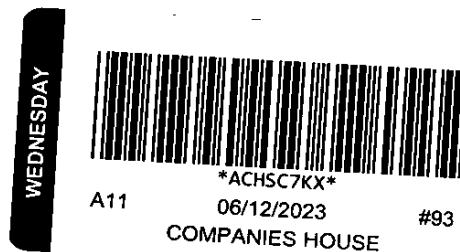


No Company No: 13373059

EVIOSYS PACKAGING UK LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report on the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be the manufacture and sale of food cans to local customers on the British market.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the company are considered to be:

- the consolidation of the market for tinplated steel which can have a significant impact on the price for the company's principal raw material;
- the consolidation of the consumer products market, reducing the number of potential customers;
- the resultant increasing comparative strength of these customers in relation to the suppliers in the market; and
- the trend towards alternative packaging products and materials; and
- the impact of the covid-19 global pandemic on supply of raw materials;
- the impact of the war in Ukraine on energy prices and supply of raw materials and
- the global economic crisis with its impact on consumer purchasing power and product demand.

These risks cannot be mitigated as they occur as a result of external factors and conditions that the company has no control over. However, the company seeks to minimise their effect wherever possible based on previous experience and best practice.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The results for the company show an operating profit of £4,970,000 (loss of 207,000£ in 2021) and turnover of £258,154,000 for the year (£58,294,000 in 2021).

The company has £32,265,000 net current liability at the year end (£16,804,000 in 2021) but feels assured of the continued support of the parent company.

The company has been incorporated at 30 April 2021 under the name TITAN Manufacturing Newco UK Ltd. The company name has been changed into Eviosys Packaging UK Ltd on 22 October 2021.

The assets of Eviosys Promotional Packaging UK Limited and Eviosys Packaging Commercial UK Limited have been transferred to Eviosys Packaging UK Limited on 31 May 2022. These two entities are expected to be struck off at the end of 2023.

The company, along with the wider Eviosys group at an international level (the "Eviosys Group", or "Eviosys"), is managed on a divisional basis with performance monitored using a number of indicators, concerning the efficiency of the production cycle. Company management are also rewarded and incentivised with reference to a number of specific measures concerning profitability and safety. Management believes all of these criteria were met in the year to 31 December 2022.

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS (continued)

The main KPIs are:

- **Profitability.** The results for the company for 2022 show loss before taxation as being £924,000 (loss of £1,736,000 in 2021) including a goodwill write off amounting to £5,710,000 (£1,799,000 in 2021).
- **Safety.** The company has continued to provide behavioural safety training and employee safety focus groups in order to minimise the risk of a workplace incident or injury.

SECTION 172(1) STATEMENT

During 2022 the directors of the company have taken operational and strategic decisions with the aim of maintaining business continuity and profitability. The company operates as part of a wider international group, any business decisions taken by the directors are made under the control and direction of the Management team of the Eviosys group.

Supplies of raw materials are purchased in highly competitive, price sensitive markets and the company has achieved what it considers to be adequate supplies of raw materials. The directors use foreign currency forwards where appropriate to manage exposure to raw material price volatility. The directors recognise that maintaining good business relationships with suppliers is important for business success and as such, is key to any supplier related decisions taken by the directors.

The sales team has direct contact with the customers and the company is able to adapt to effectively meet the ever-changing needs of customers, in a timely manner. By working closely with customers, new business is developed and the duration of existing contracts is extended. Directors recognise the importance of having a broad customer base to avoid any issues of placing too much reliance on a narrow customer portfolio and having an adverse effect on the Company.

The directors give high regard to the effect of any business decision on the company's employees with the safety of the employees being of utmost importance. The directors recognise that people are key to the competitive advantage and long-term success of the company. In 2022 the company continued to promote and support its initiatives to shift the company culture to an employee-centric organisation, by encouraging meaningful conversations about employee expectations. As part of this new initiative, the directors are committed to providing training and development opportunities to all employees to improve individual performance.

Further details of the company's employment policies can be found in the Directors Report.

Any decisions taken by the directors have an impact on local communities and the environment within which they operate. Details about the Group's sustainability journey, of which environmental awareness is a major component, can be found on the ultimate parent company's website, <https://www.eviosys.com/sustainability>. Environmental considerations are among the criteria by which the directors evaluate projects, products, processes and purchases. The directors are committed to continuous improvement in product design and manufacturing processes to provide the best outcomes for the environment within which it operates.

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

SECTION 172(1) STATEMENT (continued)

During 2021, in order to elevate its global commitment Eviosys group launched their Sustainability and ESG initiatives (EVIOSYS ESG REPORT 2021) from Day 1. This programme outlines environmental, social and governance goals with annual objectives and specific milestones in 2027 and up to 2050 to become carbon neutral. The programme identifies three distinct pillars of action—Environment, Social and Governance—that represent topics of UN Global Compact in which Eviosys is officially involved, and consistent with reductions required to keep warming to 1.5°C, the most ambitious goal of the Paris Agreement (COP 21). This is why Eviosys focused on Scope 1 and Scope 2 reduction plan and engaged to reduce them by 20% in 2027 (confirmed on the 2022 ESG report p.17) via significant investment in equipment modernisation. Eviosys also engaged in Social by improving our employees Safety as our first priority. All pillars are underpinned by the Company's well-established governance and ethics principles and practices that covers our Governance dimension.

The company is committed to maintaining high standards of business conduct, with training given to employees reinforcing the company's strict business conduct & ethics policies and guidelines, including specific topics such as bribery and corruption. The directors recognise the potential severe consequences for both employees and the business of not conforming to all locally applicable legal requirements and guidelines. The decisions taken by the directors are undertaken so as to not damage the company's reputation and subsequently allow stakeholders to engage with confidence with Eviosys Packaging UK Ltd.

In making their decisions, regardless of the subject matter, the directors act in as fair and balanced manner as possible, with no preference given to any particular member.

FINANCIAL RISK MANAGEMENT

Since the date of incorporation at 30 April 2021 the company is part of the Eviosys group and the risk management programme is seeking to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and related financial costs.

LIQUIDITY AND CASH FLOW RISK

The company's liquidity is managed centrally within the Group. The Eviosys Group maintains a mixture of long-term and short-term financing arrangements that are designed to ensure that the Eviosys Group and company have sufficient funds available for operations.

Details of the company's cash flow forecasts are supplied to Group Treasury to assist with the Group's cash management position and to minimise the risk of uncertain future funding requirements.

The company's finance department implements the Eviosys Group's policies and guidelines as set out in the Eviosys' Financial Accounting Policies manual.

CREDIT RISK

The Company has a securisation agreement in place with Ester Finance Technologies S.A. whereby trade receivables are sold without recourse.

EVIOSYS PACKAGING UK LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022
(continued)

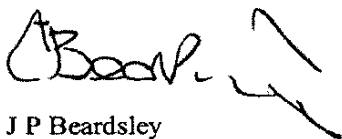
EXCHANGE RATE RISK

The Eviosys Group Treasury department seeks to limit any risk from fluctuating exchange rates on sales and purchases in non-local currency by taking out forward contracts, in line with the Eviosys' Financial Accounting Policies manual.

INTEREST RATE RISK

The company is exposed to interest rate risk and the management of this exposure is handled by the Group's European Treasury department on behalf of the company and the rest of the Eviosys Group.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'J P Beardsley', with a stylized flourish at the end.

J P Beardsley
Director

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report together with the unaudited financial statements for the year ended 31 December 2022.

RESULTS AND DIVIDENDS

The comprehensive loss for the financial year of £1,149,000 has been credited to reserves. No dividend has been distributed in 2022 (£nil in 2021). The future development of the company and financial risk management are detailed in the strategic report.

DIRECTORS

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

J P Beardsley
D Hodge

THIRD PARTY INDEMNITY

The company has granted a qualifying third party indemnity to each of its directors against liability in respect of proceedings brought by third parties, which was in force for the financial year and remains in force as at the date of approving the Directors' Report and as at the date of approval of the financial statements.

GOING CONCERN

Taking into account the strong trading activity during 2022, the directors have a reasonable expectation that it is appropriate to prepare the financial statements on a going concern basis. The directors also have a reasonable expectation that the company has adequate resources to continue operating for the foreseeable future and faces no material uncertainties. The company therefore adopts the going concern basis in preparing its financial statements.

EMPLOYMENT POLICIES

It is the company's policy to provide employment terms, which are motivational and equitable, in accordance with national legislation and local market conditions. Training and development opportunities are provided as a function of the needs of the company and of the individuals concerned, with a aim to improving the performance of everyone and thereby of the company.

The company promotes its Health and Safety policy with high profile initiatives and has throughout the year continued vigorously to apply increasing standards of machine and employee safety and has continued to invest heavily in training programmes specifically related to this matter.

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees and applicants of employment, on a non-discriminatory basis and offers appropriate training and career development for disabled staff. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. If members of staff become disabled the company continues employment wherever possible and arranges retraining.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

EMPLOYEE ENGAGEMENT STATEMENT

Throughout the year, the drive for improved quality in all functions has served as an important focus and has encouraged improved communication with employees. The company's continued commitment to world-class performance in all locations has been the basis for involving employees and enlisting their commitment through training and joint problem solving in a team working environment.

The company encourages the involvement of employees in the company's performance through a variety of means such as an annual bonus plan which are available to all eligible employees.

It is the company's policy to keep employees fully informed on matters which affect them, including financial and economic factors affecting the performance of the company, through direct communications and established collective procedures for information exchange and consultation and to achieve common awareness. Consultation requirements are driven by statutory legislation and are conducted in an open and transparent manner as the legislation requires. It occurs through varying groups of employees such as local union representatives, UK Forum representatives and European Forum representatives, depending on the nature of the issue being discussed.

In 2022 the company and its directors continued to support and promote its initiatives to shift the company culture to an employee-centric organisation, by encouraging meaningful conversations about employee expectations. The directors are seeking to create a sincere and open connection between managers and their employees whilst committing to providing training and development opportunities to allow all employees to improve their individual performance.

STATEMENT OF ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE COMPANY

As of 30 April 2021 Eviosys Packaging UK Ltd is a full-fledged manufacturing company of food cans. As part of the wider Eviosys Group, the Group's relationship with its key suppliers and customers is managed by the Eviosys' Sourcing and Sales departments. This is however controlled by the Group to ensure there is no unsuitable impact at a local level. To better meet local requirements and to ensure the needs of all parties are adequately matched, relationships with smaller suppliers and customers, along with relationships with local authorities, are managed by each site, where both a purchasing and sales team are also present. Relationships with national authorities and tax authorities are managed by the central UK team.

RESEARCH AND DEVELOPMENT

The directors consider that research and development play a vital role in the company's success. Research and development activities include innovation of new products, and development of materials, technology and engineering processes. As of 30 April 2021 research and development royalty costs for Eviosys are borne by Eviosys Packaging Switzerland GmbH.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

BRANCHES OUTSIDE THE UK

The company has no branches located outside of the UK.

REGISTERED OFFICE AND COUNTRY OF INCORPORATION

The company is a private limited company, limited by shares and was incorporated in England & Wales. Its registered office address is Downsview Road, Wantage, Oxfordshire OX12 9BP.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

The company adheres to the Corporate Governance Guidelines established by the Board of Directors of the Eviosys group. These guidelines provide a structure within which the company directors and management can effectively work to benefit the company, its shareholders and stakeholders. The Board intends that these guidelines serve as a framework within which the directors and management can conduct their work, operating within the context of all locally applicable legal requirements.

STREAMLINED ENERGY AND CARBON REPORT (SECR)

The SECR disclosure presents our carbon footprint within the United Kingdom across Scope 1, 2 and to some extent, Scope 3 emissions. It contains the total energy use of electricity, gas and transport fuel.

	Year to 31 st December 2022	September - December 2021
Energy consumption used to calculate emissions (kWh)	15,025,117.28	2,458,931
Emissions from combustion of gas (Scope 1) tCO ₂ e	1,662	280
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	2	-
Emissions from purchased electricity (Scope 2, location-based) tCO ₂ e	1,143	198
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) tCO ₂ e	1	-
Total gross tCO ₂ e based on above	2,807	478
Intensity ratio (tCO ₂ e/ £M Turnover)	10.8748	5.2962

ENERGY EFFICIENCY ACTION SUMMARY

Eviosys Packaging UK Ltd continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements, including;

- New energy efficient water chillers installed
- Modern energy efficient compressors installed -55kw +55kw +75kw VSD
- LED Lighting installed in can storage – 62 lights replaced
- LED Lighting installed external – 75 lights replaced
- Energy savings checklist completed and set targets must be achieved

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)**METHODOLOGY NOTES**

Reporting Period	1 st of January 2022 – 31 st of December 2022
Boundary (consolidation approach)	Operational approach
Reporting Entity	SECR disclosure has been prepared for Eviosys Packaging UK Limited for the period of January – December 2022
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor source	DEFRA, 2022 for all emissions factors https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022
Conversion factor source	Natural gas and gasoline: Federal Register EPA; 40 CFR Part 98; e-CFR, June 13, 2017 EPA GHG Emission Factors Hub Diesel: U.S. Energy Information Administration – British Thermal Unit Conversion factors 2020
Calculation method	Activity Data x Emission Factor = GHG emissions Activity Data x Conversion Factor = kWh consumption
Other relevant information on calculation	Where applicable consumption was converted to kWh using conversion factors linked above, while emissions were calculated with the DEFRA emission factors.
Reason for the intensity measurement choice	Following the recommendations of the SECR legislation and based on the nature of our business, the following intensity metric was used: • £M Turnover - (tCO ₂ e / £M Turnover) This intensity metric gives the best overview on our efficiency performance in the long term.
Rounding	Due to rounding there might be a minor difference compared to the actual GHG emissions (no more than 1%).

POST BALANCE SHEET EVENT

The war in Ukraine has put an additional strain on the supply chain, which had already been severely impacted by the COVID-19 crisis. This has led to a significant increase in the price of raw materials and energy. The Group is limiting the risks associated with this event by passing down price increases of raw materials to customers, and by securing raw material prices in advance through forward contracts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 year. 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).

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

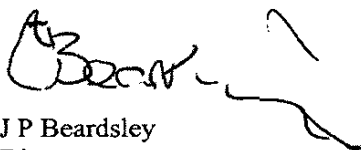
Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- 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.

On behalf of the Board



J P Beardsley
Director

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 DECEMBER 2022**

	Note	2022	01.09.2021 upto 31.12.2021
		£'000	£'000
Turnover	4	258,154	58,294
Change in stocks of finished goods and in work in progress		(2,267)	-
		<u>255,887</u>	<u>58,294</u>
Other operating income		981	2
		<u>256,868</u>	<u>58,296</u>
Raw materials and consumables		(72,090)	(14,480)
Good for resale		(127,591)	(30,229)
Staff costs	5	(17,074)	(2,614)
Depreciation and other amounts written off tangible and intangible fixed assets	9	(6,566)	(1,407)
Other operating expenses		(22,867)	(7,974)
Goodwill write off	11	(5,710)	(1,799)
Operating profit/(loss)	6	<u>4,970</u>	<u>(207)</u>
Interest payable and similar expenses	7	(5,894)	(1,529)
Gain/(Loss) before taxation		<u>(924)</u>	<u>(1,736)</u>
Income tax	8	(225)	(492)
Loss for the financial year		<u>(1,149)</u>	<u>(2,228)</u>
Total comprehensive income for the financial year		<u>(1,149)</u>	<u>(2,228)</u>

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(continued)**
BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Fixed Assets	9		
Intangible assets		1,492	1,664
Tangible assets		50,352	34,350
Investments	10	47,162	47,162
Goodwill	11	51,441	52,138
Current Assets			
Inventories	12	23,370	14,064
Debtors: amounts falling due within one year	13	69,836	17,179
Cash at bank and in hand		13,103	19,253
		<u>106,309</u>	<u>50,496</u>
Creditors: amounts falling due within one year	15	(138,574)	(67,300)
Net current assets		<u>(32,265)</u>	<u>(16,804)</u>
Debtors : amounts falling due after more than one year	14	676	-
Creditors : amounts falling due after more than one year	16	(75,097)	(73,600)
Net assets		<u>43,761</u>	<u>44,910</u>
Capital and reserves			
Called up share capital	17	47,138	47,138
Profit and loss account		(3,377)	(2,228)
Total equity		<u>43,761</u>	<u>44,910</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(continued)

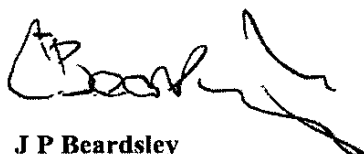
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Net assets transfer	Profit and loss account	Total equity
	£'000	£'000	£'000	£'000
As at 30 April 2021	10	47,128	-	47,138
Profit for the financial year and total comprehensive income	-	-	(2,228)	(2,228)
As at 31 December 2021	10	47,128	(2,228)	44,910
Profit for the financial year and total comprehensive income			(1,149)	(1,149)
As at 31 December 2022	10	47,128	(3,377)	43,761

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The notes on pages 14 to 26 are an integral part of these financial statements. The financial statements on pages 11 to 26 were approved and authorised for issue by the board of directors on 24/11/23 and were signed on its behalf by:



J P Beardsley
Director
Eviosys Packaging UK Ltd
Company No: 13373059

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Statement of compliance

The financial statements 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.

2. 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 years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

a) Basis of preparation

These financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. Preparing the statements in conformity with FRS 102 requires certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions are material to the financial statements are disclosed in note 3.

b) Consolidated financial statements

These financial statements contain information about Eviosys Packaging UK Ltd as an individual company and do not contain consolidated financial information as it is not a parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of the ultimate parent company Eviosys Packaging Group UK Ltd.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions (FRS 102 para 1.12). The company is a wholly owned subsidiary company of a group headed by Eviosys Packaging Group UK Ltd and is included in the financial statements of that company, which are publicly available. Consequently the company has taken advantage of the following available exemptions:

- FRS 102 section 7 para 3.17(d) "Statement of cash flows" from not presenting a cash flow statement.
- FRS 102 para 4.12(a) from not preparing a reconciliation of the number of shares outstanding at the beginning and end of the period.
- FRS 102 paras 11.39 – 11.48A, 12.26 – 12.29 from not disclosing certain financial instrument disclosures unless required by the Companies Act 2006.
- FRS 102 para 33.7 from the non-disclosure of key management personnel compensation in total.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

2 Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102 (continued)

- FRS 102 para 33.1A from the non-disclosure of related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly-owned by such a member.

The above exemptions have been notified to the company's shareholders who have not objected to the use of these exemptions.

d) Foreign currency

The company's functional and presentation currency is the pound sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at mid-market rates of exchange at the balance sheet date, or if appropriate, at a related forward contract rate. Revenue and expenditure items denominated in foreign currencies are translated to sterling at the average rate of exchange ruling in the month in which the transaction took place. All exchange differences are included in the profit and loss account in the period to which they relate.

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.

e) Revenue recognition

As of 1 December 2022 all revenue is recognised on delivery of the product or service or once all risks and rewards have passed to the customer.

f) Employee benefits

The company provides a range of benefits to eligible employees. Short term benefits including holiday pay, are recognised as an expense in the period in which the service is received. The company operates an annual bonus plan for eligible employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the bonus plan, as a result of past events and a reliable estimate of the obligation can be made.

Defined contribution and defined benefit pension plans :

The company has entered into a pension scheme with AON Master Trust as of 1 April 2019. The scheme is funded by both the company and the employees. All employees are free to enter the scheme. A contribution structure has been defined for funding the scheme. Employees are free to make additional contributions to the plan. Besides the monthly contributions the company has no further obligations to the plan.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

2 Summary of significant accounting policies (continued)

g) Taxation

Taxation expense 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 or liabilities are not discounted.

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

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.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. 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 taxation is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

h) Tangible assets and depreciation

Tangible assets are stated at the historic purchase cost net of accumulated depreciation and provision for impairment in value. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and interest on loans directly related to the funding of construction costs.

Land and assets in the course of construction are not depreciated. On completion, assets in the course of construction are depreciated accordingly. Depreciation on other assets is calculated using the straight-line method so as to write-off the cost of each asset less their estimated residual values, over the term of their estimated useful economic lives as follows:

Buildings	25 to 40 years
Plant and machinery	3 to 18 years
Fixtures, fittings, tools and equipment	3 to 18 years

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

2 Summary of significant accounting policies (continued)

i) Leased assets

Finance leases

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset, or if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. The capital element of the finance lease obligation is recorded as a liability on inception. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

j) Inventories

Inventories and work-in-progress are stated at the lower of historical cost and net realisable value. Cost is determined on a first-in, first-out basis (FIFO method). The cost of work-in-progress and finished goods comprises direct materials, labour and attributable manufacturing overheads based on normal levels of activity. Provision is made for obsolete, slow moving or defective items where appropriate.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell, and an impairment charge is recognised in the profit and loss account.

k) Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are discounted where material.

l) Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of Financial Instruments. The company executes financial instruments that are in respect of foreign currency hedges to cover material trade payable or trade receivable balances that are denominated in foreign currency. These hedges are fair valued and the amount is recognised in other debtors/creditors on the balance sheet and the change in fair value recognised in the profit and loss account.

m) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

3. 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.

Critical accounting estimates and assumptions

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 material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Useful economic lives of assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed when there is evidence of a change in conditions or a trigger event such as physical condition of the assets or technological advancement. Note 10 details the carrying amount of the tangible assets and note 2 h) details the useful economic lives for each class of asset.

ii) Inventory provisioning

Levels of inventory are subject to changing customer demands and raw material availability. As a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. Note 12 details the carrying amount of the inventory and any associated provision.

iii) Subjectivity of impairments

Any costs recognised during the period in relation to impairment will inherently be based on management's best estimate of the impairment's value. Where the value of assets have been fully impaired, the expense will be equal to the carrying value of the asset immediately before impairment. This carrying amount will be determined by the application of accounting policies over the asset's lifetime. Any impairment during the period is recognised immediately as an expense in the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2022 (continued)**

4. Turnover

Analysis of turnover by geographical destination:

		01.09.2021
	2022	upto 31.12.2021
	£'000	£'000
EU countries (excluding UK)	76,898	8,617
UK & rest of Europe	179,317	46,776
Americas & Others	1,939	2,901
Total	258,154	58,294

In the opinion of the directors, the company's activity of the manufacture, printing and sale of packaging containers represents one class of business for the purposes of segmental reporting.

5. Staff costs

(a) The average monthly number of employees during the year, split by activity was:

		01.09.2021
	2022	upto 31.12.2021
	Number	Number
Production and research & development	182	46
Administration	128	82
Total	309	128

b) Employee costs during the year comprised :

		01.09.2021
	2022	upto 31.12.2021
	£'000	£'000
Wages and salaries	13,912	1,996
Social security costs	1,467	223
Pension costs	1,695	343
Other costs	0	52
Total	17,074	2,614

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

(c) Directors' emoluments

No director received any emoluments from the company during the year.

All of the directors are paid by fellow group companies which make no recharge to the company. The directors are directors of other group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each of the group companies. Accordingly, these financial statements don't include any emoluments of these directors; their total emoluments are included in the consolidated financial statements of the ultimate parent company, Crown Holdings, Inc.

During the year none of the directors received deferred share awards.

6. Operating Profit

Operating profit is stated after (crediting)/charging:

	2022	2021
	£'000	£'000
Other operating income:		
- miscellaneous services	(981)	(424)
Depreciation of fixed assets (note 9)	6,566	1,407
Operating lease rental		
- plant and machinery	-	-
Services provided by the company's auditors		
- fees payable for the audit	-	-
Distribution costs	10,502	2,928
Redundancy costs	-	-

7. Interest payable and similar expenses

	2022	2021
	£'000	£'000
Interest expenses	334	23
Interest expenses group companies	3,666	1,251
Securisation costs	2,151	377
Foreign exchange loss/(gain)	(257)	(122)
Interest expenses	5,894	1,529

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

8. Tax on profit

a) Tax expense included in profit or loss account

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on profit for the year	1,035	(8)
Total current tax	<u>1,035</u>	<u>(8)</u>
Deferred tax		
Origination and reversal of timing differences	234	354
Change in tax rate	0	146
Adjustments in respect of prior years	(1044)	-
Total deferred tax	<u>(810)</u>	<u>500</u>
Tax on profit	<u>225</u>	<u>492</u>

b) Reconciliation of tax charge

	2022	2021
	£'000	£'000
Profit / (Loss) before taxation	<u>(924)</u>	<u>(1,736)</u>
Profit /(Loss) before taxation multiplied by the standard rate of corporation tax in the UK of 19.0%	(176)	-
Effects of:		
Expenses not deductible for tax purposes	1,404	346
Imputed interest income	-	-
Change in tax rate	41	146
Adjustments in respect of prior years	(1044)	-
Total tax charge for the year	<u>225</u>	<u>492</u>

The expenses not deductible mainly includes goodwill amortization and buildings depreciation.

c) Tax rate changes

A change to the UK corporation tax rates was announced in the Finance Bill 2021. Corporation tax is set at 19% for the financial years beginning 1 April 2020, 2021 and 2022. The rate of corporation tax will increase to 25% from 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

9. Fixed assets

	Land £'000	Buildings £'000	Plant & Machinery £'000	Capital projects in progress £'000	Fixtures, fittings, tools & equipment £'000	Total £'000
Cost						
At 1 January 2022	3,895	16,870	23,284	523	9,167	53,739
Additions	-	345	750	671	116	1,882
Net book amount transferred from Eviosys Promotional Packaging UK Ltd on 31/05/22	549	4,996	13,970	332	395	20,242
Disposals	-	-	118	-	173	291
At 31 December 2022	4,444	22,211	37,886	1,526	9,505	75,572
Accumulated depreciation						
At 1 January 2022	-	2,385	11,120	-	5,884	19,389
Charge for the year	-	1,436	4,097	0	484	6,017
Disposals	-	-	12	-	173	185
At 31 December 2022	-	3,821	15,205	-	6,195	25,221
At 31 December 2022	4,444	18,390	22,681	1,526	3,310	50,352
At 31 December 2021	3,895	14,485	12,164	523	3,283	34,350

Land with a cost of £3,895,000 has not been depreciated. The fixed assets in the course of construction are not depreciated.

Intangible assets with a Net Book Value of 1,492K£ represent software licences.

The depreciation in the Statement of Comprehensive income also includes the depreciation allocation of stock variation for 377K£ and the amortization of intangibles assets for 172K£.

10. Investments

The company is a wholly owned subsidiary company of a group headed by Eviosys Packaging Group UK Ltd and is included in the financial statements of that company, which are publicly available. Consequently the company has taken advantage not to draft consolidated financial statements.

The following companies are the subsidiaries of Eviosys Packaging UK Ltd as per 31 December 2022

<u>Legal Name</u>	<u>Country</u>	<u>Ownership</u>	<u>£'000</u>
Eviosys Aerosols UK Ltd	UK	100%	24,762
Eviosys Packaging Ireland Ltd	Ireland	100%	2,200
Eviosys Promotional Packaging UK Ltd	UK	100%	20,200
Total investments			47,162

The investments are stated at acquisition value.

The investment in Eviosys Promotional Packaging UK Ltd will be offset against Business Transfer agreement notes which has been emitted on 31/05/2022 in the course of 2023 before Eviosys Promotional Packaging UK Ltd is divested.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

11. Goodwill

On August 31, 2021, Eviosys Packaging UK Limited acquired 100% ownership of the UK and Irish tinplate food manufacturing business of Crown Holdings, Inc. for consideration of £119,494 thousands.

The acquisition was accounted for as a business combination. Eviosys has identified and measured the assets acquired and the liabilities assumed based on their net book values as of the close of the acquisition and included these values in the year-end balance sheet.

	2022	2021
	£'000	£'000
Eviosys Packaging UK Limited		
Goodwill gross value	53,937	53,937
Goodwill amortization over 10 years	(7,193)	(1,799)
Goodwill net value	46,744	52,138

Following its transfer of assets on 31/05/2022, the goodwill in Eviosys Packaging Commercial UK Limited has been transferred to Eviosys Packaging UK Limited.

	2022	2021
	£'000	£'000
Eviosys Packaging Commercial UK Limited		
Goodwill gross value	5,420	5,420
Goodwill amortization over 10 years	(723)	(181)
Goodwill net value	4,697	5,239
Total Goodwill net value	51,441	52,138

The goodwill is amortized over a 10 years period (4 months of activity in 2021 for both Eviosys Packaging UK Limited and Eviosys Packaging Commercial UK Limited and 5 months of activity in Eviosys Packaging Commercial UK Limited before the transfer of assets to Eviosys Packaging UK Limited).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2022 (continued)**

12. Inventories

	2022	2021
	£'000	£'000
Raw materials and consumables	7,350	3,643
Work-in-progress	2,024	370
Finished goods and goods for resale	13,995	10,051
	<u>23,370</u>	<u>14,064</u>

In the opinion of the directors, the current replacement cost of stocks is not materially different from the amounts stated above.

13. Debtors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade debtors	13,036	9,070
Amounts owed by group undertakings	52,758	6,515
Other debtors	4,042	1,594
	<u>69,836</u>	<u>17,179</u>

14. Debtors : amounts falling due after one year

	2022	2021
	£'000	£'000
Deferred tax asset	676	0
	<u>676</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

15. Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade creditors	42,563	20,686
Amounts owed to group undertakings	32,101	9,885
Other taxation and social security	6,461	3,883
Deferred tax liability	-	500
Accruals and deferred income	57,449	32,346
	<u>138,574</u>	<u>67,300</u>

16. Creditors : amounts falling due after one year

	2022	2021
	£'000	£'000
Amounts owed by the mother company Eviosys Group UK Limited and due in July 2029	74,111	73,600
- Transferred from Eviosys Promotional Packaging UK Limited		
1000 5% cumulative preference shares of £1 each	1	-
Accrual and deferred income - grant	794	-
Accrual and deferred income - other	191	0
	<u>75,097</u>	<u>73,600</u>

17. Called up share capital

	2022	2021
	£'000	£'000
Issued, called up and fully paid		
Reserves	47,128	47,128
10,001 ordinary shares of £1.00 each	10	10
	<u>47,138</u>	<u>47,138</u>

The share capital is now 10,001 ordinary shares of £1.00 each, having an aggregate nominal value of £10,001.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

18. Retirement benefits

The company has entered into a pension scheme with AON Master Trust as of 1 April 2019. The scheme is funded by both the company and the employees. All employees are free to enter the scheme. A contribution structure has been defined for funding the scheme. Employees are free to make additional contributions to the plan. Besides the monthly contributions the company has no further obligations to the plan. In the course of 2022 the company contributed GBP 735,566.

19. Financial commitments

At 31 December 2022 the company had total future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£'000	£'000
Payments due:		
Within 1 year	1,130	146
Between 2 and 5 years	3,677	275
Total	4,807	421

20. Guarantees

The company has no guarantees outstanding at year-end.

21. Ultimate parent undertaking and controlling party

As of 31 December 2022 the ultimate parent company and controlling party is TITAN Holdings II BV, which is incorporated in The Netherlands.

TITAN Holdings II BV does not draft consolidated financial statements for the entire group.

22. POST BALANCE SHEET EVENT

The war in Ukraine has put an additional strain on the supply chain, which had already been severely impacted by the COVID-19 crisis. This has led to a significant increase in the price of raw materials and energy. The Group is limiting the risks associated with this event by passing down price increases of raw materials to customers, and by securing raw material prices in advance through forward contracts.

On March 7, 2023 the parent company Eviosys issued a 400M€ non-fungible coterminous Term Loan B ("New Term Loan B") for general corporate purposes including to pay a dividend to its shareholders and related transaction fees and expenses. Eviosys Packaging UK Limited were one of the borrowers for this loan for the sum of 10M€.