

Company Registration No. 07232065 (England and Wales)

CORYTON ADVANCED FUELS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2021



CORYTON ADVANCED FUELS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | A D Willson C Charlton B Lampertz A Gimmini D Richardson |
| Secretary | A D Willson |
| Company number | 07232065 |
| Registered office | The Manorway Coryton Stanford Le Hope Essex SS17 9LN |
| Auditor | RSM UK Audit LLP Chartered Accountants Third Floor Priory Place New London Road Chelmsford CM2 0PP |

CORYTON ADVANCED FUELS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their strategic report for the year ended 30 June 2021.

Review of the business

The company's principal activity is the formulation, blending and supply of specialist fuels to the automotive, aviation, motorsport, marine and non-road mobile machinery industries, with an increasing focus on the development and application of sustainable fuels that deliver significant reductions in greenhouse gas emissions.

During the year the company was part of a group of companies ("the group"), with the ultimate parent company being Premier Topco Limited. See note 23 regarding changes to ownership post year end.

The market continues to be highly competitive for the bulk supply of specialist, first fill, and reference fuels. The group has continued to develop its own niche by focusing on customers and sectors where it can add significant value, over and above its competitors, as a result of the technical expertise of its personnel, the efficiency of its production facility and the quality of its service.

Results and performance

The results reported are for the year ended 30 June 2021 ('2021'). Comparatives, unless otherwise stated, are for the year ended 30 June 2020 ('2020').

Revenue for 2021 was £14,336,998 (2020: £16,401,659), a 12.58% year on year decrease, reflecting the adverse impact of the Covid-19 global pandemic on trading. Revenue for 2021 was generated from the sale of 8.58 million litres of fuel (2020: 8.60 million litres) and the provision of associated ancillary services (technical consultancy, analysis, distribution, storage etc.).

Gross margin percentage for 2021 (43.1%) was an improvement on 2020 (39.5%), due to the company's focus on improving its sales mix towards higher margin revenue streams, where there is far greater opportunity to add value through technical collaboration with customers.

EBITDA before exchange rate losses (resulting from the conversion of Euro cash balances throughout the year and stock, debtor, and cash balances denominated in euros as at the year-end) was £3,009,039 for 2021 (2020: £3,049,731) – an EBITDA margin of 21% (2020: 18.6%). Overhead spend in 2021 decreased marginally by 3.6% to £4.32 million (2020: £4.48 million).

The profit for 2021 of £1,898,340 (2020: £2,169,190) is stated net of tax, after allowable group reliefs for the year.

As at 30 June 2021 the company had cash reserves of £2,289,556 (2020: £4,627,808). The company seeks to manage its cash resources in order to maintain appropriate headroom on its working capital facilities.

Business development

During 2021 the group carried out a refresh and repositioning of its Coryton brand, with a focus on sustainability at the core of its values and mission. The branding and associated messaging was reflected in a new website launched in November 2021, which highlighted the group's technical expertise and innovation in the field of sustainable fuels, positioning it as a market leader within this rapidly developing sector.

Towards the end of 2020 the group leased tank capacity at Tank Opslag Verbeke in Belgium (TOV), providing external blend and storage capacity to support its diesel blend supply programs for Germany. During 2021 additional tanks were leased, increasing overall tank capacity to 3200cbm, thereby enabling the group to tender for, and win, additional large diesel supply contracts. Volume blended at TOV in 2021 was 2.39 million litres (2020: 0.05M), with the potential to increase to c.5.0 million litres on an annualised basis.

The global Covid-19 pandemic that started in 2020, continued to have an impact on customer activity throughout 2021, although, with the progressive lifting of restrictions throughout 2021, business steadily recovered over the period with current projections predicting a return to pre-Covid trading levels in 2022.

CORYTON ADVANCED FUELS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Business development (continued)

During 2021 the group continued to implement further enhancements to the supply chain system installed in 2019. This has created substantial improvements to process management and reporting, while boosting production efficiency and providing high quality, reliable management information.

Key performance indicators ('KPIs')

The senior management and board of directors monitor the progress of the company by reference to specific KPIs, which are produced and reviewed on a weekly and monthly basis.

Weekly

Health, safety and environmental (HSE) – all HSE related matters are reported as soon as possible after occurrence and full investigation reports produced within 48 hours. These are reviewed by the directors weekly and signed off as closed once remedial actions arising have been implemented. A committee of HSE representatives meets regularly to discuss HSE concerns and areas for improvement to ensure maintenance of safe working practices and protection for the environment.

Quality assurance (QA) – an on-going process of QA is operated with regards to adherence to processes, achievement of fuel specifications and customer service satisfaction. Feedback from customers, both adverse and favourable, is reviewed regularly by senior management as integral to a continuous improvement program for customer service.

Revenue assessment – based on the volume of fuel despatched in the previous week, an assessment of revenue is compiled by applying quoted pricing. This provides critical insight into how revenue is building each month, in advance of the full month end management accounts becoming available, while also providing essential categorisation of revenue and fuel volumes by customer and market sector.

Blend volumes – production is monitored closely through the volume of fuel blended on average per week, compared to pre-set targets derived from the company's budget process and on-going commercial forecasting. In 2021 a total of 7.47 million litres were produced (2020: 7.61 million) in the company's blending facility – an average of c.146,000 litres per week (2020: c.149,000) over a 51-week production year. Blend volumes produced are compared to the volumes of fuel despatched and invoiced each week and a reconciliation is undertaken, as not all fuel despatched requires blending and an increasing quantity of fuel despatched is held in transitory storage for up to several weeks, prior to onward delivery to the customer.

Volume in production plan – all new orders and anticipated call-offs on framework contracts are added into a production plan that categorises volumes between pre-production (i.e. formulation), production (i.e. blending) and analysis. Volumes are moved between categories on the plan throughout the production process. This enables management to efficiently schedule blend production, in order to optimise utilisation of its blending facility; and to assess average lead-times for blending – an essential performance factor for the customer sales process.

Sales pipeline – the company monitors the extent of fuel volume quoted versus fuel volume ordered; the quantum of orders received being assessed against the required run rate for achievement of budget and/or rolling forecasts.

Monthly

In addition to the weekly reporting and monitoring of KPIs, the company produces a comprehensive monthly report for submission to the principal shareholders and board of directors of its ultimate parent company, Premier Topco Limited. This includes detailed finance schedules and activity reports from senior management responsible for commercial, production, HSE and QA.

Within the monthly report, there is a focus on health, safety, environmental and quality performance, as well as sales volumes, revenue and gross margin – the latter being dependent on the mix of custom in any period between low and high margin yielding contracts.

The report also includes a historical analysis of the rolling twelve-month performance for the last twelve months ('LTM') in respect of sales volumes, revenue, EBITDA and gross margin per litre of fuel sold. This is specifically to look at the performance trend over a longer period, thereby smoothing the effect of individual months.

CORYTON ADVANCED FUELS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Principal risks and uncertainties

Management of key risk areas is addressed through a framework of policies, procedures and internal controls. All policies are subject to board approval and ongoing review by management. Compliance with regulation, health and safety, legal and ethical standards is a high priority for the group and the directors take on an important oversight role in this regard.

The company's blending facility was designated a lower tier COMAH (Control of Major Accident Hazards) site in 2015; and there is an on-going program of intervention visits from the relevant Competent Authorities, focused on compliance with the appropriate standards and guidelines for best practice in respect of safe operation of the blending facility – specifically with regards to the group's personnel, third parties and the environment. The group has appointed a designated HSE Manager and a Compliance Officer to deal with all aspects of compliance for COMAH as well as Occupational Health and Safety and the group's ISO accreditations.

The industry served by the company is constantly evolving, due to legislative changes and market demands with regards to the requirement for road vehicles. This is expected to affect the mix of custom received by the company split between requirement for specialist diesel, gasoline and sustainable fuels. The group is well placed to react to these changes as they occur, with appropriate technical expertise and by adapting the use of its blending facilities to manage any material switch in production demand.

The ongoing position with regards to the UK's decision to leave the European Union continues to present major uncertainties for UK businesses trading with Europe. The company believes the eventual impact on it is likely to be small, as its European based customers continue to have an on-going requirement for the fuels it produces that would be difficult to source from European based competitors.

Around 45-50% of the company's income streams are denominated in euros. After settlement of all euro denominated costs, the group manages its exposure to adverse movements in currency translation rates for its residual net euro cash flows through a hedging strategy based on the layering of forward contracts.

Future developments

The company continues to target growth of its customer base in the UK and Europe as well as seeking opportunities for expansion into other geographical areas, such as North America and Asia – specifically South Korea, through its subsidiary trading entity in that country.

The company has been dedicating resource to the development of new sustainable fuels – i.e. hydrocarbon fuels derived from sustainable or recycled sources, that it believes will have considerable interest with many of its customers and drive future revenue growth. The group is at the forefront of development of sustainable fuels and is collaborating with industry forums and customers as early adopters, to actively promote their use as integral to the solution for reducing the extent of greenhouse gas emissions from fossil fuels.

On behalf of the board



.....

A D Willson

Director

1st March 2022

Date:

CORYTON ADVANCED FUELS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The principal activity of the company continued to be the design and supply of bespoke fuels to the automotive and aviation industries.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A D Willson

C Charlton

B Lampertz

A Gimmini

(Appointed 4 May 2021)

D Richardson

(Appointed 4 May 2021)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Research and development

The company dedicates resources to the development of new specialist test and reference fuels. 2021: £519,489 (2020: £513,308).

Going concern

These financial statements have been prepared on a going concern basis, which assume that the company will be able to continue to trade and meet its debts as they fall due for the foreseeable future, as a minimum for a period of at least twelve months from the date of approval of these financial statements.

On 8 February 2022 the Company, together with its subsidiary companies and immediate parent holding company, Premier Bidco Limited, was acquired by Lantmännen Aspen AB, a wholly owned subsidiary of the Lantmännen group, a cooperative based in Sweden. An outcome of the acquisition was that the bank cross-guarantee arrangement, as disclosed in note 22 of these accounts, was fully discharged.

The Company has prepared cash flow forecasts that demonstrate its ability to effectively manage its cash flow and satisfy its financial obligations within a range of possible scenarios. The company has received a letter of support from Lantmännen ek för confirming that it will provide support as required for twelve months from the date that these accounts are signed. It is the expectation of the directors that the Company will be able to meet its liabilities as they fall due over a period of at least twelve months from the date of approval of these financial statements.

Post reporting date events

On 8 February 2022 the immediate parent company Premier Bidco Limited was acquired by Lantmännen Aspen AB, a company registered in Sweden.

Auditor

RSM UK Audit LLP, Chartered Accountants, have indicated their willingness to continue in office.

CORYTON ADVANCED FUELS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of Review of the business and Future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



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A D Willson

Director

1st March 2022

Date:

CORYTON ADVANCED FUELS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORYTON ADVANCED FUELS LIMITED

Opinion

We have audited the financial statements of Coryton Advanced Fuels Limited (the 'company') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit 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 report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORYTON ADVANCED FUELS LIMITED (CONTINUED)

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 or 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 6, 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORYTON ADVANCED FUELS LIMITED (CONTINUED)

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, the Companies Act 2006 and tax compliance regulations. 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 inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management directly responsible for these areas whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities including completing searches for any reportable incidents in the public domain.

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 manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions 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.

Kerry Norman

Kerry Norman (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
Priory Place
New London Road
Chelmsford
CM2 0PP

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CORYTON ADVANCED FUELS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | 2021 £ | 2020 £ |
|--------------------------------------|----------|-------------------------|-------------------------|
| Turnover | 3 | 14,336,998 | 16,401,659 |
| Cost of sales | | (8,151,378) | (9,920,556) |
| Gross profit | | <u>6,185,620</u> | <u>6,481,103</u> |
| Establishment costs | | (380,486) | (443,876) |
| Administrative expenses | | (3,938,019) | (4,035,869) |
| Other operating income | | 228,662 | 268,894 |
| Operating profit | 4 | <u>2,095,777</u> | <u>2,270,252</u> |
| Other gains and losses | 7 | 120,027 | (34,277) |
| Profit before taxation | | <u>2,215,804</u> | <u>2,235,975</u> |
| Tax on profit | 8 | (317,464) | (66,785) |
| Profit for the financial year | | <u><u>1,898,340</u></u> | <u><u>2,169,190</u></u> |

CORYTON ADVANCED FUELS LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

| | Notes | 2021 | | 2020 | |
|---|-------|-------------|-------------------|-------------|-------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 9 | | 236,746 | | 226,484 |
| Tangible assets | 10 | | 8,466,366 | | 8,835,100 |
| Investments | 11 | | 95,252 | | 95,252 |
| | | | <u>8,798,364</u> | | <u>9,156,836</u> |
| Current assets | | | | | |
| Stocks | 13 | 3,044,759 | | 3,592,888 | |
| Debtors | 14 | 8,770,880 | | 3,579,297 | |
| Cash at bank and in hand | | 2,289,556 | | 4,627,808 | |
| | | | <u>14,105,195</u> | | <u>11,799,993</u> |
| Creditors: amounts falling due within one year | 15 | (2,748,607) | | (2,920,756) | |
| Net current assets | | | <u>11,356,588</u> | | <u>8,879,237</u> |
| Total assets less current liabilities | | | <u>20,154,952</u> | | <u>18,036,073</u> |
| Provisions for liabilities | 16 | | (765,718) | | (545,179) |
| Net assets | | | <u>19,389,234</u> | | <u>17,490,894</u> |
| Capital and reserves | | | | | |
| Called up share capital | 20 | | 1,281,012 | | 1,281,012 |
| Revaluation reserve | 21 | | 946,294 | | 965,597 |
| Profit and loss reserves | 21 | | 17,161,928 | | 15,244,285 |
| Total equity | | | <u>19,389,234</u> | | <u>17,490,894</u> |

The financial statements were approved by the board of directors and authorised for issue on 1st March 2022 and are signed on its behalf by:



.....
A D Willson
Director

CORYTON ADVANCED FUELS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

| | Share capital | Revaluation reserve | Profit and loss reserves | Total |
|--|---------------|---------------------|--------------------------|------------|
| | £ | £ | £ | £ |
| Balance at 1 July 2019 | 1,281,012 | 1,008,027 | 13,032,665 | 15,321,704 |
| Year ended 30 June 2020: | | | | |
| Profit and total comprehensive income for the year | - | - | 2,169,190 | 2,169,190 |
| Transfers | - | (42,430) | 42,430 | - |
| Balance at 30 June 2020 | 1,281,012 | 965,597 | 15,244,285 | 17,490,894 |
| Year ended 30 June 2021: | | | | |
| Profit and total comprehensive income for the year | - | - | 1,898,340 | 1,898,340 |
| Transfers | - | (19,303) | 19,303 | - |
| Balance at 30 June 2021 | 1,281,012 | 946,294 | 17,161,928 | 19,389,234 |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Coryton Advanced Fuels Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Manorway, Coryton, Stanford Le Hope, Essex, SS17 9LN.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include properties held at deemed cost less depreciation and the measurement of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.

The financial statements of the company are consolidated in the financial statements of Premier Topco Limited. These consolidated financial statements are available from its registered office, The Manorway, Coryton, Stanford Le Hope, Essex, SS17 9LN.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts as consolidation occurs further up the group. The financial statements present information about the company as an individual entity and not about its group.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Going concern

These financial statements have been prepared on a going concern basis, which assume that the company will be able to continue to trade and meet its debts as they fall due for the foreseeable future, as a minimum for a period of at least twelve months from the date of approval of these financial statements.

On 8 February 2022 the Company, together with its subsidiary companies and immediate parent holding company, Premier Bidco Limited, was acquired by Lantmännen Aspen AB, a wholly owned subsidiary of the Lantmännen group, a cooperative based in Sweden. An outcome of the acquisition was that the bank cross-guarantee arrangement, as disclosed in note 22 of these accounts, was fully discharged.

The Company has prepared cash flow forecasts that demonstrate its ability to effectively manage its cash flow and satisfy its financial obligations within a range of possible scenarios. The company has received a letter of support from Lantmännen ek för confirming that it will provide support as required for twelve months from the date that these accounts are signed. It is the expectation of the directors that the Company will be able to meet its liabilities as they fall due over a period of at least twelve months from the date of approval of these financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. The sale of goods is recognised on the date of dispatch.

Management charges

Management charges are recognised at the fair value of the consideration received or receivable for sale of services to group companies.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

| | |
|-------------------|--|
| Development Costs | at a set rate per litre of fuel supplied |
| Website domains | straight line over 3 years |

Development costs are amortised once the development project has completed and moved into the commercial phase. Development costs include costs incurred on external testing of the development fuels, as well as the cost of the development fuels tested (determined at a set rate per litre of fuel) and the costs of carriage in shipping the fuels to the external test facilities.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets; other than land, at rates calculated to write off the cost of each asset to its estimated residual value over its expected useful life.

| | |
|-----------------------------|----------------------------|
| Freehold land and buildings | 2% on cost |
| Improvements to property | 2% on cost upon completion |
| Plant and machinery | 10% on cost |
| Computer equipment | 25% on cost |
| Motor vehicles | 20% on cost |
| Utilities | 10% on cost |

Freehold land is not depreciated.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The company took advantage of paragraph 35.10(c) of Chapter 35 of FRS 102 to restate some of its freehold land and buildings to fair value at the date of transition, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value is usually considered to be their market value. The revaluation gain upon transition was recognised directly in equity, except to the extent that an impairment loss exceeds the revaluation gains recognised in equity, such gains and loss are recognised in profit or loss. The company's freehold land and buildings were revalued in 2015 and the valuation at that date was taken as the deemed cost upon transition to FRS 102.

Excess depreciation arising from any revaluation is the subject of an annual transfer from the profit and loss reserve to the revaluation reserve, net of deferred taxation, over the remaining useful economic life of the asset to which it relates.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Shortfalls between carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses of revalued assets, are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversal of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 a 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.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings, 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 payments discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the deemed cost model, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Provisions

The company have recognised provisions in its financial statements, which requires management to make judgements in respect of:

- useful life of fixed assets
- stock carrying value
- recoverability of trade debtors

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

| | 2021 | 2020 |
|---|--------------------------|--------------------------|
| | £ | £ |
| Turnover analysed by class of business | | |
| Fuel supply | 13,925,002 | 16,026,583 |
| Other services | 411,996 | 375,076 |
| | <u>14,336,998</u> | <u>16,401,659</u> |
| | <u><u>14,336,998</u></u> | <u><u>16,401,659</u></u> |
| | 2021 | 2020 |
| | £ | £ |
| Turnover analysed by geographical market | | |
| United Kingdom | 6,637,643 | 8,389,025 |
| Other European Countries | 7,364,393 | 7,479,325 |
| Rest of World | 334,962 | 533,309 |
| | <u>14,336,998</u> | <u>16,401,659</u> |
| | <u><u>14,336,998</u></u> | <u><u>16,401,659</u></u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

4 Operating profit

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | £ | £ |
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss | 69,534 | (54,769) |
| Research and development costs | 519,489 | 513,308 |
| Fees payable to the company's auditor for the audit of the company's financial statements | 41,925 | 34,725 |
| Depreciation of owned tangible fixed assets | 789,225 | 779,745 |
| Amortisation of intangible assets | 54,503 | 54,503 |
| | <u> </u> | <u> </u> |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2021 | 2020 |
|-------------------------------|-------------------|-------------------|
| | Number | Number |
| Management and administration | 35 | 36 |
| Direct labour | 11 | 14 |
| | <u> </u> | <u> </u> |
| Total | 46 | 50 |
| | <u> </u> | <u> </u> |

Their aggregate remuneration comprised:

| | 2021 | 2020 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 2,016,854 | 1,907,851 |
| Social security costs | 184,586 | 191,370 |
| Pension costs | 92,148 | 90,591 |
| | <u> </u> | <u> </u> |
| | 2,293,588 | 2,189,812 |
| | <u> </u> | <u> </u> |

6 Directors' remuneration

| | 2021 | 2020 |
|---|-------------------|-------------------|
| | £ | £ |
| Remuneration for qualifying services | 121,606 | 35,250 |
| Company pension contributions to defined contribution schemes | 7,122 | - |
| Employment termination payments | - | 134,165 |
| Sums paid to third parties for directors' services | - | 332,997 |
| | <u> </u> | <u> </u> |
| | 128,728 | 502,412 |
| | <u> </u> | <u> </u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

| | | |
|--|-------------------|-------------------|
| 7 Other gains and losses | 2021 | 2020 |
| | £ | £ |
| Fair value gains/(losses) on financial instruments | | |
| Change in the value of financial liabilities held at fair value through profit or loss | 120,027 | (34,277) |
| | <u> </u> | <u> </u> |
| 8 Taxation | 2021 | 2020 |
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | 87,196 | 11,947 |
| Adjustments in respect of prior periods | 9,729 | (63,245) |
| | <u> </u> | <u> </u> |
| Total current tax | 96,925 | (51,298) |
| | <u> </u> | <u> </u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 11,616 | 53,127 |
| Changes in tax rates | 182,050 | 52,272 |
| Freehold land and buildings | (4,437) | (4,528) |
| Adjustment in respect of prior periods | 31,310 | 17,212 |
| | <u> </u> | <u> </u> |
| Total deferred tax | 220,539 | 118,083 |
| | <u> </u> | <u> </u> |
| Total tax charge | 317,464 | 66,785 |
| | <u> </u> | <u> </u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

8 Taxation (Continued)

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Profit before taxation | 2,215,804 | 2,235,975 |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%) | 421,003 | 424,835 |
| Tax effect of expenses that are not deductible in determining taxable profit | - | 1,234 |
| Tax effect of income not taxable in determining taxable profit | (32) | - |
| Group relief | (346,090) | (402,153) |
| Depreciation on assets not qualifying for tax allowances | 22,048 | 29,211 |
| Under/(over) provided in prior years | 9,727 | (63,245) |
| Deferred tax adjustments in respect of prior years | 31,310 | 17,212 |
| Change in deferred tax rate | 183,772 | 52,272 |
| R&D credit | 163 | 11,947 |
| Freehold land and buildings | (4,437) | (4,528) |
| Taxation charge for the year | 317,464 | 66,785 |

The company made a claim of £519,489 (2020: £513,308) for enhanced tax relief on its qualifying Research and Development expenditure.

9 Intangible fixed assets

| | Development Costs £ | Website domains £ | Total £ |
|------------------------------------|---------------------------|-------------------------|------------|
| Cost | | | |
| At 1 July 2020 | 272,515 | 8,472 | 280,987 |
| Additions | - | 64,765 | 64,765 |
| At 30 June 2021 | 272,515 | 73,237 | 345,752 |
| Amortisation and impairment | | | |
| At 1 July 2020 | 54,503 | - | 54,503 |
| Amortisation charged for the year | 54,503 | - | 54,503 |
| At 30 June 2021 | 109,006 | - | 109,006 |
| Carrying amount | | | |
| At 30 June 2021 | 163,509 | 73,237 | 236,746 |
| At 30 June 2020 | 218,012 | 8,472 | 226,484 |

CORYTON ADVANCED FUELS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

10 Tangible fixed assets

| | Freehold land and buildings | Improvements to property | Plant and machinery | Computer equipment | Motor vehicles | Utilities | Total |
|------------------------------------|--------------------------------|-----------------------------|------------------------|-----------------------|-------------------|-----------|------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Cost or valuation | | | | | | | |
| At 1 July 2020 | 3,000,000 | 3,492,906 | 4,246,915 | 772,485 | 134,612 | 383,487 | 12,030,405 |
| Additions | - | 72,986 | 170,793 | 73,994 | 102,718 | - | 420,491 |
| At 30 June 2021 | 3,000,000 | 3,565,892 | 4,417,708 | 846,479 | 237,330 | 383,487 | 12,450,896 |
| Depreciation and impairment | | | | | | | |
| At 1 July 2020 | 274,200 | 186,856 | 1,961,304 | 554,394 | 33,576 | 184,975 | 3,195,305 |
| Depreciation charged in the year | 45,700 | 71,318 | 441,312 | 145,111 | 47,465 | 38,319 | 789,225 |
| At 30 June 2021 | 319,900 | 258,174 | 2,402,616 | 699,505 | 81,041 | 223,294 | 3,984,530 |
| Carrying amount | | | | | | | |
| At 30 June 2021 | 2,680,100 | 3,307,718 | 2,015,092 | 146,974 | 156,289 | 160,193 | 8,466,366 |
| At 30 June 2020 | 2,725,800 | 3,306,050 | 2,285,611 | 218,091 | 101,036 | 198,512 | 8,835,100 |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

10 Tangible fixed assets (Continued)

The company has pledged fixed assets with a net book value of £8,466,366 (2020: £8,835,100) to secure the bank loan of its parent company Premier Bidco Limited by way of fixed and floating charges.

Freehold Property was valued on an open market basis on 5 January 2015 by Gerald Eve LLP.

Included in the valuation of land and buildings is freehold land of £715,000 (2020: £715,000) which is not depreciated.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

| | 2021 £ | 2020 £ |
|--------------------------|------------------|------------------|
| Cost | 1,769,260 | 1,769,260 |
| Accumulated depreciation | (245,667) | (224,235) |
| Carrying value | <u>1,523,593</u> | <u>1,545,025</u> |

Included in the historic cost of land and buildings is freehold land of £582,778 (2020: £582,778) which is not depreciated.

11 Fixed asset investments

| | Notes | 2021 £ | 2020 £ |
|-----------------------------|-------|---------------|---------------|
| Investments in subsidiaries | 12 | <u>95,252</u> | <u>95,252</u> |

Movements in fixed asset investments

| | Shares in group undertakings £ |
|-------------------------------|---|
| Cost or valuation | |
| At 1 July 2020 & 30 June 2021 | <u>95,252</u> |
| Carrying amount | |
| At 30 June 2021 | <u>95,252</u> |
| At 30 June 2020 | <u>95,252</u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

12 Subsidiaries

Details of the company's subsidiaries at 30 June 2021 are as follows:

| Name of undertaking | Registered office key | Nature of business | Class of shares held | % Held | |
|---|-----------------------|--------------------|----------------------|--------|----------|
| | | | | Direct | Indirect |
| Coryton Advanced Fuels Deutschland GmbH | 1 | Sales Agent | Ordinary | 100 | - |
| Coryton Advanced Fuels Korea LLC | 2 | Sales Agent | Ordinary | 100 | - |

Registered Office addresses:

- 1 Campus Sollbruggen, Sollbrüggenstrasse 52, D-47800 Krefeld, Germany
- 2 LG Palace Building, Suite 1226, Mapo-Ku, Yanghwa-Ro 156, Seoul, Korea 121-754

13 Stocks

| | 2021 £ | 2020 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 3,044,759 | 3,592,888 |

14 Debtors

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 2,759,023 | 1,435,657 |
| Corporation tax recoverable | - | 77,184 |
| Amounts owed by group undertakings | 5,084,987 | 1,759,526 |
| Derivative financial instruments | 120,027 | - |
| Other debtors | 481,464 | 61,733 |
| Prepayments and accrued income | 325,379 | 245,197 |
| | <u>8,770,880</u> | <u>3,579,297</u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

15 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 1,679,029 | 897,082 |
| Amounts owed to group undertakings | - | 848,180 |
| Corporation tax | 13,272 | - |
| Other taxation and social security | 329,375 | 227,874 |
| Derivative financial instruments | - | 34,277 |
| Other creditors | 126,577 | 37,064 |
| Accruals and deferred income | 600,354 | 876,279 |
| | <u>2,748,607</u> | <u>2,920,756</u> |

16 Provisions for liabilities

| | Notes | 2021 £ | 2020 £ |
|--------------------------|-------|----------------|----------------|
| Deferred tax liabilities | 17 | <u>765,718</u> | <u>545,179</u> |

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

| Balances: | 2021 £ | 2020 £ |
|-------------------------------------|----------------|----------------|
| Accelerated capital allowances | 495,020 | 335,001 |
| Freehold land and buildings | 277,291 | 215,179 |
| Other short term timing differences | (6,593) | (5,001) |
| | <u>765,718</u> | <u>545,179</u> |

Movements in the year:

| | 2021 £ |
|---|----------------|
| Liability at 1 July 2020 | 545,179 |
| Charge to profit or loss | 182,050 |
| Effect of change in tax rate - profit or loss | 38,489 |
| | <u>865,718</u> |
| Liability at 30 June 2021 | <u>765,718</u> |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

17 Deferred taxation (Continued)

£86,106 of the deferred tax liability set out above relating to accelerated capital allowances is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

All of the deferred tax asset above relating to short term timing differences is expected to reverse within 12 months and relates to staff pension costs that are expected to be paid within the same period.

The deferred tax liability relating to the revaluation of freehold land and buildings set out above is expected to reverse within 44 years, which is the properties remaining useful economic life. £4,437 is expected to reverse within 12 months.

18 Financial instruments

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | 120,027 | - |
| Carrying amount of financial liabilities | | |
| Measured at fair value through profit or loss | | |
| - Other financial liabilities | - | 34,277 |

The company's policy is to eliminate its currency exposure where possible by the use of facilities which have contractually fixed rates and time periods in which the currency must be purchased. At the reporting date, the company had a commitment to sell EUR and buy GBP, the fair value of which was an asset of £120,027 (2020: liability of £34,277).

The contracts are valued based on available market data. The company does not adopt hedge accounting for forward exchange contracts, consequently fair value gains and losses are recognised in profit or loss.

19 Retirement benefit schemes

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 92,148 | 90,591 |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £18,568 (2020: £16,993) were payable to the fund at the year end and are included in creditors.

20 Share capital

| | 2021 Number | 2020 Number | 2021 £ | 2020 £ |
|-------------------------------|----------------|----------------|-----------|-----------|
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 1,281,012 | 1,281,012 | 1,281,012 | 1,281,012 |

CORYTON ADVANCED FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

20 Share capital (Continued)

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

21 Reserves

Revaluation reserve

This represents the cumulative revaluation gains and losses in respect of freehold land and buildings, net of deferred tax.

Profit and loss reserves

This represents the cumulative profit and loss net of distributions to owners.

22 Financial commitments, guarantees and contingent liabilities

A cross guarantee exists between Premier Topco Limited, Premier Midco Limited, Premier Bidco Limited and Coryton Advanced Fuels Limited, in relation to the bank loan held by Premier Bidco Limited. The outstanding balance of the bank loan as at 30 June 2021 is £6,479,560, but the loan was repaid post year end.

23 Post balance sheet events

On 8 February 2022 the immediate parent company Premier Bidco Limited was acquired by Lantmännen Aspen AB, a company registered in Sweden.

24 Ultimate controlling party

At the reporting date Premier Bidco Limited was the immediate parent company and the ultimate parent undertaking was Premier Topco Limited, a company incorporated in the United Kingdom. The ultimate controlling party was Horizon Capital Fund 2013 A Limited Partnership. There was no sole controlling party.

Premier Topco Limited is the smallest and largest group for which consolidated accounts were prepared for the year ended 30 June 2021. These consolidated accounts are available from its registered office, The Manorway, Coryton, Stanford Le Hope, Essex, SS17 9LN.

See note 23 in respect of changes in ownership post year end.