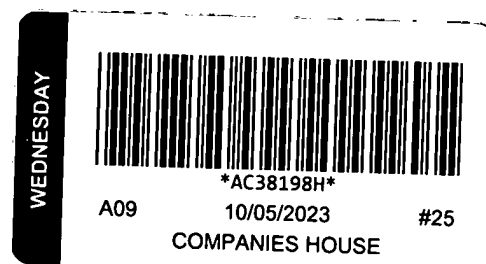


Fiberweb Geosynthetics Limited
Annual report and financial statements
for the year ended 30 September 2022



Fiberweb Geosynthetics Limited

Directors and advisers

Directors

A Shalk

D Cortes Gomez

Secretary

D Hamilton

Company Number

01589762

Registered Office

Sapphire House

Crown Way

Rushden

NN10 6FB

Auditor

RSM UK Audit LLP

Rivermead House

7 Lewis Court

Grove Park

Leicester

Leicestershire

LE19 1SD

Fiberweb Geosynthetics Limited

Strategic report for the year ended 30 September 2022

The Directors present their strategic report for the year ended 30 September 2022.

Principal activities

The principal activity of Fiberweb Geosynthetics Limited during the year was the manufacture and sale of non-woven geotextiles and extruded plastic net and printed film.

Review of operations

The current year has seen continued strong performance of the business, with annualised turnover increasing from £34,311,000 to £36,871,000. Inflationary cost pressures have resulted in a small reduction in gross margin from 28.7% to 25.6% as the business passed on the majority of the cost increases to customers. The business exercised good operating cost control, limiting the impact of the inflationary pressures experienced and improving the operating profit before exceptional items from 9.9% to 10.2% in the current year. Operating profit before exceptionals was £3,749,000 (9 months to 30 September 2021: £2,545,000).

Despite the squeeze on margins, some significant investments were made into our needle punch asset. These upgrades and improvements will improve the overall quality & reliability of the line plus adding output capacity to support our ongoing drive into new business areas. We also invested in renewing our recycling capability installing a new line, which was installed and commissioned in the first quarter. This new line provides greater opportunity to improve our environmental impact by driving up the amount of waste we can re-use.

By verdict of the United Kingdom's High Court in March 2020 and appeal dismissal in June 2021, the Company lost a patent infringement dispute with a competitor regarding the sales of a certain product which is protected by a patent held by the competitor. In a separate but related Court procedure, the amount to be paid by the Company for the infringement of the patent has been assessed. A trial commenced in May 2022, and a Court decision was reached in October 2022 whereby the Company was ordered to pay an amount of £14,314,744 which includes both the amount for damages and also the claimant's costs and is therefore full and final.

An amount of £3,500,000 was accrued on the balance sheet at 30 September 2021 and therefore an amount of £11,990,000 was expensed in the current year relating to the Company's legal costs to defend the case and also the amount required to accrue up to the amount of the ordered damages. As a result, the Company's reported a loss before tax of £8,395,000 compared to the prior period profit of £2,404,000.

The directors believe that the Berry Global Inc. supported strategy to continue to increase market share in core product areas should continue to enhance the performance of the Company.

Principal risk and uncertainty

Price risk: The Company is exposed to commodity price risk, in relation to polymer prices in particular. The Company manages this risk by purchasing raw materials from multiple suppliers where possible in order to maximise price competition.

Credit risk: The Company's principal financial assets are its bank balances and cash, and trade debtors. Provisions are made as required for any doubtful debts where there is an identified loss event which could give rise to a reduction in the recoverability of cash flows. The Company has no significant concentration of credit risk, with exposure spread over a number of customers.

Exchange rate/Interest rate risk: A proportion of the Company's turnover is to companies in countries outside the UK and, as such, the Company is exposed to movements in exchange rates. The Company does not use foreign exchange forward contracts to hedge this but it does look at the net position of gains and losses to make a judgement as to whether the policy of not hedging remains valid. Interest rate risk stemming from group loans is mitigated through regular review of cash flow forecasts and through loan repayments to limit the interest payable. The interest rates incurred on intercompany loans are fixed and are not linked to LIBOR or other benchmarks impacted by the interest rate reform.

Fiberweb Geosynthetics Limited

Strategic report for the year ended 30 September 2022 (continued)

Principal risk and uncertainty (continued)

Liquidity risk: In order to maintain liquidity the company needs to ensure there is sufficient funds available for ongoing operations and future developments. The Company also has access to funds through its parent company and the wider Berry Group. The company has intercompany loans payable amounting to £5.3m (2021: £4.4m). These loans will only be repaid when the company has excess cash available.

Competition Risk: The Company is at risk from competition but manages this risk through an increasingly diverse product portfolio and commercially new solutions.

COVID-19: The directors have taken steps to mitigate the impact of COVID-19 on the Company operations and continue to do so in the current and future reporting periods.

Section 172 Statement

Under Section 172 of the Companies Act 2006, there is a general duty on every Director to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole.

The Directors consider that they have performed their duty in good faith to engage under section 172 of the Companies Act 2006, to promote the success of the Company for the benefit of the members as a whole, while taking into consideration, amongst other matters:

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

Employees

The company's long-term success is predicated on the commitment of our workforce to our purpose and its demonstration of our values daily. We engage with our workforce to ensure a safe and healthy work place for its employees that promotes training, development and equality.

We have invested in Health & Safety and provided appropriate training and personal protective equipment throughout the year. During the COVID-19 pandemic additional communication, guidance and training was provided to staff, particularly to those working from home. We also seek to share our vision and longer-term strategy with staff through our internal communication portal and monthly virtual business reviews.

Customers

We establish good relationships with our customers and have dedicated account management for larger accounts. We strive to understand what products our customers require and how to improve our customer service. We work with our customers from the design stage and throughout the supply chain to deliver innovative, differentiated and environmentally sustainable solutions. We continue to prioritise customer service and strive for continual improvements.

Suppliers

Our suppliers are fundamental to the quality of our products and to ensuring that as a business we meet the high standards of conduct that we set ourselves. We have created a Supplier Code of Conduct to outline what we expect from our suppliers with respect to labour and employment rights, environmental health and safety, ethics and social responsibility, and global trade practices. Suppliers are expected to adhere to our Supplier Code of Conduct and must operate in full compliance with all applicable laws and regulations.

Fiberweb Geosynthetics Limited

Strategic report for the year ended 30 September 2022 (continued)

Section 172 Statement (continued)

Our community/the Environment

As a global leader in packaging and protection solutions, Berry Global have a responsibility to play a positive role in the communities and environments in which we operate and serve.

A common value that is demonstrated at each of our facilities is the commitment of our employees to partner with their local community to create a positive impact.

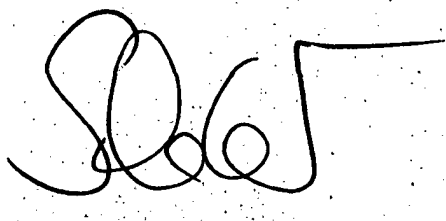
We are focused on developing and providing new products designed for sustainability.

Key performance Indicators ("KPI's")

The company's key financial performance indicators during the year were as follows:

	Year ended 30 September 2022	9 month period ended 30 September 2021
Turnover (£'000)	36,871	25,733
Gross profit (£'000)	9,452	7,383
Tonnes sold	9,151	8,285

On behalf of the board



Achim Schalk
Director

4 May 2023

Fiberweb Geosynthetics Limited

Directors' report for the year ended 30 September 2022

The Directors present their report and the audited financial statements of the company for the year ended 30 September 2022.

Results and dividends

The loss for the year ended 30 September 2022 amounted to £8,408,000 (9 months to 30 September 2021: profit of £5,681,000). During the year the company paid no dividends (2021: £nil). No further dividends were proposed at the year end (2021: £nil).

Directors

The Directors, who served throughout the year and up to the date of signing the financial statements, unless otherwise stated, are as follows:

A Schalk

D Cortes Gomez (appointed 20 December 2022)

A M McCarthy (resigned 20 December 2022)

The company maintains a Directors and officers insurance policy that is appropriate to the company.

Carbon reporting

	Year to 30 September 2022
Energy Consumption used to calculate emissions (kWh)	8,130
Emissions from combustion of Gas (Tonnes CO ₂ e - Scope 1)	483
Emissions of combustion of fuel for transport purposes (Tonnes CO ₂ e - Scope 1)	40
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Tonnes CO ₂ e - Scope 3)	12
Emissions from purchased electricity (Tonnes CO ₂ e - Scope 2, location-based)	1,311
Total gross emissions (Tonnes CO ₂ e)	1,846
Intensity Ratio (Tonnes CO ₂ e per Tonne Produced)	0.28
Methodology	
Scope 1 emissions: Emissions from combustion of on-site gas, calculated by multiplying consumption by relevant emission factor (Nat Gas or LPG) from DEFRA 2022.	
Emissions from combustion of transport fuel calculated by multiplying consumption of Gas Oil, Gasoline and Diesel by relevant emissions factors from DEFRA 2022, or multiplying mileage of vehicles by relevant emission factor for that vehicle type from DEFRA 2022.	
Scope 2: Calculated using location based approach, using IEA 2021 emission factors for UK.	
Scope 3: Business travel using employee owned vehicles estimated using average employee-owned vehicle mileage (~250 miles) x emissions factor for average car, DEFRA 2022 x Number of employees	

Energy Efficiency Action Taken

The ultimate parent Company, Berry Global Group, Inc. (CPI division), operates a worldwide energy improvement initiative that has a separate programme for each country in which it operates. The UK programme includes this legal entity and during the reporting period over 300 UK energy saving projects including process water system upgrades, compressor replacements and lighting upgrades to LED were completed and reduced energy consumption by over 6 million kWh in the year. These actions are prioritised by the senior management team at Berry CPI as part of the global 200million kWh reduction challenge and will benefit future years also.

Fiberweb Geosynthetics Limited

Directors' report for the year ended 30 September 2022

Carbon reporting (continued)

The Berry CPI energy team are also engaged with all plants in developing best practice energy saving solutions across the network in line with the ESOS recommendations, along with *promoting the principles of continuous improvement* as part of the ISO50001 scheme, of which many of the UK sites are already certified.

Future developments

The Directors intend to continue Fiberweb Geosynthetics Limited (the "Company") as a manufacturer and wholesaler of non-woven geotextiles and extruded plastic net and printed film for the foreseeable future. The directors aim to maintain the management policies to increase market share in core and new product areas. Continued investment in R&D to identify opportunities to develop new and existing products in niche markets areas will assist in gaining market share in new lucrative markets.

Financial risk management

The Company's ultimate parent, Berry Global Group, Inc., manages the interest rate, price and liquidity risks associated with the whole group, as disclosed in the financial statements of that company, which are publicly available.

Going concern

In assessing going concern, management assessed the future projections of the business for at least 12 months from approval of the financial statements. The Directors believe that preparing the accounts on the going concern basis is appropriate due to the underlying profitability of the business and the continued financial support of the ultimate parent company Berry Global Group, Inc. The Directors have received confirmation that Berry Global Group, Inc. intend to support the company for at least one year after these financial statements are signed.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Strategic Report

The Company has taken advantage of section 414C (11) of the CA 2006 to include disclosures in the Strategic Report that would otherwise be required to be included in the Directors' Report where it is of strategic importance to the Company.

Fiberweb Geosynthetics Limited

Directors report for the year ended 30 September 2022 (continued)

Statement on disclosure of information to auditor

Each of the persons who are a Director at the date of approval of this report confirms that, so far as each Director is aware, that there is no relevant audit information of which the company's auditor is unaware. Each Director has taken all the steps that they ought to have taken in their duty as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

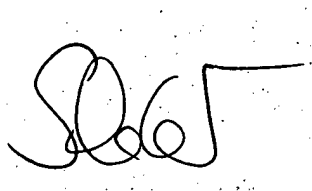
Appointment of auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

Change in reporting year

To align the year end to that of the wider Berry Global group, the previous accounting period was shortened to the 9 months ended 30 September 2021. The current year amounts presented in the financial statements are for the period from 1 October 2021 to 30 September 2022 and therefore are not entirely comparable to the previous period, that being the 9 months to 30 September 2021.

On behalf of the board

A handwritten signature in black ink, appearing to be 'AS', with a horizontal line extending to the right.

Achim Schalk
Director
4 May 2023

Independent auditor's report to the members of Fiberweb Geosynthetics Limited

Opinion

We have audited the financial statements of Fiberweb Geosynthetics Limited (the 'company') for the year ended 30 September 2022 which comprise the profit and loss account, statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 (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 30 September 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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 and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

Independent auditor's report to the members of Fiberweb Geosynthetics Limited

- the strategic and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent auditor's report to the members of Fiberweb Geosynthetics Limited

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, UK tax legislation and Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and the tax computation.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to compliance with patent and health & safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias, and evaluating the business rationale of any significant, unusual transactions that are entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

Mitul Raja

Mitul Raja (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date: 04/05/23

Fiberweb Geosynthetics Limited

Income statement for the year ended 30 September 2022

		Year ended 30 September 2022 £000	9 month period ended 30 September 2021 £000
	Note		
Revenue	2	36,871	25,733
Cost of sales		(27,419)	(18,350)
Gross profit		9,452	7,383
Distribution costs		(2,241)	(1,453)
Administrative expenses		(3,659)	(3,581)
Other operating income	3	197	196
Operating profit before exceptional items		3,749	2,545
Exceptional administrative expenses	4	(11,990)	-
Operating (loss)/profit after exceptional items		(8,241)	2,545
Interest payable and similar expenses	5	(154)	(141)
(Loss)/profit before taxation		(8,395)	2,404
Taxation	7	(13)	3,277
(Loss)/profit for the financial year/period		(8,408)	5,681

There is no other comprehensive income/(expense) other than those shown above and therefore no separate statement of comprehensive income has been presented.

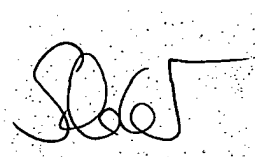
All results arise from continuing operations.

Fiberweb Geosynthetics Limited

Balance sheet as at 30 September 2022

		30 September 2022 £000	30 September 2021 £000
	Note		
Fixed assets			
Property, plant & equipment	8	9,241	9,552
		9,241	9,552
Current assets			
Stocks	9	4,703	4,789
Debtors – due in less than one year	10	9,173	9,083
Debtors – due after more than one year	13	2,864	2,877
Cash at bank and in hand		4,653	1,087
		21,393	17,836
Creditors: Amounts falling due within one year	11	(7,224)	(6,435)
Net current assets		14,169	11,401
Total assets less current liabilities		23,410	20,953
Creditors: Amounts falling due after more than one year	11	(5,961)	(5,910)
Provisions for liabilities	12	(14,626)	(3,812)
Net assets		2,823	11,231
Capital and reserves			
Called up share capital	15	28	28
Share premium reserve		30	30
Capital contribution		20,000	20,000
Accumulated losses		(17,235)	(8,827)
Total equity		2,823	11,231

The financial statements on pages 12 to 26 were approved by the Board of Directors on 4 May 2023 and signed on its behalf by:



Achim Schalk
Director

Company number: 01589762

Fiberweb Geosynthetics Limited

Statement of changes in equity for the year ended 30 September 2022

	Called up Share capital £000	Share premium £000	Capital contribution £000	Accumulated losses £000	Total equity £000
At 1 January 2021	28	30	20,000	(14,508)	5,550
Profit for the period	-	-	-	5,681	5,681
At 30 September 2021	28	30	20,000	(8,827)	11,231
At 1 October 2021	28	30	20,000	(8,827)	11,231
Loss for the year	-	-	-	(8,408)	(8,408)
At 30 September 2022	28	30	20,000	(17,235)	2,823

Capital contribution

During the year ended 31 December 2015, a loan of £20,000,000 attributed to the parent group undertaking was formally written off. This has been shown as a capital contribution.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022

1 Accounting policies

Fiberweb Geosynthetics Limited ("the company") is a private company limited by shares that is registered in England and incorporated and domiciled in the United Kingdom. The registered office is Sapphire House, Crown Way, Rushden, NN10 6FB.

Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention and accounting policies have been consistently applied except as disclosed in the accounting policies in this note.

These financial statements were prepared in accordance with Financial Reporting Standard 102 and the Companies Act 2006. The Company is a qualifying entity for the purposes of FRS 102 as it is a member of a group which prepares publicly available consolidated financial statements and it is included in the consolidation for that group.

The disclosure exemptions adopted by the Company in preparation of these financial statements in accordance with FRS 102 are as follows:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

Key sources of estimation uncertainty

Stock obsolescence - A provision is made for obsolete, slow moving or defective items, being a percentage of items that have not moved over a medium term. The carrying amount is £585,000 (2021: £128,000).

Dilapidation cost - The provision is based on estimated costs where available over the term of the lease (the term of the lease includes the expected extension). The carrying amount is £312,000 (2021: £312,000).

Allowance for doubtful debt – An allowance is held to provide against debtors where there is evidence that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount is £228,000 (2021: £88,000).

Legal provision - A provision has been made in respect of a lost legal case involving a patent infringement, the provision reflects the amount that is required to be paid by the Company to settle the court order issued by the High Court.

Going concern

As detailed within note 4, a Court decision was reached in October 2022 whereby the Company was ordered to pay an amount of £14,314,744 resulting from a patent infringement dispute.

At the same time, the Company has reached out to its ultimate parent company Berry Global Group, Inc for financial support to cover this risk. Berry Global Group, Inc have confirmed to fully guarantee the obligations of the Company towards its creditors for a period of 12 months from the date of signing these accounts, which should adequately cover any risk arising from this matter.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

1 Accounting policies (continued)

Going concern (continued)

In assessing going concern management assessed the future projections of the business for at least 12 months from approval of the financial statements. This included an assessment of the levels of cash in order to ensure sufficient resource was available to continue to trade.

The Directors believe that preparing the accounts on the going concern basis is appropriate due to the above assessment and the continued financial support of the ultimate parent company Berry Global Group, Inc. The Directors have received confirmation that Berry Global Group, Inc. intend to support the company for at least one year after these financial statements are signed.

Revenue

Revenue, which excludes value added tax, other sales taxes and trade discounts, represents the invoiced value of goods supplied. Revenue is recognised in the income statement when products and associated equipment are supplied to external customers in line with contractual arrangements. In these instances, significant risks and rewards of ownership have passed to third parties, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

Research and development

Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Monetary assets and liabilities are translated into sterling at the rate of exchange on the date of the balance sheet. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. All other foreign exchange differences are taken to the profit and loss account in the period in which they arise.

Property, plant and equipment

Items of property, plant and equipment are stated at cost together with any incidental expenses of acquisition less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated so as to write off the cost of each part of an item of property, plant and equipment less any residual value on a straight-line basis over the expected useful economic lives of the assets concerned, as follows:

Leasehold land and buildings	Over the period of the lease
Plant and machinery	10% and 25% Straight line method

Debtors

Debtors are recognised on the trade date, being the date that the Company commits to sell the asset and are initially measured at transaction price less attributable transaction costs and subsequently measured at amortised cost less any provision for impairment. A provision for impairment is made when there is evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Balances are written off when the probability of recovery is assessed as being remote.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

1 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. For finished goods, cost is taken as production cost which includes the cost of the raw materials and an appropriate proportion of overheads. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Trade creditors

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

Impairment of tangible assets

At each balance sheet date, the Company reviews the carrying amount of the Company's assets, other than stocks, and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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 as income immediately.

Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'.

The asset is recorded in the balance sheet as property, plant and equipment and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight-line basis over the expected life of the lease.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

1 Accounting policies (continued)

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

Taxation

The tax expense represents the sum of the current taxes payable and deferred tax.

The current tax payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised on deductible temporary differences where they can be offset against taxable temporary differences or to the extent that it is probable that taxable profits will be available against which they can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Employee benefits – Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the years during which services are rendered by employees.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

2 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	Year ended 30 September 2022 £000	9 month period ended 30 September 2021 £000
Sale of goods	36,871	25,733

By Geographical market:

United Kingdom	26,858	19,111
Europe	6,929	5,362
Rest of world	3,084	1,260
	36,871	25,733

All revenue is attributable to the company's principal activity.

3 Operating (loss)/profit

Arrived at after charging/(crediting):

	Year ended 30 September 2022 £000	9 month period ended 30 September 2021 £000
Depreciation expense	1,449	1,263
Fees payable to the company's auditor for:		
- the audit of the Company's annual accounts	36	28
- all other non-audit services	-	-
Operating lease expense	1,491	1,005
Foreign exchange (gains)/losses	(275)	89
Research & development expenditure	288	269
Other operating income:		
Scrap sales	93	91
RDEC tax credit	-	53
Grant income	104	52
	197	196

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

4 Exceptional administrative expenses

	Year ended 30 September 2022 £000	9 month period ended 30 September 2021 £000
Provision for legal proceedings and associated costs	11,990	-

Provision for legal proceedings and associated costs

By verdict of the United Kingdom's High Court in March 2020 and appeal dismissal in June 2021, the Company lost a patent infringement dispute with a competitor regarding the sales of a certain product which is protected by a patent held by the competitor. In a separate but related Court procedure, the amount to be paid by the Company for the infringement of the patent has been assessed. A trial commenced in May 2022, and a Court decision was reached in October 2022 whereby the Company was ordered to pay an amount of £14,314,744 which includes both the amount for damages and also the claimant's costs and is therefore full and final.

An amount of £3,500,000 was provided for at 30 September 2021 (see note 12) and therefore the amount expensed in the year relates to the Company's legal costs to defend the case and also the amount required to accrue up to the amount of the ordered damages.

At the same time, the Company has reached out to its ultimate parent company Berry Global Group, Inc for financial support to cover this risk. Berry Global Group, Inc have confirmed to fully guarantee the obligations of the Company towards its creditors for a period of 12 months from the date of signing these accounts, which should adequately cover any risk arising from this matter.

5 Interest payable and similar expenses

	Year ended 30 September 2022 £'000	9 month period ended 30 September 2021 £'000
Interest on loans from group undertakings	154	141

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

6 Staff numbers and costs

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

	Year ended 30 September 2022 £'000	9 month period ended 30 September 2021 £'000
Wages and salaries	5,273	4,311
Social security costs	570	439
Pension costs, defined contribution scheme	242	171
Staff training	17	33
	6,102	4,954

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

	Year ended 30 September 2022 No.	9 month period ended 30 September 2021 No.
Production	97	100
Administration and support	40	38
	137	138

Emoluments of the directors were:

	Year ended 30 September 2022 £'000	9 month period ended 30 September 2021 £'000
Directors' remuneration	119	75
Company pension contributions to defined contribution schemes (Contributed for 1 director (2021: 1 director))	7	5
	126	80

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

7 Taxation

Tax charged/(credited) in the income statement

	Year ended 30 September 2022 £'000	9 month period ended 30 September 2021 £'000
Tax expense/(income) in the income statement	13	(3,277)

The tax on (loss)/profit for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are reconciled below:

	Year ended 30 September 2022 £'000	9 month period ended 30 September 2021 £'000
(Loss)/profit before tax	(8,395)	2,404
Corporation tax at standard rate	(1,595)	457
Effect of:		
Permanent and other timing differences	13	(17)
Tax losses	-	(230)
Accelerated capital allowances	-	(387)
Impact of change in tax rates	-	(761)
Adjustment in respect of prior periods	(345)	(2,516)
Group relief surrendered	1,933	170
R&D allowances	7	7
Total tax charge/(credit)	13	(3,277)

Factors that may affect future tax charges

UK Finance Bill 2021 was substantively enacted on 24 May 2021, which included the increase in main rate of UK corporation tax from 19% to 25%, effective 1 April 2023. This will increase the company's future current tax charge accordingly. The Company's deferred tax assets and liabilities at 30 September 2022 have been calculated at 25%.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

8 Property, plant & equipment

	Leasehold land and buildings £'000	Plant and machinery £'000	Assets under construction £'000	Total £'000
Cost				
At 1 October 2021	1,074	19,845	505	21,424
Additions	30	76	1,032	1,138
Transfers	-	573	(573)	-
At 30 September 2022	1,104	20,494	964	22,562
Depreciation				
At 1 October 2021	264	11,608	-	11,872
Charge for the year	85	1,364	-	1,449
At 30 September 2022	349	12,972	-	13,321
Carrying amount				
At 30 September 2022	755	7,522	964	9,241
At 30 September 2021	810	8,237	505	9,552

9 Stocks

	30 September 2022 £'000	30 September 2021 £'000
Raw materials and consumables	2,177	1,783
Work in progress	-	88
Finished goods	2,526	2,918
	4,703	4,789

10 Debtors – due in less than one year

	30 September 2022 £'000	30 September 2021 £'000
Trade debtors	6,516	6,852
Amounts owed by group undertakings	381	232
Deferred tax asset (note 13)	400	400
Other debtors	1,134	426
Prepayments and accrued income	742	1,173
	9,173	9,083

The amounts owed by group undertakings are not subject to interest.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

11 Creditors

	30 September 2022 £'000	30 September 2021 £'000
Due within one year		
Trade creditors	3,437	2,774
Amounts due to group undertakings	725	-
Other payables	35	37
Accrued expenses	3,027	3,624
	7,224	6,435
Due after one year		
Amounts owed to group undertakings	4,566	4,412
Accruals and deferred income	1,395	1,498
	5,961	5,910

The amounts owed to group undertakings incur interest at 0-3.5% (2021: 0-3.5% per annum).

12 Provisions for liabilities

	Legal proceedings £'000	Dilapidations provision £'000	Total £'000
At 1 October 2021	3,500	312	3,812
Additional provisions	10,814	-	10,814
At 30 September 2022	14,314	312	14,626

Legal proceedings - Please see note 4 for further details.

Dilapidations provision – Amounts are provided for leased properties where the company has an obligation to restore the property to the condition it was at the commencement of the lease.

13 Deferred tax asset

	Deferred tax £'000
At 1 October 2021	3,277
Charge to profit and loss account	(13)
Deferred tax asset at 30 September 2022	3,264

Being split as follows:

Debtors – due in less than 1 year (note 10)	400
Debtors – due in more than 1 year	2,864
Total deferred tax asset	3,264

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

13 Deferred tax asset (continued)

	Amount provided		Amount unprovided	
	30 September 2022 £'000	30 September 2021 £'000	30 September 2022 £'000	30 September 2021 £'000
Timing differences:				
Accelerated capital allowances	251	474	-	-
Other timing differences	87	85	-	-
Tax losses	2,926	2,718	-	-
	3,264	3,277	-	-

	Accelerated capital allowances and OTD's £'000	Tax losses £'000	Total £'000
At 1 October 2021	559	2,718	3,277
Credit to profit and loss account	(221)	208	(13)
At 30 September 2022	338	2,926	3,264

14 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £196,000 (9 months to 30 September 2021: £171,000). At the year end contributions of £37,000 were payable (2021: £37,000).

15 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No. 000	£'000	No. 000	£'000
Ordinary shares of £1 each	28	28	28	28

Rights, preferences and restrictions

The ordinary shares shall be non-redeemable but shall hold full rights in respect of voting, and shall entitle the holder to full participation in respect of equity and in the event of a winding up of the company. The shares may be considered by the directors when considering dividends from time to time.

Fiberweb Geosynthetics Limited

Notes to the financial statement for the year ended 30 September 2022 (continued)

16 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	30 September 2022 £'000	30 September 2021 £'000
Not later than one year	1,311	1,340
Later than one year and not later than five years	4,590	4,679
Later than five years	4,505	5,719
	10,406	11,738

17 Ultimate parent undertaking and controlling party

The company's immediate parent is Fiberweb Holdings Limited, incorporated in Great Britain and registered in England and Wales.

The ultimate parent is Berry Global Group, Inc., incorporated in USA.

The parent of the largest and smallest group in which these financial statements are consolidated is Berry Global Group, Inc., incorporated in USA.

The address of Berry Global Group, Inc. is 101 Oakley Street, Evansville, Indiana, 47710, USA.

These group financial statements are available to the public from the Berry Global Group, Inc.

18 Events after the reporting period

In November 2022 the Company issued 14,314,744 £1 ordinary shares to RPC Containers Limited. As a result the Company's majority shareholder changed from Fiberweb Holdings Limited to RPC Containers Limited. The share issue is not expected to have a significant impact on the Company or its ability to continue as a going concern.

On 31 January 2023 Fiberweb Holdings Limited transferred its holding of 28,461 ordinary shares to RPC Containers Limited. As of that date RPC Containers Limited is the Company's sole shareholder.

In accordance with FRS 102 Section 32 the Directors believe the share issue and subsequent share transfer are non-adjusting events and therefore the issue has been disclosed.