I Limited. The Real property loan is for £3m, has a 25 year term with straight line payments following an initial 12 month capital repayment holiday. The Plant & Machinery loan is for £2.24m, has a 5 year term with straight line payments following an initial 6 month capital repayment holiday. The Cashflow loan is for £3m, has a 4 year term with straight line payments following an initial 6 month capital repayment holiday. Following the transaction the £10m Bridging loan notes and interest in Wellbeing Bidco Limited were settled.