

INOVYN Sales International Limited
Annual report and financial statements
for the year ended 31 December 2017

Registered number 3934724



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for the year ended 31 December 2017
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INOVYN Sales International Limited

Strategic report for the year ended 31 December 2017

The Directors present their strategic report of INOVYN Sales International Limited (the “Company”) for the year ended 31 December 2017.

Review of the business

The Company does not trade.

Principal risks and uncertainties

The Company's operations expose it to a variety of financial risks including the effects of currency fluctuation risk. As most of the Company's operations involve related parties, none of these risks are considered significant.

Key performance indicators (“KPIs”)

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Strategic future developments

The Directors do not expect any significant change in the Company's operations, anticipating that the Company will continue to operate as now, into the future.

On behalf of the Board



M J Maher
Director
27 July 2018

INOVYN Sales International Limited

Directors' report for the year ended 31 December 2017

The Directors present their report and the audited financial statements of INOVYN Sales International Limited ("the Company") for the year ended 31 December 2017.

Results for the year and dividends

Loss before taxation was £74,000 (2016: profit before taxation of £145,000). The Directors do not recommend the payment of a dividend (2016: £nil).

Future outlook

The Directors do not expect any significant change in the Company's operations, anticipating that the Company will continue to operate as now, into the future.

Financial risks

The Company's operations expose it to a variety of financial risks that include the effects of currency fluctuation risk and interest rate risk. Given the size of the Company's operations, the cost of managing exposure to such risks exceed any potential benefits. The Company is funded internally by the INOVYN Limited group and therefore has no direct exposure to liquidity or debt market risk. Interest rate exposures are managed on a group basis and are fully disclosed in the consolidated financial statements of INOVYN Limited.

Donations

The Company made no political contributions (2016: £nil).

Directors

The Directors, who held office during the year, and up to the date of signing the financial statements, were as follows:

C E Tane
M J Maher
J D Taylorson
A Moorcroft

Directors' indemnities

As permitted by the Articles of Association, the Company, via a policy maintained by its parent undertaking has maintained cover for its directors and officers under a directors' and officers' liability insurance policy as permitted by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 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 period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

INOVYN Sales International Limited

Directors' report for the year ended 31 December 2017 (continued)

Statement of Directors' responsibilities in respect of the financial statements (continued)

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.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

The Directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office. As a consequence of the Company having passed a written shareholder resolution, there is no requirement to reappoint PricewaterhouseCoopers LLP as auditors of the Company on an annual basis.

Registered address

INOVYN Sales International Limited
Runcorn Site HQ
South Parade
PO Box 9
Runcorn
Cheshire
WA7 4JE
United Kingdom

On behalf of the Board



M J Maher
Director
27 July 2018

INOVYN Sales International Limited

Independent Auditors' report to the members of INOVYN Sales International Limited

Report on the audit of the financial statements

Opinion

In our opinion, INOVYN Sales International Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the income statement; the statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

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

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

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

INOVYN Sales International Limited

Independent auditors' report to the members of INOVYN Sales International Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Use of this report

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

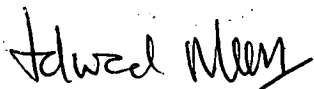
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Edward Moss (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
27 July 2018

INOVYN Sales International Limited

Income statement for the year ended 31 December 2017

| | Note | 2017 £000 | 2016 £000 |
|--|------|--------------|--------------|
| Interest (payable)/receivable and similar (expense)/income | 4 | (74) | 145 |
| (Loss)/Profit before taxation | | (74) | 145 |
| Tax on (loss)/profit | 5 | 14 | (29) |
| (Loss)/Profit for the financial year | | (60) | 116 |

All activities of the Company relate to continuing operations.

The Company has no recognised other comprehensive income and therefore no separate statement of comprehensive income has been presented.

INOVYN Sales International Limited

Balance sheet as at 31 December 2017

| | Note | 2017 £000 | 2016 £000 |
|--|------|--------------|--------------|
| Current assets | | | |
| Debtors – amounts falling due within one year | 6 | 720 | 794 |
| | | 720 | 794 |
| Creditors – amounts falling due within one year | 7 | (71) | (85) |
| Net current assets | | 649 | 709 |
| Total assets less current liabilities | | 649 | 709 |
| Net assets | | 649 | 709 |
| Capital and reserves | | | |
| Called up share capital | 8 | - | - |
| Retained earnings | | 649 | 709 |
| Total shareholders' funds | | 649 | 709 |

The notes on pages 11 to 13 form part of the financial statements. The financial statements on pages 6 to 13 were approved by the Board of Directors on 27 July 2018 and are signed on its behalf by



M J Maher
Director

INOVYN Sales International Limited
Registered Number 3934724

INOVYN Sales International Limited

Statement of Changes in Equity for the year ended 31 December 2017

| | Called up share capital £000 | Retained earnings £000 | Total shareholders' funds £000 |
|---|---|---------------------------------------|---|
| Balance at 1 January 2016 | - | 593 | 593 |
| Total comprehensive income for the year | | | |
| Profit for the financial year | - | 116 | 116 |
| Balance at 31 December 2016 | - | 709 | 709 |
| Total comprehensive expense for the year | | | |
| Loss for the financial year | - | (60) | (60) |
| Balance at 31 December 2017 | - | 649 | 649 |

INOVYN Sales International Limited

Accounting policies

INOVYN Sales International Limited (the “Company”) is a private limited company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”), on a going concern basis and under the historical cost accounting rules.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s parent undertaking, INOVYN Limited includes the Company in its consolidated financial statements. The consolidated financial statements of INOVYN Limited are prepared in accordance with International Financial Reporting Standards available to the public and may be obtained from Runcorn Site HQ, South Parade, P.O.Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned group companies;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

No judgements made by the Directors, in the application of these accounting policies, have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

Measurement convention

The financial statements are prepared on the historical cost basis.

Foreign currency

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the income statement.

INOVYN Sales International Limited

Accounting policies (continued)

Non-derivative financial instruments

Non-derivative financial instruments comprise other debtors and other creditors.

Other debtors

Other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Other creditors

Other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Impairment excluding stocks and deferred tax assets

Financial assets (including other debtors)

A financial asset not carried at fair value through the income statement is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

Taxation

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

INOVYN Sales International Limited

Notes to the financial statements

1 Operating result

Auditors' remuneration of £439 (2016: £431) was borne by a fellow group undertaking.

2 Directors' emoluments

None of the Directors received any emoluments in respect of services to the Company during the year (2016: £nil).

3 Employee information

The Company had no employees, other than the Directors, during the year or the previous year.

4 Interest (payable)/receivable and similar (expense)/income

| | 2017 £000 | 2016 £000 |
|---|--------------|--------------|
| Interest receivable from group undertakings and similar income | 3 | 6 |
| Exchange (losses)/gains and similar (charges)/credits | (77) | 139 |
| Interest (payable)/receivable and similar (expense)/income | (74) | 145 |

5 Tax on (loss)/profit

| Recognised in the income statement | 2017 £000 | 2016 £000 |
|--|--------------|--------------|
| UK Corporation Tax | | |
| Current tax on (loss)/profit for the year | (14) | 29 |
| Adjustments in respect of previous periods | - | - |
| Tax on (loss)/profit | (14) | 29 |

INOVYN Sales International Limited

Notes to the financial statements (continued)

5 Tax on (loss)/profit (continued)

Reconciliation of effective tax rate

| | 2017 £000 | 2016 £000 |
|--|--------------|--------------|
| (Loss)/Profit before taxation | (74) | 145 |
| (Loss)/Profit before taxation multiplied by the standard rate of tax in the UK of 19.25% (2016: 20.0%) | (14) | 29 |
| Effect of: | | |
| Adjustments in respect of previous periods | - | - |
| Total tax (credit)/charge | (14) | 29 |

Factors affecting future tax charges

The tax rate for the current year is lower than the prior year, due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017.

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate, to reduce the rate to 17% from 1 April 2020.

6 Debtors – amounts falling due within one year

| | 2017 £000 | 2016 £000 |
|-----------------------------------|--------------|--------------|
| Amount owed by group undertakings | 720 | 794 |

Amounts owed by group undertakings are unsecured, charged at a market interest rate, have no fixed date of repayment and are repayable on demand.

7 Creditors – amounts falling due within one year

| | 2017 £000 | 2016 £000 |
|--------------------------------|--------------|--------------|
| Corporation tax – group relief | 71 | 85 |

No creditors relate to convertible debt.

NOVYN Sales International Limited

Notes to the financial statements (continued)

8 Called up share capital

| | Allotted and fully paid | |
|----------------------------|-------------------------|-----------|
| | 2017 £ | 2016 £ |
| Ordinary shares of £1 each | 100 | 100 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

9 Ultimate parent company and ultimate controlling party

The immediate parent undertaking is NOVYN ChlorVinyls Limited, a company registered in England and Wales.

Until 7 July 2016 the Company's controlling parties were INEOS Group Investments Limited and Solvay Chlorovinyls Holding S.a.r.l by virtue of each party's 50% shareholding in NOVYN Limited.

On 7 July 2016, NOVYN Limited redeemed its class B ordinary shares held by Solvay Chlorovinyls Holding S.a.r.l and following the redemption INEOS Group Investments Limited became the 100% shareholder of NOVYN Limited. From this date the ultimate parent company was INEOS AG, a company registered in Switzerland, and the ultimate controlling party was Mr J A Ratcliffe by virtue of his shareholding in INEOS AG.

On 1 December 2016 the ultimate parent undertaking of the Company became INEOS Limited, a company incorporated in the Isle of Man. The Directors continue to regard Mr J A Ratcliffe as the ultimate controlling party by virtue of his majority shareholding in INEOS Limited.

The smallest and largest group that consolidates the Company's financial statements is NOVYN Limited. The consolidated financial statements of NOVYN Limited are available to the public and may be obtained from the Company Secretary at Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

10 Accounting estimates and judgements

Taxation

All the Company's operations are in the UK. Management is required to estimate the tax payable and this involves estimating the actual current tax charge or credit together with assessing temporary difference resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which may be included on the balance sheet of the Company. Management have performed an assessment as to the extent to which future taxable profits will allow the deferred tax asset to be recovered. The calculation of the Company's total tax charge necessarily involves a significant degree of estimation in respect of certain items whose tax treatment cannot be fully determined until resolution has been reached with the relevant tax authority, or, as appropriate, through a formal legal process. Details of amounts recognised with regard to taxation are disclosed in note 5 to the financial statements.