

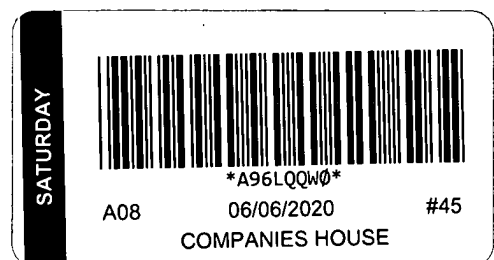
**Company Registration No. 11643329**

**Azelis UK Finance Holding Limited**

**Annual Report and Financial Statements**

**for the period ended**

**31 December 2019**



**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

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**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

**Annual Report and Financial Statements 2019**

**Officers and Professional Advisers**

**Directors**

J T Traynor (appointed 25 October 2018)  
T Bakker (appointed 25 October 2018)  
A Bertona (appointed 25 October 2018)  
S E Roberts (appointed 25 October 2018)

**Secretary**

S E Roberts

**Registered Office**

Axis House  
Tudor Road  
Manor Park  
Runcorn  
Great Britain  
WA7 1BD

**Bankers**

BNP Paribas SA, London Branch  
10 Harewood Avenue  
London  
NW1 6AA

**Independent Auditors**

PricewaterhouseCoopers LLP  
1 Hardman Square  
Manchester  
M3 3EB

**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

## **Strategic Report**

The directors present their strategic report on the company for the period ended 31 December 2019.

### **Principal activities and future developments**

Azelis UK Finance Holding Limited is a holding company rather than an active trading company. It is wholly owned by the Azelis group of companies which is a leading global distributor of speciality chemicals and related services. The purpose of this holding company is solely to acquire and control certain operating members of the group. The directors do not anticipate a change to the principal activity of the business.

### **Business review**

The results for the period show a loss before taxation of £11,744,306.

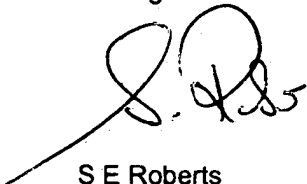
At the period end the company had net liabilities of £10,228.

### **Principal risks and uncertainties and financial risk management**

The company's principal risk is the recoverability of its investment in its subsidiary company, Azelis UK Finance Limited. The sole asset of Azelis UK Finance Limited is an inter-company loan denominated in US Dollars and which bears a commercial rate of interest; the rate of interest is equivalent to that borne on the company's inter-company borrowings. The COVID-19 pandemic adds uncertainty to the trading outlook in the other group companies but the diversified markets served by these companies helps to moderate the immediate and longer terms risks to trading performance. This, alongside considerations, allows the directors to conclude that the accounts are properly prepared under the going concern basis.

As the company is a holding company the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the Board of Directors  
and signed on behalf of the Board



S E Roberts

Director

4th June 2020

# **Azelis UK Finance Holding Limited**

**Company Registration No. 11643329**

## **Directors' Report**

The directors present their report and audited financial statements for the period from incorporation on 25 October 2018 to 31 December 2019.

### **Results and dividends**

The company was incorporated on 25 October 2018.

The results for the period are set out on page 9.

The directors do not recommend the payment of a final dividend for the period.

### **Directors**

The directors of the company who held office during the period and up to the date of signing the financial statements were:

J T Traynor (appointed 25 October 2018)  
T Bakker (appointed 25 October 2018)  
A Bertona (appointed 25 October 2018)  
S E Roberts (appointed 25 October 2018)

### **Going concern**

After making due enquiries and including consideration of the effects of the COVID-19 pandemic, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future.

### **Future developments**

The external commercial environment in which the Azelis UK group companies operate is expected to remain competitive in 2020. Plans are in place to ensure that the Azelis UK group companies remain competitive going forward.

### **Financial risk management**

Details of the financial risk management are provided in the Strategic Report on page 2.

### **Directors' liabilities**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision was in place through the financial period and remains in force as at the date of approving the Directors' Report.

## **Directors' Report (continued)**

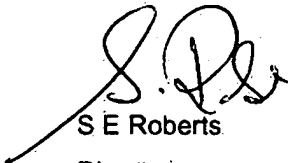
### **Statement of disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

The Auditors, PricewaterhouseCoopers LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Approved by the Board and signed on its behalf by:



S E Roberts

Director

4th June 2020

## **Statement of directors' responsibilities**

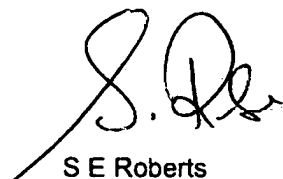
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

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.

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.



S E Roberts

Director

4th June 2020

## **Independent auditors' report to the members of Azelis UK Finance Holding Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Azelis UK Finance Holding Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the 15 months period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019; the profit and loss account, the statement of changes in equity for the 15 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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



## **Independent auditors' report to the members of Azelis UK Finance Holding Limited**

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

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

In preparing the financial statements, the directors are responsible for assessing the 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.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that

**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

**Independent auditors' report to the members of Azelis UK Finance Holding Limited**

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Nicholas Boden (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
4 June 2020

**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

**Profit and Loss Account**  
**For the period ended 31 December 2019**

	Note	2019 £
Interest payable and similar expenses	7	(11,744,306)
<b>Loss before taxation</b>		<b>(11,744,306)</b>
Tax on loss	8	11,734,077
<b>Loss for the financial period</b>		<b><u>(10,229)</u></b>

The company has no other comprehensive income.

The notes on pages 12 to 23 form an integral part of these financial statements.

**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

**Balance Sheet**  
**As at 31 December 2019**

	Note	2019 £
<b>Fixed assets</b>		
Investments	9	<u>200,065,040</u>
<b>Current assets</b>		
Debtors: amounts falling due within one year	10	11,734,077
Cash at bank and in hand		<u>1</u>
		11,734,078
<b>Creditors: amounts falling due within one year</b>	11	<u>(11,744,306)</u>
<b>Net current liabilities</b>		<u>(10,228)</u>
<b>Total assets less current liabilities</b>		200,054,812
<b>Creditors: amounts falling due after more than one year</b>	12	(200,065,040)
<b>Net liabilities</b>		<u><u>(10,228)</u></u>
<b>Capital and reserves</b>		
Called up share capital	14	1
Profit and loss account	15	<u>(10,229)</u>
<b>Total shareholders' deficit</b>		<u><u>(10,228)</u></u>

The notes on pages 12 to 21 form an integral part of these financial statements.

The financial statements on pages 9 to 21 were approved for issue by the Board of Directors on 4<sup>th</sup> June 2020 and signed on its behalf by:



S E Roberts

Director

Azelis UK Finance Holding Limited  
Company registered number 11643329

**Azelis UK Finance Holding Limited**  
Company Registration No. 11643329

**Statement of Changes in Equity**  
**For the period ended 31 December 2019**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total shareholders' (deficit)/funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Share capital issued	1	-	1
Loss for the financial period	-	(10,229)	(10,229)
Balance as at 31 December 2019	<u>1</u>	<u>(10,229)</u>	<u>(10,228)</u>

The notes on pages 12 to 21 form an integral part of these financial statements.

## **Notes to the Financial Statements**

### **For the period ended 31 December 2019**

#### **1. General Information**

Azelis UK Finance Holding Limited is a private limited company domiciled and incorporated in England and Wales. The registered office is Axis House, Tudor Road, Manor park, Runcorn, Great Britain, WA7 1BD.

#### **2. Statement of Compliance**

The financial statements of Azelis UK Finance Holding Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The company is exempt from the requirement to produce group financial statements under section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking of Azelis Holding Sarl, which is incorporated in Luxembourg. These financial statements present information about the company and not about its group

#### **3. Summary of Significant Accounting Policies**

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

##### **(a) Basis of Preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4

##### **(b) Going concern**

After making due enquiries including of the actual and potential adverse effects of the COVID-19 pandemic, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future.

##### **(c) Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- (i) From preparing a Statement of Cash Flows, on the basis that it is a qualifying entity and the group consolidated financial statements include a Statement of Cash Flows.
- (ii) Group Related Party Disclosures for 100% subsidiaries within the group.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**3. Summary of Significant Accounting Policies (Continued)**

**(d) Income from shares in group undertakings**

Dividend income is recognised when the company's right to receive payment is established.

**(e) Foreign currency**

*(i) Functional and presentation currency*

The financial statements are presented in GBP.

The company's functional and presentation currency is GBP.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**(f) Exceptional items**

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

**(g) Taxation**

Taxation expenses for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

*(i) Current tax*

Current tax is the expected tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*(ii) Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**3. Summary of Significant Accounting Policies (Continued)**

**(g) Taxation (continued)**

**(ii) Deferred tax (continued)**

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

**(h) Business combinations and goodwill**

Business combinations are accounted for by applying the acquisition method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the capitalised cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

On disposal of the relevant cash-generating unit, the amount of goodwill attributable is included in the determination of the profit or loss on disposal.

**(i) Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**(j) Investments**

Investment in a subsidiary company is held at cost less accumulated impairment losses.

**(k) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.



**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**3. Summary of Significant Accounting Policies (Continued)**

**(I) Financial instruments**

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

**(i) Financial assets**

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

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

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**3. Summary of Significant Accounting Policies (continued)**

**(l) Financial instruments (continued)**

**(ii) financial liabilities (continued)**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one period or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**(m) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(n) Distributions to equity holders**

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

**(o) Related party transactions**

The company discloses transactions with related parties which are not wholly owned within the same company. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the company financial statements.

**4. Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below.

**(a) Impairment of investments in subsidiaries**

The Group considers whether investments in subsidiaries are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

## Azelis UK Finance Holding Limited

Company Registration No. 04381177

### Notes to the Financial Statements (continued) For the period ended 31 December 2019

#### 5. Audit fees

The fee payable for the audit of the company's annual financial statements is £4,000. There were no fees other than audit fees paid to the company's auditors. The audit fee is paid by a fellow group company.

#### 6. Information regarding the directors

There were no employees during the period apart from the directors. The directors did not receive any emoluments during the period for services to the company.

#### 7. Interest payable and similar expenses

	2019 £
On amounts payable to group companies	11,744,306
	<u>11,744,306</u>

#### 8. Tax on profit

	2019 £
<b>Domestic current period tax</b>	
Receivable in respect of group relief	(11,734,077)
Total tax credit	<u>(11,734,077)</u>
<b>Factors affecting the tax credit for the period</b>	
(Loss) before taxation	<u>(11,744,306)</u>
(Loss) before taxation multiplied by standard rate of UK corporation tax of 19%	2,231,418
Group relief receivable other than at 19%	9,502,659
<b>Total tax credit</b>	<u>(11,734,077)</u>

The company has estimated losses of £10,229 available for carry forward against future profits. The company is unable to foresee if it will be able to utilise its tax losses carried forward in the foreseeable future. Consequently it is not recognising a deferred tax asset.

**Azelis UK Finance Holding Limited**  
Company Registration No. 04381177

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**9. Investments**

	<b>Shares in group undertakings £</b>
<b>Cost</b>	
Additions	200,065,040
At 31 December 2019	<u>200,065,040</u>
<b>Provision for impairment</b>	
Charge in the period	-
At 31 December 2019	<u>-</u>
<b>Net book value</b>	
At 31 December 2019	<u>200,065,040</u>

**Acquisition in period**

During the period, the company acquired the entire equity capital of Azelis UK Finance Ltd.

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

<b>Company</b>	<b>Country of registration</b>	<b>Principal activity</b>	<b>Voting rights and percentage of ordinary shares held</b>
<b>Directly Held</b>			
Azelis UK Finance Limited	England and Wales	Finance company	100.0%

**Company**

**Addresses**

**Directly Held**

Azelis UK Finance Limited

Alexander House, Crown Gate, Runcorn, WA7 2UP

**Azelis UK Finance Holding Limited**  
Company Registration No. 04381177

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**10. Debtors: amounts falling due within one year**

	<b>2019</b> <b>£</b>
Corporation tax: Group relief	11,734,077
	<u>11,734,077</u>

**11. Creditors: amounts falling due within one year**

	<b>2019</b> <b>£</b>
Amounts owed to group undertakings	11,744,306
	<u>11,744,306</u>

**12. Creditors: amounts falling due after more than one year**

	<b>2019</b> <b>£</b>
Amounts owed to group undertakings	200,065,040
	<u>200,065,040</u>
<b>Analysis of Loans</b>	
Not wholly repayable within five years by instalments	200,065,040
Wholly repayable within five years	-
	<u>200,065,040</u>
<b>Loan maturity analysis</b>	
In more than one year but not more than two years	-
In more than two years but not more than five years	-
In more than five years	200,065,040
	<u>200,065,040</u>

Amounts owed to group undertakings are unsecured and bear commercial rates of interest.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**13. Financial instruments**

The company's financial instruments may be analysed as follows:

	<b>2019</b>
	<b>£</b>
<b>Financial assets</b>	
Financial assets measured at amortised cost	-
<b>Financial liabilities</b>	
Financial liabilities measures at amortised cost	(11,744,306)
	<u>(11,744,306)</u>

Financial assets measured at amortised cost comprise of trade debtors, other debtors, and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise of amounts owed to group undertakings.

**14. Called up share capital**

	<b>2019</b>
	<b>£</b>
<b>Authorised</b>	
1 Ordinary share of £1 each	1
<b>Allotted, called up and fully paid</b>	
1 Ordinary share of £1	1

**15. Reserves**

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

Profit and loss account includes all current period retained profits and losses.

**16. Control**

The company's immediate parent undertaking is Azelis UK Holdings Limited and Azelis Holding Sarl is the ultimate parent company and controlling party.

Azelis Holding Sarl is the only member of the group which prepares consolidated financial statements. The consolidated financial statements of Azelis Holding Sarl are available to the public and may be obtained from the company's registered office.

**17. Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclose transactions or balances with wholly-owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**Azelis UK Finance Holding Limited**  
Company Registration No. 04381177

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2019**

**18. Post reporting date event**

On 11th March, 2020 the World Health Organisation declared COVID-19 a pandemic. The pandemic is a non-adjusting post reporting date event and, as such, it does not affect the reported values of the company's investments.