

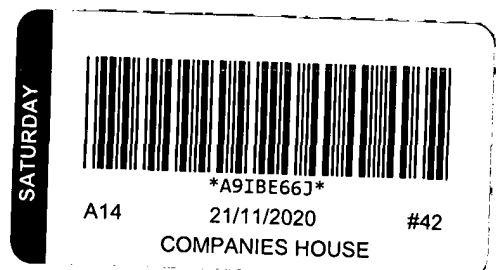
FläktGroup

WOODS HOLDINGS LIMITED

(Registered Number: 04267481)

Report and Financial Statements

Year ended 31 December 2019



WOODS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	G R Weston D J Pritchard (appointed 23 January 2019)
Company secretary	E Erasmus
Registered number	04267481
Registered office	C/O Fläkt Woods Limited Axial Way Cuckoo Farm Business Park Colchester Essex CO4 5ZD
Independent Auditor	Nexia Smith & Williamson Audit Limited Portwall Place Portwall Lane Bristol BS1 6NA

WOODS HOLDINGS LIMITED

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WOODS HOLDINGS LIMITED

Strategic report

Year Ended 31 December 2019

The Directors presents their report and the audited financial statements for the year ended 31 December 2019.

Business review

The Company is an intermediate holding company whose principal activity is that of a holding company to a number of companies engaged in activities related to the design, manufacture, sale and after-sales service of air handling and related equipment and in the provisions of investment financing of these activities. It is anticipated, therefore, that the Company will continue its principal activity, with no other activities planned.

The Directors are satisfied that the holding company has met its objectives for the year.

Principal risks and uncertainties

Due to the fact that the entity's principal activity is that of a holding company, the Directors are of the opinion that the principal risks are those of the subsidiaries. These risks have been disclosed in the subsidiaries' own financial statements.

The Directors also considers foreign exchange movements to be a principal risk. The management of this risk is discussed in the Report of the Directors on page 3.

Key performance indicators

The Directors consider that the use of key performance indicators is inappropriate to the understanding of the development, performance or position of the Company's business as a holding company.

Section 172 disclosures

Woods Holdings Limited has no employees and no third party customers or suppliers. As a holding company, the activities of this company are limited and its primary stakeholders are its parent and subsidiary companies. The directors actively manage the financing of Woods Holdings Limited to protect the long term interests of all stakeholders. This is demonstrated in the principal activities and business review section of the Report of the Directors on page 2.

This report was approved by the board on 17 November 2020 and signed by order of the board.

G R Weston
Director
Axial Way
Cuckoo Farm Business Park
Colchester
Essex
CO4 5ZD



WOODS HOLDINGS LIMITED

Report of the Directors

Year Ended 31 December 2019

The Directors present their report and the audited financial statements for the year ended 31 December 2019.

Principal activities and business review

A description of the principal activity and a review of the business' financial performance for the year is provided in the Strategic Report.

The Company has net current liabilities of £37,794,000 (2018 - £38,682,000). Despite the net current liabilities reported, the Directors believe that preparing the financial statements on the going concern basis is appropriate following an amendment in August 2020 to the terms of existing loan arrangements such that they are now repayable on a limited recourse basis following a sale of the investment assets and only out of the proceeds available from such sale. Prior to this financial support was provided from an intermediate parent company, FläktGroup Holding GmbH, whereby the Directors had received confirmation that FläktGroup Holding GmbH intended to take all reasonable steps to ensure that the Company had access the funding required to enable it to settle any liabilities as they fell due.

As an intermediate holding company and as evidenced above, Woods Holdings Limited is interdependent on the financial position of the wider Fusilli AcquiCo S.à r.l. Group. The Directors are mindful that the audited consolidated financial statements of Fusilli AcquiCo S.à r.l. for the year ended 31 December 2019 included reference to a material uncertainty related to going concern as a result of the uncertainties and potential effects of COVID-19 on the group, with particular regard to its ability to comply with financial covenants. As a result of the group interdependence referenced above, the Directors acknowledge that the material uncertainty in relation to the going concern status of the wider group is indicative of the existence of a material uncertainty that may cast doubt on the ability of Woods Holdings Limited to continue as a going concern.

Financial results and dividends

The profit for the financial year of £888,000 (2018 – loss £1,806,000) is derived from the Company's principal activity. The profit for the financial year is stated after crediting a foreign exchange gain on loans of £2,222,000 (2018 – loss of £566,000); £nil dividend was declared and paid to the Company's immediate parent company, Fläkt Woods (Luxembourg) S.à r.l. (2018 - £nil). £nil further dividends have been declared.

Directors

Directors of the company, who were in office during the year, were as follows:

G R Weston

D J Pritchard (appointed 23 January 2019)

The Directors received £nil remuneration from the Company (2018 – £nil); they are employed as employees of related companies and their services to the Company are incidental to their other roles.

WOODS HOLDINGS LIMITED

Report of the Directors

Year Ended 31 December 2019

Political donations

The Company made no political donations during the year (2018 - £nil).

Financial Risk Management

The Company's operations expose it to a variety of financial risks that include foreign exchange risk and interest rate risk. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors of FläktGroup are implemented by the Company's finance department. The FläktGroup Treasury Department has issued policy documents that set out specific guidelines to manage interest rate and foreign exchange risk and the circumstances where it would be appropriate to use financial instruments to manage these.

Post Balance Sheet events

COVID-19 was declared a pandemic by the world health organisation on 11 March 2020. The impact of COVID-19 is considered in notes 1(f) and 11 to the financial statements.

Disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

The Directors have taken all the steps that they ought to have taken 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.

By order of the Board on 17 November 2020.



G R Weston
Director
Axial Way
Cuckoo Farm Business Park
Colchester
Essex
CO4 5ZD

WOODS HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 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;
- prepare the financial statements of 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 responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WOODS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOODS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Woods Holdings Limited (the 'company') for the year ended 31 December 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (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 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Material uncertainty relating to going concern

We draw attention to note 1(f) to the financial statements which indicates that the going concern status of this company is dependent of the financial position of the wider Fusilli AcquiCo S.à r.l. group. In the consolidated financial statements of Fusilli AcquiCo S.à r.l. for the year ended 31 December 2019, the audit report made reference to a material uncertainty related to going concern as a result of concerns surrounding the group's ability to comply with financial covenants in view of the potential implications of COVID-19. This indicates that a material uncertainty also exists that may cast significant doubt on the ability of Woods Holdings Limited to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

WOODS HOLDINGS LIMITED

Opinion 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.

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 where 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 4, 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.

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

WOODS HOLDINGS LIMITED

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.



Nigel Hardy (Nov 19, 2020 16:42 GMT)

Nigel Hardy
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Portwall Place
Portwall Lane
Bristol
BS1 6NA

Date:19/11/2020

WOODS HOLDINGS LIMITED

Profit and Loss Account

For the year ended 31 December 2019

	<u>Note</u>	<u>2019</u> £ 000	<u>2018</u> £ 000
Other operating expenses	3	(53)	(584)
Other operating income	3	2,222	-
Profit/(Loss) before interest and taxation		2,169	(584)
Interest payable and similar charges	4	(1,281)	(1,222)
Profit/(Loss) before taxation		888	(1,806)
Taxation	5	-	-
Profit/(Loss) for the financial year		888	(1,806)
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive expenditure		888	(1,806)

There is no difference between loss before taxation and the loss for the financial year stated above and their historical cost equivalents.

The profit (2018 - loss) for the financial year is wholly attributable to continuing operations.

The notes on pages 11 to 19 form an integral part of these financial statements.

WOODS HOLDINGS LIMITED
Company Registration Number 04267481

Balance Sheet

As at 31 December 2019

	<u>Note</u>	<u>2019</u> £ 000	<u>2019</u> £ 000	<u>2018</u> £ 000	<u>2018</u> £ 000
Fixed assets					
Investments	6		48,456		48,456
Current assets					
Debtors	7	14		-	
Creditors: amounts falling due within one year	8	(37,808)		(38,682)	
Net current liabilities			(37,794)		(38,682)
Total assets less current liabilities			10,662		9,774
Net assets			10,662		9,774
Capital and reserves					
Called up share capital	9		18,907		18,907
Profit and loss account			(8,245)		(9,133)
Total shareholders' funds			10,662		9,774

These financial statements on pages 8 to 20 were approved by the Board of Directors on 17/11/20 and were signed on its behalf by:



G R Weston

The notes on pages 11 to 20 form an integral part of these financial statements.

WOODS HOLDINGS LIMITED

Statement of Changes in Equity

For the year ended 31 December 2019

	<u>Called up share capital</u> £ 000	<u>Profit and loss account</u> £ 000	<u>Total Shareholders' Funds</u> £ 000
At 1 January 2018	18,907	(7,327)	11,580
Loss and total comprehensive expense for the financial year	-	(1,806)	(1,806)
At 31 December 2018 and 1 January 2019	18,907	(9,133)	9,774
Profit and total comprehensive income for the financial year	-	888	888
At 31 December 2019	18,907	(8,245)	10,662

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

1. Accounting policies

(a) Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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 the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's ultimate parent company is Fusilli Acquico S.à.r.l, a company registered in Luxembourg, having its registered address at 2C, rue Albert Borschette, L-1246, Luxembourg. Fusilli Acquico S.à.r.l produces and files consolidated financial statements in Luxembourg, copies of which are available from the registered office. Fusilli Acquico S.à.r.l is the only company in the Group to produce consolidated financial statements.

The financial statements are prepared on a going concern basis, in accordance with the Companies Act 2006 and applicable United Kingdom accounting Standards, under the historical cost convention. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

(b) Disclosure exemptions adopted

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

- Cash Flow Statement and related notes;
- Comparative period reconciliations;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs.

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

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

(b) Disclosure exemptions adopted (continued)

The financial statements contain information about Woods Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Fusilli AcquiCo S.à.r.l.

(c) Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated using the rate of exchange ruling at each balance sheet date and the gains or losses on translation are included in the profit and loss account. The conversion rate used at the Balance Sheet date for Euro transactions was 1.17536 (2018 - 1.10928) Euros to 1 Pound Sterling.

(d) Borrowings and other financing fees

Borrowings are recognised initially at fair value, net of financing costs incurred. Borrowings are stated subsequently at amortised cost; any difference between the proceeds (net of financing costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Financing costs of drawn down facilities, including the costs of raising and arranging borrowings, are capitalised and amortised using the effective interest method. The period of the amortisation would be reviewed in the event of changes in the actual or anticipated repayment pattern and the balance of expenditure would be amortised over the remaining period of the loan in relation to the revised repayment pattern. The unamortised portion of these capitalised costs is deducted from the debt principal amount. Amortisation charges are included in the Profit and Loss Account within "Amortisation of bank and other financing fees".

(e) Investments

Investments are valued at the lower of cost and the net present value of future cash flows. Where required, provisions are recorded to reduce the valuation of the investments to the appropriate valuation.

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

(f) Going concern basis

In preparing their going concern assessment, the directors have considered the impact of COVID-19. The limited activity of this company suggests that the pandemic will have little direct operational impact. However, the potential impact on the financial performance of the wider group may have significant implications in respect of the group's ability to comply with financial covenants and therefore continue as a going concern. At the date of signing these financial statements, the Directors are advised that the group remains compliant with all financial covenants.

As an intermediate holding company, the trading activity of Woods Holdings Limited is minimal and the company's ability to continue as a going concern is wholly dependent on the actions of the wider Fusilli AcquiCo S.à.r.l. group. In the consolidated financial statements of Fusilli AcquiCo S.à r.l. for the year ended 31 December 2019, the group auditor made reference to a material uncertainty related to going concern as a result of the uncertainties and potential effects of COVID-19 on the group, with particular regard to its ability to comply with financial covenants. As a result of the group interdependence referenced above, the Directors of Woods Holdings Limited acknowledge that the material uncertainty in relation to the going concern status of the wider group is indicative of the existence of a material uncertainty in Woods Holdings Limited that may cast significant doubt on the company's ability to continue as a going concern.

Notwithstanding the net current liabilities of £37,808,000 as at 31/12/2019 and the uncertainties referenced above, the financial statements have been prepared on a going concern basis following an amendment to existing financing arrangements such that loan balances are now repayable on a limited recourse basis following a sale of the investment assets and only out of the proceeds available from such sale. Prior to this, financial support was provided by an intermediate parent company, FläktGroup Holding GmbH, whereby the Directors had received confirmation that FläktGroup Holding GmbH intended to take all reasonable steps to ensure that the Company had access to the funding required to enable it to settle any liabilities as they fell due.

(g) Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for all deferred tax considered likely to crystallise.

Deferred tax assets arising in respect of short term timing differences are recognised only to the extent that their recoverability against future profits is reasonably foreseeable.

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

2. Significant judgement in applying accounting policies and key estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Directors are 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.

Significant management judgement: Impairment

Each year the Directors are required to consider the carrying value of the investments in subsidiaries which the Company holds; specifically, whether those carrying values are impaired.

The Directors primarily use discounted cash flow modelling to appraise the value in use of the investments, however other factors may also be considered. Based on this assessment, no impairment was considered necessary in either the current or prior financial year.

Estimation uncertainty

The Directors do not consider there to be any areas in the financial statements where there would be any material estimation uncertainty.

3. Other operating (expenses) / income

The following items have been (charged) / credited in arriving at the other operating (expense) / income:

	<u>2019</u> <u>£ 000</u>	<u>2018</u> <u>£ 000</u>
Management charges paid	(41)	(11)
Administration expenses	(12)	(7)
Exchange Gain	2,222	(566)

The cost of the Company's audit, in the sum of £4,500 (2018 - £4,500), will be borne by a related Group entity. No costs relating to non-audit services were incurred by the Company (2018 - £nil). The Company had no employees (2018 - nil) in the year and, therefore, incurred no employment costs.

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

4. Interest payable and similar charges

	<u>2019</u> £ 000	<u>2018</u> £ 000
Amortisation of bank and other financing fees	39	30
Loans from Group undertakings	1,242	1,192
	<u>1,281</u>	<u>1,222</u>

5. Tax on profit on loss

	<u>2019</u> £ 000	<u>2018</u> £ 000
(a) Analysis of tax charge in the year		
Current tax:		
UK Corporation Tax charge on the loss of the year	-	-
Adjustments to tax in respect of prior periods	-	-
<u>Tax charge on loss</u>	<u>-</u>	<u>-</u>

The tax assessed for the year is lower than (2018 - higher than) the effective standard rate of corporation tax in the UK of 19% (2018 – 19%).

(b) Reconciliation of tax charge in the year

<u>Profit before taxation</u>	<u>888</u>	<u>(1,806)</u>
Corporation tax charge at UK statutory rate of 19% (2018 – 19%)	169	(343)
Tax losses (utilised)/carried forward	(169)	343
<u>Tax charge for the year</u>	<u>-</u>	<u>-</u>

Tax losses of £17,520,000 (2018 - £18,408,000) are carried forward at 31 December 2019. A deferred tax asset has not been recognised, as the utilisation of these tax losses against appropriate future taxable profits of the Company cannot currently be foreseen.

The main rate of corporation tax is expected to remain at 19%.

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

6. Investments

The principal undertakings in which the Company held an interest at the year end were as follows:

<u>Company Name & Address</u>	<u>Country of Incorporation</u>	<u>Company Type</u>	<u>Percentage Shareholding</u>	<u>Value of Investment £</u>
Fläkt Woods Limited Axial Way Cuckoo Farm Business Park Colchester Essex CO4 5ZD	England	Operating	100% Ordinary Shares of £1	48,456,000

The carrying value of investments in the year was as follows:

	<u>2019</u> £ 000	<u>2018</u> £ 000
At 1 January and at 31 December	<u>48,456</u>	<u>48,456</u>

The Directors believe that the carrying value of the investments is supported by discounted future cash flows of the subsidiary company.

The entity has the following subsidiaries, held indirectly by virtue of their ownership by direct subsidiaries:

<u>Name of company</u>	<u>Principal activity</u>	<u>Registered office address</u>	<u>Country of incorporation</u>
FläktGroup Singapore Pte. Limited	Distributor	178 Clemenceau Ave, 05-01 Haw Par Glass Tower, 239926.	Singapore
FläktGroup Italy S.p.A.	Distributor	Via della Repubblica 81A, Muggio(MB), CAP20835	Italy

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

7. Debtors: amounts falling due within one year

	<u>2019</u> £ 000	<u>2018</u> £ 000
Amounts owed by group companies	14	-
<u>Amounts due from Group undertakings at 31 December</u>	<u>14</u>	<u>-</u>

8. Creditors: amounts falling due within one year

	<u>2019</u> £ 000	<u>2018</u> £ 000
Loans due to Group undertakings	37,972	38,825
Other amounts owed to Group undertakings	10	-
Less: Amortisation of bank and other financing costs capitalised	(174)	(143)
<u>At 31 December</u>	<u>37,808</u>	<u>38,682</u>

The movements in loans due to group undertakings in the year were as follows:

	<u>2019</u> £ 000	<u>2018</u> £ 000
At 1 January	38,825	37,294
Settlement of intra group charges	127	(227)
Accrued interest	1,242	1,192
Exchange retranslation	(2,222)	566
<u>At 31 December</u>	<u>37,972</u>	<u>38,825</u>

The amount owed to group undertakings at the year-end relates to two loans (2018 - two loans) denominated in Euros.

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

8. Creditors: amounts falling due within one year (continued)

The first loan carried interest rates of 2.1% (2018 – 2.1%), based on the one month Euribor rate at the beginning of the calendar year plus 2.5%. Accrued interest, if the Borrower elects not to pay it in cash, is capitalised into the principal sum on the due dates. No interest was paid during the year. The loan is technically repayable on demand, however the loan agreement was subsequently amended in August 2020 making the loans repayable on a limited recourse basis, following a sale of the investment assets and only out of the proceeds available from such sale.

The second loan carried interest rates of 8% (2018 – 8%). Accrued interest, if the Borrower elects not to pay it in cash, is capitalised into the principal sum on the due dates. No interest was paid during the year. The loan is for a period of 10 years, but technically repayable on demand, however the loan agreement was subsequently amended in August 2020 making the loan repayable on a limited recourse basis following a sale of the investment assets and only out of the proceeds available from such sale.

9. Called up share capital

	<u>2019</u> <u>£000</u>	<u>2018</u> <u>£000</u>
Authorised		
<u>Equity: Ordinary shares of £1 each</u>	<u>140,000</u>	<u>140,000</u>
Allotted and called up		
<u>Equity: Ordinary shares of £1 each</u>	<u>18,907</u>	<u>18,907</u>
		<u>Called up share capital £000</u>
At 1 January and 31 December 2019		<u>18,907</u>

WOODS HOLDINGS LIMITED

Notes to the Financial Statements

Year Ended 31 December 2019

10. Ultimate parent company and ultimate controlling party

The Company's immediate parent company is Fläkt Woods (Luxembourg) S.à.r.l., a company registered in Luxembourg, having its registered address at 1A, rue Thomas Edison, L-1445 Strassen, Luxembourg.

The company's ultimate parent company is Fusilli AcquiCo S.à.r.l, a company registered in Luxembourg, having its registered address at 2C, rue Albert Borschette, L-1246, Luxembourg. Fusilli AcquiCo S.à.r.l produces and files consolidated financial statements in Luxembourg, copies of which are available from the registered office. Fusilli AcquiCo S.à.r.l is the only company in the Group to produce consolidated financial statements.

11. Post balance sheet events

On 11 March 2020, COVID-19 was declared a pandemic by the World Health Organisation.

The investment in subsidiary company Flakt Woods Limited (and indirectly Flaktgroup Singapore Pte. Limited and Flaktgroup Italy S.p.A.) is measured at cost less accumulated impairment. At 31 December 2019, the value in use calculations suggested no indication of impairment to this investment balance. COVID-19 is a non-adjusting post balance sheet event which has not been taken into account for the purpose of this review. The directors are in the process of assessing the implications of this pandemic on the wider Flakt Group and while they remain confident of the future prospects of this business, they also acknowledge an increased impairment risk in subsequent accounting periods. Given the ongoing certainty surrounding the impact of this pandemic, the directors are not yet in a position to conclude or quantify any potential impairment to the investment balance.

Details of post year end amendments to intergroup financing arrangements are provided in note 1(f).