

Matcon Group Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

Registration number 2939693

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MATCON GROUP LIMITED

Annual Report and Financial Statements for the year ended 31 December 2021

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MATCON GROUP LIMITED

Annual Report and Financial Statements for the year ended 31 December 2021

OFFICERS AND PROFESSIONAL ADVISERS

Director

S Ball

Secretaries

L Anderson

Registered Office

Unit 410 Bramley Drive
Vale Park
Evesham
Worcestershire
WR11 1JH

Bankers

JP Morgan Bank N.A
25 Bank Street
Canary Wharf
London
E14 5JP

Solicitors

Baker & McKenzie LLP
100 New Bridge Street
London
EC4V 6JA

Auditor

Deloitte LLP
Statutory Auditor
Leeds, United Kingdom

MATCON GROUP LIMITED

STRATEGIC REPORT

For the year ended 31 December 2021

The director presents their strategic report and director's report on the affairs of the company, together with the audited financial statements for the year ended 31 December 2021.

Principal activities and review of the business

The company is the holding company of the Matcon group of companies. The company does not trade and accordingly it has no direct KPIs. The main risk it faces is the potential diminution in the carrying value of its investments.

The principal activity of the company is that of a holding company and those of the group continued to be that of the design, engineering, manufacture and supply of powder handling systems incorporating our own unique range of Intermediate-Bulk Container (BC) technology. These systems are delivered to a wide range of industries with major applications in food, pharmaceuticals, plastics, chemicals, metal powders and a host of other industries, around the globe.

There have not been any significant changes in the group's principal activities in the year under review. The Director is not aware, at the date of this annual report, of any likely major changes in the group's activities in the next year.

Key performance indicators

A detailed review of the performance of the principal trading subsidiary, Matcon Limited, is provided in that company's financial statements, which reflects the underlying trading of the group. In line with the exemption allowed under section 401 of the Companies Act 2006, the group does not prepare consolidated financial statements as it is included in the consolidated financial statements of its ultimate parent company.

The company did not trade in the year. The balance sheet on page 9 of the financial statements shows that the Company has net assets of £2,501,986 (2020: £2,501,986).

Principal risks and uncertainties

As a holding company the company has few direct risks. The principal risk is the potential diminution in the carrying value of its investments. Accordingly, the principal risks of its subsidiaries, which indirectly impact upon the carrying value of the company's investments, are presented:

Order levels: As a supplier of powder handling systems within larger capital projects, the group can be affected by levels of confidence and capital spend trends within its key target markets. To mitigate this risk the director has continued a policy of broadening our market offering in terms of product range, industry, customer and geographical spread. The director considers that the worldwide marketplace for our products and solutions is more than sufficient for the safe and continued development of the group.

Foreign exchange risk: The group operations in the global marketplace and is exposed to foreign exchange risks through both sales and purchases made in foreign currencies principally the Euro and US Dollar. There is a degree of natural hedging provided where we make both purchases and sales in the same currencies. The group operate as part of a global group who have a central treasury function who monitor exchange risk exposure across the group.

Credit risk: The group's customer base largely comprises established, reputable companies, many of whom are regarded as "blue chip". Thorough credit checks are carried out before accepting orders from new companies. Payment terms always involve stage payments which are taken as the job progresses. The group sometimes has high concentrations of debtors from a small number of customers but given the customer profile this is not considered to be a significant risk.

Cash flow and interest rate risk: The group has agreed facility levels with its bank that are considered adequate for current trading levels. The bank balance fluctuates depending on the timing of receipts from major projects. There is some exposure to a risk of increasing interest rates but the director does not consider this to be significant to the overall results and have not entered into any formal hedging strategies.

MATCON GROUP LIMITED

STRATEGIC REPORT **For the year ended 31 December 2021**

Principal risks and uncertainties (continued)

Going concern

The company is not expected to trade in the foreseeable future. The company's remaining assets are all intercompany receivables, which will be recorded at book value in due course, and investments in subsidiaries. There are no recoverability issues regarding the intercompany debtors nor impairment issues regarding the investments. The company has no liabilities and no cash requirement. After making enquiries, the Board of Directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future even after considering the uncertainties that exist in the current economic environment. Additionally sales orders levels at the company's subsidiary is expected to remain strong going forward. Thus the Director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Approved by the Board of Directors on 29 September 2022 and signed on its behalf by



S Ball
Director

MATCON GROUP LIMITED

DIRECTOR'S REPORT **For the year ended 31 December 2021**

The Director presents their annual report and the audited financial statements for the year ended 31 December 2021.

The company's principal activity, a review of the business, the company's principal risk and uncertainties and consideration of going concern are presented in the Strategic report.

Principal activities

The principal activity of the company is that of an investment holding company.

Results and dividends

The company has not traded in the year. The company received a dividend from Matcon Limited of £12,000,000 (2020: £nil) and the profit and loss account therefore shows a result of £12,000,000 (2020: £nil). The director paid a dividend of £12,000,000 in the year (2020: £nil).

Directors

The directors, who served throughout the year and to the date of this report except as noted, were as follows:

S Ball

B Prybylski (resigned 26 February 2021)

Auditor

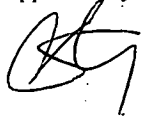
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

In accordance with section 385 of the Companies Act 2006, appropriate arrangements have been put in place for Deloitte LLP to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors on 29 September 2022 and signed on behalf of the Board.



S Ball
Director

MATCON GROUP LIMITED

DIRECTOR'S RESPONSIBILITY STATEMENT **For the year ended 31 December 2021**

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". Under company law the director 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 director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions with reasonable accuracy at any time the financial position of the company and to 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 Matcon Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Matcon Group Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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 director's 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 director 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 director is 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.

Independent auditor's report to the members of Matcon Group Limited (continued)

Other information (continued)

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.

Responsibilities of directors

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends 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.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included GDPR and Health & Safety at Work Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Independent auditor's report to the members of Matcon Group Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the director's report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.



Matthew Hughes BSc (Hons), ACA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
30 September 2022

MATCON GROUP LIMITED

PROFIT AND LOSS ACCOUNT

As at 31 December 2021

	Note	2021 £	2020 £
Operating result		<u>-</u>	<u>-</u>
Dividend received from subsidiary undertaking		12,000,000	-
Profit/result		<u>12,000,000</u>	<u>-</u>
Tax on profit/result		<u>-</u>	<u>-</u>
Retained profit/result for the financial year		<u>12,000,000</u>	<u>-</u>

The company's results in the current and prior year were derived from continuing operations.

There are no sources of comprehensive income other than the profit/result as shown in the profit and loss account. Accordingly, no separate statement of comprehensive income has been prepared.

The notes on pages 12 to 16 form an integral part of these financial statements.

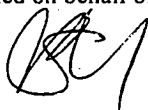
MATCON GROUP LIMITED

BALANCE SHEET As at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Investments	5	2,283,627	2,283,627
Loans to group undertakings	6	218,359	218,359
Net assets		<u>2,501,986</u>	<u>2,501,986</u>
Capital and reserves			
Called-up share capital	7	1,000,000	1,000,000
Capital redemption reserve		1,000,000	1,000,000
Profit and loss account		501,986	501,986
Total equity shareholder's funds		<u>2,501,986</u>	<u>2,501,986</u>

The financial statements of Matcon Group Limited, registered number 2939693 were approved by the Board of Directors and authorised for issue on 29 September 2022.

Signed on behalf of the Board of Directors



S Ball
Director

MATCON GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY **For the year ended 31 December 2021**

	Called- up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2020	1,000,000	1,000,000	501,986	2,501,986
Result for the financial year and total comprehensive result	-	-	-	-
At 31 December 2020	<u>1,000,000</u>	<u>1,000,000</u>	<u>501,986</u>	<u>2,501,986</u>
Profit for the financial year and total comprehensive income	-	-	12,000,000	12,000,000
Dividend paid (note 7)			(12,000,000)	(12,000,000)
At 31 December 2021	<u>1,000,000</u>	<u>1,000,000</u>	<u>501,986</u>	<u>2,501,986</u>

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Matcon Group Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the Company Information page. The nature of the company's operations and its principal activities are set out in the Strategic report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Matcon Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Matcon Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Matcon Group Limited is consolidated in the financial statements of its parent, IDEX Corporation, which may be obtained at 1925 West Field Court, Suite 200, Lake Forest, Illinois 60045, USA. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Statement of comprehensive income

No statement of comprehensive income is presented with these financial statements because the company has not received income, incurred expenditure or recognised any other comprehensive income during either the year under review of the preceding financial year. There have been no movements in shareholder's funds during the year under review or the preceding year.

Going concern

After making enquiries, the Board of Directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future even after considering the uncertainties that exist in the current economic environment. The Director has considered the availability of financing, the fact the wider group is profitable, generates positive cashflows and the forecast trading of the business. Additionally, sales orders levels at the company's subsidiaries are expected to remain strong going forward. Thus, the Director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Exemption from preparing consolidated financial statements

The company has taken advantage of the exemption allowed under Section 401 of The Companies Act 2006 from preparing consolidated financial statements as it is included in consolidated financial statements for a larger group. See note 9 for more details.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

1. Accounting policies (continued)

Financial instruments (continued)

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

ii) Investments

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

iii) Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

1. Accounting policies (continued)

Impairment of assets (continued)

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the director is required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The director does not consider there to be any critical accounting judgements or key sources of estimation uncertainty in applying the company's accounting policies.

2. Auditor's remuneration

Auditor's remuneration of £2,000 (2020: £2,000) was settled by a fellow subsidiary undertaking in both the current and prior year.

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

3. Information regarding directors and employees

The company has no employees (2020: nil). Accordingly, it has no staff costs (2020: £nil). The directors received no remuneration from the company during the current and prior year. The directors are remunerated by fellow Group companies and it is not practicable to apportion their costs between companies (2020: same).

4. Tax on profit/result

	2021 £	2020 £
Current and deferred tax	-	-
Tax on profit / result	-	-

Factors affecting tax charge for the year

The tax assessed for the year differs than the standard rate of 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
Profit/result before taxation	12,000,000	-
Profit/result at average rate of corporation tax in the UK of 19% (2020: 19%).	2,280,000	-
Effects of:		
Non-taxable income	(2,280,000)	-
Total tax result for the year	-	-

Factors that may affect future tax charges

The Provisional Collection of Taxes Act, enacted on 17 March 2020, set the corporation tax rate at 19% from 1 April 2020, the rate which has been used in preparing these financial statements.

The Finance Bill 2021 introduced an increase to the main rate of corporation tax to 25% from April 2023. This rate was substantively enacted on 24 May 2021. As a result, deferred tax balances expected to reverse after April 2023 and calculated at the previous 19% rate have been re-measured using the increased 25% rate.

However, in the September 2022 Mini Budget it was announced that the increase to 25% would now not occur and the Corporation Tax Rate would instead be held at 19%. This rate had not been substantively enacted at the balance sheet date, and as the result the deferred tax balances as at 31 December 2021 continue to be measured at the 25% rate noted above.

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

5. Investments

Investments in subsidiary undertakings

	Total £
Cost and net book value	
At 1 January 2021 and at 31 December 2021	<u>2,283,627</u>

Shares in group undertakings and participating interests are stated at cost. There is £nil (2020: £nil) provision for impairment.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of Subsidiary Undertaking	Holding	Rights and shares held proportion of voting	Principal activity
Matcon Limited Registered office: As Matcon Group Limited	Ordinary	100%	Design, engineering and supply of power handling systems
Matcon (R&D) Limited Registered office: As Matcon Group Limited	Ordinary	100%	Management of patents and royalties, research and development

All holdings are direct shareholdings.

6. Loans to group undertakings

	2021 £	2020 £
Amounts owed by group undertakings	<u>218,359</u>	<u>218,359</u>

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

Amounts owed by group undertakings are repayable on demand, unsecured and do not attract interest (2020: same).

Matcon Group Limited

Notes to the Financial statements For the year ended 31 December 2021

7. **Called-up share capital and reserves**
Authorised, allotted, called up and fully paid shares:

	2021 No.	2021 £	2020 No.	2020 £
Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000

The capital redemption reserve is a result of a reduction in share capital in 2012 and the reserve is non-distributable.

The profit and loss reserve represent's cumulative profits or losses, net of dividends paid and other adjustments.

A dividend of £12,000,000 (£12 per share) was paid in the year (2020: £nil).

8. **Related party transactions**

In accordance with paragraph 1.12 of FRS 102 "Related Party Disclosures" transactions with other group undertakings within, and investee related parties of, the IDEX Corporation group have not been disclosed in these financial statements. There have been no transactions with directors in the current or previous financial year.

9. **Ultimate parent company**

The company's immediate parent undertaking is IDEX UK Investment Limited, a company registered in England and Wales.

IDEX Corporation is the ultimate controlling party and is the smallest and largest group that prepares consolidated group financial statements which include the results of Matcon Group Limited, copies of which may be obtained from 1925 West Field Court, Suite 200, Lake Forest, Illinois 60045, USA.