WEIR WARMAN (U.K.) LIMITED
Report and Financial Statements

31 December 2021

Registered No: 01636530

Company Information

Registered No: 01636530

Directors

John Heasley
Graham Vanhegan

Company Secretary

Gillian Kyle

Registered office

Halifax Road
Todmorden
Lancashire
OL14 5RT

Country of incorporation

England and Wales

Strategic Report

The Directors present their Strategic Report on Weir Warman (U.K.) Limited ('the Company') for the year ended 31 December 2021.

Principal activities

The principal activity of the Company is to act as a holding company.

Business review

The Company made a profit after tax amounting to £nil (2020: £7,000)

The Company's key financial and other performance indicators during the year were as follows:

	2021	2020	
	£000	£000	Change
Profit (loss) before tax	-	1	(1)
Profit (loss) for the year	-	7	(7)
Shareholders' funds	4,436	4,436	-

During the year, finance income of £154 related to interest received on a loan to a group undertaking. The activities of the Company are not expected to change in the near future.

Directors' statement under section 172 of the Companies Act 2006

The Directors have acted in a way that they consider, in good faith, to be most likely to promote the long-term success of the Company for the benefit of the Shareholders as a whole while having regard for all stakeholders. Stakeholder engagement is managed in accordance with Group policies and procedures which are discussed on pages 26 and 27 of the 2021 Annual Report of The Weir Group PLC, which does not form part of this report.

Financial risk management objectives & policies

The Company's principal financial instruments are shown on the Balance Sheet. The principal financial risks to which the Company is exposed are listed below. These risks are managed in accordance with Board approved policies.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and inter-group trading accounts.

Interest rate risk

The Company's borrowings consist of inter-group loans and these are at variable rates of interest. Based on current levels of net debt, interest rate risk is not considered to be material.

On behalf of the Board of Directors

DocuSigned by:
John Heasley
D970ED34FF3348A...

John Heasley
Director
31 August 2022

Directors' Report

The Directors present their report and the financial statements of Weir Warman (U.K.) Limited (Registered Number 01636530) ('the Company') for the year ended 31 December 2021.

Dividends

No dividend was declared in the year (2020: £nil).

Principal activities and review of the business

The Strategic Report presents a summary of the Company's principal activities and a review of the business.

Financial instruments

The Company's principal financial instruments are shown on the Balance Sheet. The principal financial risks to which the Company is exposed are outlined in the Strategic Report.

Going concern

The Company is ultimately owned by The Weir Group PLC ('the Group') and it participates in the Group's centralised treasury arrangements and so shares banking facilities with its parent company and fellow subsidiaries. As a consequence, the Company depends, in part, on the ability of the Group to continue as a going concern. The Directors have considered the Company's funding relationship with The Weir Group PLC to date and have considered available relevant information relating to The Weir Group PLC's ability to continue as a going concern, including the impact of Covid-19 on the Group. The Company has a strong net current asset position with no liabilities and as such, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Events since the balance sheet date

Following the Russian invasion of Ukraine on 24 February 2022, in March 2022 The Weir Group PLC announced the suspension of its business and operations in Russia and has since commenced the wind down of those operations. The Company indirectly holds shares in subsidiaries operating in Russia and Ukraine. Given the ongoing situation, there exists uncertainty about the Group's ability to recover assets in Russia and Ukraine. However, given the small scale of these operations relative to the overall Group, we do not consider this event to have any bearing on the Company's ability to continue as a going concern or the Company's longer-term viability.

Future developments

Future developments affecting the business are discussed in the business review section of the Strategic Report.

Directors

The Directors of the Company during the year and up to the date of this report were:

John Heasley
Graham Vanhegan

Directors' liabilities

The Company's Articles of Association contain a provision that every Director or other Officer shall be indemnified against all losses and liabilities which they may incur in the course of acting as Directors (or officers as the case may be) permitted by the Companies Act 2006 (as amended). These indemnities are uncapped in amount. The Company's ultimate parent company maintained Directors' and officers' liability insurance throughout 2021 and up to the date of approval of the financial statements in respect of the Company's Directors and officers. The Directors' and officers' liability insurance is considered to be a qualifying third party indemnity as detailed in section 234 of the Companies Act 2006.

Statement of Directors' responsibilities

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

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 101 *Reduced Disclosure Framework*, and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements
- 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.

By order of the Board

DocuSigned by:

Gillian Kyle

E1E4C6C38C144C9...

Gillian Kyle

Company Secretary

31 August 2022

Income Statement
for the year ended 31 December 2021

	Notes	Year ended 31 December 2021 £000	Year ended 31 December 2020 £000
Operating profit (loss)		-	-
Finance income	4	-	1
Profit (loss) on ordinary activities before tax		-	1
Tax on profit (loss) on ordinary activities	5	-	6
Profit (loss) for the financial year		-	7

The Company's results for the current and the prior year were earned from continuing operations.

The result reported above includes all income and expenses for the year and therefore no statement of comprehensive income has been presented.

Balance Sheet

as at 31 December 2021

	Notes	2021 £000	2020 £000
ASSETS			
Non-current assets			
Investments	6	4,100	4,100
Total non-current assets		4,100	4,100
Current assets			
Trade & other receivables	7	336	336
Total current assets		336	336
Total assets		4,436	4,436
NET ASSETS		4,436	4,436
Capital & reserves			
Called up share capital	8	-	-
Retained earnings		4,436	4,436
TOTAL EQUITY		4,436	4,436

The notes numbered 1 to 11 are an integral part of these financial statements.

For the year ended 31 December 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 ('the Act') relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

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

The financial statements on pages 4 to 13 were authorised for issue by the Board of Directors on 31 August 2022 and signed on its behalf by

DocuSigned by:

John Heasley

D970ED34FF3348A...

John Heasley

Director

31 August 2022

Statement Of Changes In Equity
for the year ended 31 December 2021

	Called up share capital £000	Retained earnings £000	Total equity £000
At 31 December 2019	-	4,429	4,429
Profit (loss) for the financial year	-	7	7
As at 31 December 2020	-	4,436	4,436
Profit (loss) for the financial year	-	-	-
As at 31 December 2021	-	**4,436**	**4,436**

Notes to the financial statements
for the year ended 31 December 2020

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Weir Warman (U.K.) Limited for the year ended 31 December 2021 were authorised for issue by the Board of Directors on 31 August 2022 and the Balance Sheet was signed on the Board's behalf by John Heasley.

Weir Warman (U.K.) Limited is a private limited company limited by shares registered in England and Wales.

The financial statements were prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

The Company's financial statements are presented in Sterling and all values have been presented in thousands (£000) except where otherwise indicated.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of The Weir Group PLC. The results of the Company are included in the consolidated financial statements of The Weir Group PLC which are publicly available.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2021 ('2021'), the comparative information is provided for the year ended 31 December 2020 ('2020').

The financial statements have been prepared on the going concern basis and the historic cost convention, and in accordance with the Companies Act 2006. An assessment of the going concern basis is included within the Directors' Report.

Statutory instruments & exemptions

The Company has adopted SI 2015/980 for presentational purposes in order to align with the financial statements of its ultimate parent company.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101, and the Company intends to take these exemptions in future years:

- paragraphs 45(b) and 46-52 of IFRS 2 'Share-based Payment', because the share based payment arrangement concerns the instruments of the Weir Group PLC;
- IFRS 7 'Financial Instruments: Disclosures';
- paragraphs 91-99 of IFRS 13 'Fair Value Measurement';
- IAS 7 'Statement of Cash Flows';
- paragraph 38 of IAS 1 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1; paragraph 73(e) of IAS 16 'Property, Plant & Equipment'; and paragraph 118(e) of IAS 38 'Intangible Assets';
- paragraph 17 of IAS 24 'Related Party Disclosures';
- IAS 24 'Related Party Disclosures' disclosure of related party transactions with a fellow wholly owned subsidiary in IAS 24 'Related Party Disclosure';
- paragraph 10(d), 10(f) 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 111, 134-136 of IAS 1 'Presentation of financial statements';
- paragraph 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective); and
- Paragraphs 52 and 58 of IFRS 16 'Leases'.

There are no new standards or interpretations, in addition to the above, which are considered to have a material impact on the financial statements.

Judgements and key sources of estimation uncertainty

There are no areas in the preparation of these financial statements that require management to make significant judgements, estimates or assumptions.

Significant accounting policies

Investment income

Investment income is included as the amount of cash received or receivable plus withholding tax.

Investments

Investments are held at historical cost less a provision for impairment when required.

Impairment of non-current assets

All non-current assets are tested for impairment whenever events or circumstances indicate that their carrying values might be impaired.

An impairment loss is recognised to the extent that an asset's carrying value exceeds its recoverable amount, which represents the higher of the asset's fair value less costs to sell and its value in use. An asset's value in use represents the present value of the future cash flows expected to be derived from the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is conducted for the cash generating unit to which it belongs.

Impairment losses are recognised in the Income Statement. Impairment losses recognised in previous periods for an asset other than goodwill are reversed if there has been a change in the estimates used to determine the asset's recoverable amount. The carrying amount of an asset shall not be increased above the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. Impairment losses recognised in respect of goodwill are not reversed.

Financial assets

The Company's principal financial assets and liabilities, other than derivatives, comprise of trade receivables.

A financial asset is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Trade receivables

Trade receivables, which are generally of a short term nature, are recognised at original invoice amount where the consideration is unconditional. If they contain significant financing components, trade receivables are instead recognised at fair value. The Company holds trade receivables to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Taxation

Current tax is the amount of tax payable or recoverable in respect of the taxable profit or loss for the year.

Deferred tax is recognised on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base with the following exceptions:

- Deferred tax arising from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination, that, at the time of the transaction, affects neither accounting nor taxable profit or loss, is not recognised;
- Deferred tax is provided on temporary differences arising on investments in subsidiaries and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future; and
- A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities represent tax payable in future years in respect of taxable temporary differences. Deferred tax assets represent tax recoverable in future years in respect of deductible temporary differences, the carry forward of unutilised tax losses and the carry forward of unused tax credits. Deferred tax is measured on an undiscounted basis using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Current and deferred tax is recognised in the Income Statement except if it relates to an item recognised directly in equity, in which case it is recognised directly in equity.

Dividends

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

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

3. Staff costs & Directors' remuneration

No management charges were paid to The Weir Group PLC during the year (2020: £nil) in connection with the services of the Directors. No remuneration was paid to any Director during the year (2020: £nil) in respect of their services to the Company. There were no employees during the year (2020: none).

4. Finance income

	2021 £000	2020 £000
Interest receivable from group undertakings		1
		1

5. Taxation

Tax charged in the Income Statement

	2021 £000	2020 £000
The tax charge (credit) is made up as follows:		
Current income tax		
UK corporation tax		-
Adjustments in respect of previous years		6
Total current income tax		6
Total income tax charge in the Income Statement		6

Factors affecting the tax charge for the year

The standard rate of tax for the year based on the UK standard rate of corporation tax is 19.0% (2020: 19.0%). The actual tax charge for the current year is set out in the following reconciliation.

	2021 £000	2020 £000
Result from continuing operations before income tax		1
Tax calculated at UK standard rate of corporation tax of 19.0% (2020: 19.0%)		-
Effect of:		
Tax overprovided in previous periods		6
Tax expense (income) in the Income Statement		6

Factors that may affect future tax charges

Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. The Budget on 11 March 2020 announced that the standard rate of corporation tax would remain at 19% from 1 April 2020 and furthermore, an increase in the UK rate from 19% to 25% from April 2023 was substantively enacted as part of Finance Bill 2021 (on 25 May 2021).

6. Investments

Cost and net book value:	Total £000
At beginning and end of the year	4,100

The subsidiary undertakings of the Company are listed in the Appendix.

No dividends were received from subsidiaries during the year.

7. Trade & other receivables

	2021 £000	2020 £000
Amounts receivable from group undertakings	336	336
	336	336

All amounts are recoverable within one year.

Included within amounts receivable from group undertakings is a loan of £302,000 (2020: £302,000) which is unsecured and has no fixed maturity. In 2020 and until 31 March in 2021 the loan bore interest at 3 month LIBOR less a margin of 0.125%,, from 1 April 2021 the loan bears interest at SONIA interbank rate plus a margin of 0.05%.

Impairment of trade & other receivables

Amounts owed by subsidiaries and other group undertakings relate to an intercompany loan receivable and accrued interest receivable. Intercompany balances are typically managed on a Group basis, and the Company's credit risk management practices reflect this. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all such receivables.

The amounts owed by subsidiaries and other group undertakings do carry an interest charge, and it is the Company's expectation that materially all the amounts owed by subsidiaries are fully recoverable over time. Expected credit losses at 31 December 2021 are therefore immaterial, and there has been no material change to the expected loss allowance during the year.

Over the term of the loans, the Company accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. The majority of the Company's loans are repayable on demand by the Company. In calculating the expected credit loss allowance of repayable on demand loans, the Company considers the financial position and internal forecasts of each subsidiary and their ability to repay on request, or over time. For those loans repayable on maturity, expected credit losses are calculated using market-implied probabilities of default and loss-given-default estimations.

The Company considers the probability of default upon initial recognition of an asset and subsequently whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The primary indicators considered are actual or expected significant adverse changes in business and financial conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.

Independent of the primary indicators above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is considered to occur when the counterparty fails to make contractual payments within 90 days of when they fall due. A write off is considered to be required when there is no reasonable expectation of recovery, or when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the Income Statement.

8. Share capital

Allotted, called up and fully paid	**2021** £	**2020** £
1 (2020: 1) ordinary share of £1.00 each	1	1

9. Related party disclosures

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

10. Ultimate group undertaking

The immediate parent undertaking is The Weir Group PLC.

The ultimate parent undertaking and controlling party is The Weir Group PLC. The Company is only consolidated into these group financial statements which are available to the public and may be obtained from The Weir Group PLC, 1 West Regent Street, Glasgow, G2 1RW.

11. Events after the balance sheet date

Following the Russian invasion of Ukraine on 24 February 2022, in March 2022 The Weir Group PLC announced the suspension of its business and operations in Russia and has since commenced the wind down of those operations. The Company indirectly holds shares in subsidiaries operating in Russia and Ukraine. Given the ongoing situation, there exists uncertainty about the Group's ability to recover assets in Russia and Ukraine. However, given the small scale of these operations relative to the overall Group, we do not consider this event to have any bearing on the Company's ability to continue as a going concern or the Company's longer-term viability.

Appendix

Subsidiary undertakings

The subsidiary undertakings of the Company as at 31 December 2021 are noted below.

Legal name	Country of incorporation	Registered address	Class of shares	Percentage of shares held	Ownership
Weir Minerals Armenia LLC	Armenia	22, Hanrapetutyan Str, 5th Floor, Yerevan Centre, 0010, Armenia	Ordinary	100%	Indirect
Weir Minerals Balkan d.o.o. Beograd	Serbia	Dimitrija Tucovica 28b, Zvezdara, Belgrade, Serbia	Ordinary	100%	Indirect
Weir Minerals Czech & Slovak, s.r.o.	Czech Republic	Hlinky 118, 603 00 Brno, Czech Rep., Brno, Czech Republic	Ordinary	100%	Indirect
Weir Minerals Egypt LLC	Egypt	11, Hanin Ibn Isaac St, 7th District, Nasr City, Cario	Ordinary	74%	Indirect
Weir Minerals Europe Limited	England and Wales	Halifax Road, Todmorden, Lancashire, OL14 5RT	Ordinary	100%	Direct
Weir Minerals Finland Oy	Finland	Askonkatu 13 D, Lahti, FIN-15100, Finland	Ordinary	100%	Indirect
Weir Minerals Germany GmbH	Germany	Lise-Meitner-Straße 12, Heilbronn, 74074, Germany	Capital	100%	Indirect
Weir Minerals Hungary Kft	Hungary	Teleki László utca 11 1/.3, Tatabánya, 2800-HU, Hungary	Issued Capital	100%	Indirect
Weir Minerals Italy S.r.l.	Italy	Via F.lli Cervi 1/D, Cernusco sul Naviglio, Milan, 20063, Italy	Ordinary	100%	Indirect
Weir Minerals Kazakhstan LLP	Kazakhstan	4th Floor,192/2 Dostyk Avenue, Almaty, 050051, Kazakhstan	Charter capital	100%	Indirect
Weir Minerals Poland Sp. z.o.o.	Poland	ul. Ignacego Domeyki 2, Krakow, 30-066, Poland	Company Capital	100%	Indirect
Weir Minerals RFW LLC (OOO)	Russian Federation	Bolshaya Polyanka, Building 2, house 2, Moscow, 119180, Russian Federation	Corporate Relationship %	100%	Indirect
Weir Minerals Ukraine LLC	Ukraine	2 Glinka str., letter Б-18, б-1, Dnipropetrovsk Reg, Dnipropetrovsk, 49000, Ukraine	Share Capital	100%	Indirect
Weir Turkey Mineralleri Limited Sirketi	Turkey	1, 13, Tepeören Mah. Dervişpaşa Cad.Weir, Merkez-Merkez, Tuzla, Istanbul, 3080535234, Turkey	Bearer	0.04159%	Indirect