

Registered No: 5557449

HBPO UK Ltd

Reports and Financial Statements

31 December 2022



HBPO UK Ltd

Registered No 5557449

Directors

B. Rogge

R.W.Fairclough

Secretary

L.Scholz

Auditors

Ernst & Young LLP
No 1 Colmore Square
Birmingham
B4 6HQ

Bankers

Deutsche Bank AG
Falkeplatz 2
D-09112 Chemnitz
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Germany

Deutsche Bank AG London
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Registered office

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Banbury
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Strategic Report

The directors present their Strategic Report for the year ended 31 December 2022.

Business Review

Car manufacturing is a complex process, consequently many automotive manufacturers rely on the know-how of specialists such as HBPO, to supply bespoke modular assemblies. The HBPO group has extensive experience in producing integrated front-end modules otherwise known as 'FEMs' or 'MFEs' and is in a unique position to offer overall solutions, from design and development through to assembly and logistics. The HBPO group has extended its sphere of expertise in recent years to the supply of cockpit modules, centre consoles, Active LIDs and Frunk kits and is constantly refreshing its portfolio of niche products for battery electric cars.

In the UK the company's business involves the delivery of FEMs to two key customers. Our prime objective is to satisfy the customer, which requires a close relationship with our business partners. We have a modern streamlined program management process that allows our teams to take on full responsibility for the successful outcome of each individual project. Recent commercial successes were to secure the FEM business for the next generation Mini, launching in 2024 and continuing until 2030, and also the facelift version of the current Bentley Continental, also due to launch in 2024 and continue until 2029.

HBPO UK Business Model is based on true Just-In-Time (JIT) and Just-In-Sequence (JIS) principles.

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

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|--|--|--|
| | <i>€'000</i> | <i>€'000</i> |
| Turnover | 77,474 | 72,536 |
| Profit after Tax | 2,321 | 2,269 |
| Shareholder's Funds | 3,104 | 2,825 |
| Current Assets as % of current liabilities ('current ratio') | 113% | 106% |
| Average no of Employees | 89 | 84 |

In 2021, customers experienced semi-conductor shortages which resulted in short-term partial shutdowns.

The shortage of semi-conductor components impacted production during Q2 and Q3 with over 20 working days lost.

In 2022, production at BMW was suspended due to supply chain issues caused by Russia's invasion of Ukraine. This resulted in 15 days closure in Q1 2022.

This was then followed by planned shift changes in Q4 2022, with a reduction from 3 workings shifts per day to 2. Overall volumes were 0.4% lower than 2021.

HBPO UK maintained tight controls on expenditure following labour, transport, energy and raw material cost increases.

The profit in 2021 included €105,000 from the UK government (CJRS) Furlough scheme.

The profit in 2022 included €140,000 for Research and Development Expenditure Credit relating to FY 2020/2021.

Environmental matters:

Protecting the environment is an obligation HBPO takes very seriously hence we employ a sustainable, modern manufacturing process. We actively seek opportunities to reduce our environmental impact.

By innovative design of front-end-modules using light-weight and recyclable materials, resulting in reduced fuel consumption, HBPO makes a major contribution to the protection of the environment.

Principal Risks and Uncertainties

Customer and supplier base

The company's results are dependent on customer volumes, demand for the customer models from the market and the negotiated sales terms with the automotive manufacturers.

Demand risk is increased due to the continued consequences of Brexit, the global shortage of materials, and in particular semi-conductor components and harnesses, the ongoing war in Ukraine and the current high rate of inflation, all of which have impacted our key customers and which will continue to shape their strategic direction.

A certain amount of risk can also be identified within the 2nd Tier supply chain. Management continues to monitor all 2nd Tier suppliers which are under the responsibility of HBPO UK.

For current models, many of the suppliers have been selected and approved by the automotive manufacturers, rather than HBPO, and as such, HBPO UK is not commercially responsible for the 2nd Tier supply chain, which removes the element of financial risks.

Strategic Report (Continued)

Foreign Currency Risk

The business' transactional currency exposure arises from sales and costs in currencies other than Euros, principally sterling. No transactional agreements are currently entered into to offset this risk.

Credit Risk

Receivable balances are monitored very closely on an ongoing basis, with overdue balances subject to regular group reporting. Provision is made for doubtful debts where necessary. Our main business trades under a self-billing agreement that enables reconciliation of billing prior to the receipt of monies. Credit risk was further reduced in 2021 by the introduction of a debtor factoring contract. This contract is shared with other HBPO plants within the group.

Operational Risk

Just-In-Time/Just-In-Sequence production carries a certain amount of risk. Reducing inventory too much can result in line stoppages and penalties, however since we have excellent controls in place and a proven track record with our customers, the risk surrounding liabilities are considered minimal.

Brexit Risk

Maintenance of a strategic component stock ensured that HBPO was not adversely impacted by ongoing supply-chain issues due to Brexit. Salary increases were above inflation to maintain a stable workforce in light of ongoing labour shortages, originating from Brexit.

Covid-19 Risk

Safe working conditions were maintained for much longer than in the wider community to minimise risk of Covid-19 outbreaks and routine home-working remained in place where possible.

Ukraine Risk

The war in Ukraine at the beginning of 2022 brought further disruption to the automotive industry. Although HBPO supply chain was not directly impacted by the war in Ukraine, the customers supply chain was, resulting in reduced volumes and assembly line stops at both the customer and HBPO. Customers offered a degree of compensation to mitigate the impact of these assembly stops. Senior teams were appointed at customer plants to monitor the situation closely and the customer has introduced duplicate supply arrangements in order to mitigate disruption for the foreseeable future.

Director's statement of compliance - section 172(1)

The Directors of the Company are fully informed of their duty under section 172(1) of the Companies Act 2006 and aspire to act in the way which they consider would be most likely to promote the success of the company for the benefit of the members.

The success of the business is dependent on the support of all company stakeholders, and the Directors and management consider and discuss information from across all operations to help them understand the views and interest of key stakeholders. There are reviews of strategy, financial and operational performance, and especially regulatory and legal compliance. Details of the company's key stakeholders and it engages with them are set out below:

Employees

HBPO recognises that the employees of the company are crucial to the long-term success of the company. The company employs people primarily from the local area, whose health, safety, and well-being in the workplace is of prime concern. Having initially gained accreditation to ISO45001 during 2019, the company continued to develop the health and safety management system, both to improve the safety and wellbeing of all employees and to better align with the expectations of the Plastic Omnium Group, of which HBPO is a member. A key element of this system development remains to better engage our workforce in the assessment and mitigation of risk in the workplace and to drive improvement activity. The health and safety of employees and visitors remains the highest priority with detailed regular monitoring and improvement by the Plastic Omnium Group.

The company endorses the application of equal opportunities policies to provide fair and equitable conditions for all employees regardless of (but not limited to) gender, religion, colour, ethnicity, age, disability, or sexual orientation, and invests in the training, development, and motivation of all its employees. The Plastic Omnium group operates non-negotiable rules and Codes of Conduct which are communicated to all employees and displayed throughout the plant.

The Directors and management team engage with the workforce to ensure that they are cultivating an environment that they are happy to work in and that best supports their well-being. The company regularly reports to staff committees on the performance and future developments of the company, whilst also providing a platform where delegated employees can discuss matters likely to affect their wellbeing and interests the company.

Strategic Report (Continued)**Director's statement of compliance - section 172(1) (Continued)***Shareholders*

The company depends on the support of its shareholder and recognises the need to safeguard the company's assets, act in the shareholders interest, behave responsibly, and enhance the value for our shareholders by generating strong and sustainable results that translate into dividends.

HBPO UK considers its decisions carefully, assessing the consequences of any decision in the short and long term. Each year the management team prepare a 5-year strategic plan which is approved by the group, with a long term view in mind. Updated estimates for the current year are also provided periodically, and the actual performance of the company is measured against these strategic plans and estimates, by the HBPO board, and ultimately our shareholders.

Customers

HBPO is customer driven, understands and meets or exceeds customer expectations. The company's business relationships with customers are built on trust and transparency.

The company's aim is to provide select customers with highly complex, engineered, cost-effective FEMs under (Just-in Sequence) JIS conditions and with zero-defects. Both the Directors of the company and management team regularly review HBPO's performance to ensure customer standards are adhered to and customer satisfaction is maintained.

To achieve such a challenging goal requires a high degree of collaboration between multi-disciplinary customer teams, HBPO GmbH functions and the production facility, to ensure long-term sustainability and to remain supplier of choice for future vehicle models.

Thus HBPO UK Ltd attaches significant priority to maintaining a skilled, engaged team with the capacity to interact with appropriate partners with exceptional integrity.

Good relationships with customers will lead to the awarding of more business in the future, which will in turn, ensure the long-term profitability of the company.

The active collaboration between customers, HBPO GmbH and HBPO UK Ltd was clearly evidenced during 2022 when HBPO was nominated on the next generation Mini FEM and the Bentley Continental Facelift FEM.

HBPO works together with its customers to design and develop products tailored to individual product needs. Once projects move towards production phase, the management team lead their divisions to ensure they meet the defined schedule, costs and level of quality agreed.

Suppliers

Due to the nature of our business, our suppliers are fundamental to the quality of our products and to ensuring that as a business we meet the high standards of conduct that we set ourselves.

HBPO works collaboratively with customer-nominated suppliers to optimise performance for the long-term benefit of the customer, whilst ensuring the quality of the product meets customer requirements. These relationships with suppliers are used to develop mutually beneficial partnerships in areas of product development, health & safety and sustainability.

The company's relationships with suppliers are built up by regular engagement through a series of interaction and reviews, which is reviewed periodically by the management team.

Suppliers are paid in accordance with the agreed terms of business, ensuring that undue pressure is not placed on supplier's cash flows, which in turn reduces the risk of putting the end customer on stop.

The Plastic Omnium group issues a supplier charter to its suppliers which sets the expectations of Plastic Omnium and its subsidiaries with regards suppliers conduct (current or potential).

Communities

The company considers the impact of its operations on the community and the environment and will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company is constantly striving to reduce its carbon footprint and eliminate waste through lean and efficient working methods, thereby minimising the impact on the local community and the environment.

The various plans to achieve this are built into the business strategic plans, showing investment requirements and target expectations, by which the company is then measured by on a group level. Considerable focus is placed upon energy efficiency, more eco-friendly energy sources and on the recycling of waste products.

The Company continues to seek solutions to minimise adverse impacts on the local environment, through scrap reduction, and enhanced recycling and reduction of consumption. Decision-making in this field was primarily steered to meet PO Group Environmental targets, which required further investment to meet the 3% reduction in electricity consumption (see table below) and to change our electricity source to 100% renewable. Independently HBPO UK Ltd took the decision to work collaboratively with our landlord, to instal solar panels, which are expected to be installed during the summer of 2023.

| | Electricity (purchased) - kWh |
|------------------|-------------------------------|
| 2021 Consumption | 357,388.6 |
| 2022 Consumption | 344,659.0 |
| YOY Variance % | -3.6% |

Strategic Report (Continued)

Director's statement of compliance - section 172(1) (Continued)

Government and regulators

HBPO always aims to comply with all applicable legislation and regulations, whether in relation to tax compliance or health and safety.

The company regularly seeks professional advice through third party companies to ensure adherence on tax, health and safety or human resource matters.

Principle Decisions

A principal decision is defined as something which can have significant affect to the key stakeholders of a company, whether material to the group or not.

The following principal decisions were carried out by the Directors of the company in the 31 December 2022 reporting year, with consideration for the stakeholder groups as well as maintaining the conduct and reputation of the company.

Dividend payment to Shareholders

Following a meeting with HBPO Directors, the distribution of profits relating to fiscal year ending 31st December 2021 was agreed. The dividend proposal was in-line with the group dividend policy and HBPO Directors carefully considered forthcoming cash requirements, project investment and strategies goals before proposing the distribution.

Health and Safety development

Within the 2022 reporting year the company engaged a Health and Safety Officer to ensure the sustainability of the Health and Safety Management system, promoting a better workforce engagement and to drive local Health and Safety initiatives.

Employee Pay

The company offered significant pay increases during 2022 and budgeted for further increases during 2023 to protect our workforce as much as possible from inflationary pressures.

The report was approved by the board and signed on its behalf:



R.W. Fairclough
Director

25TH SEPTEMBER

2023

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2022.

Results and dividends

The Profit for the year after taxation is €2,321,000 (2021: €2,269,000). The directors have paid dividends in 2022 of €2,042,000 (2021: €860,000). There are no proposed dividends at 31 December 2022.

Future Developments

With production of front-end-module "FEM" models secured until 2030, the company has a positive outlook in the medium term, with further prospects at pre-nomination stages. The production life of products currently in production and under development is typically 3-7 years from start of production, with potentially further years added for product modifications or 'facelifts'. New modules have already been secured for 2024 production start and will have a 6 year production plan.

Directors

The directors who served the company during the year and subsequently were as follows:

B. Rogge
R.W. Fairclough

The parent company maintains insurance for the directors of the company in respect of their duties as directors. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Going concern

The company's business activities, together with the factors likely to affect its future development and position and its principal risk exposures and uncertainties are set out in the Strategic Report. The 2023 budget has been set conservatively in recognition of any market volatility and potential material shortages within the supply chain, using the latest production planning forecasts, issued by OEMs. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company relies on its own future income, cash balances and cash pooling with HBPO GmbH to finance its business. The company has prepared liquidity forecasts for a period of 12 months from the date of approving these financial statements and assume the availability of cash under the cash pooling arrangement with HBPO GmbH. These forecasts indicate that the business has, on a base case scenario, adequate resources to continue in operational existence throughout the forecast period up to 25/09/2024. Should the company be unable to access its cash held in the cash pool, the company would potentially require support from HBPO GmbH.

Due to the cash pooling arrangement the company has obtained a letter of support from HBPO GmbH which confirms its willingness and ability to provide financial support to the company, to the extent the company is unable to meet its obligations from its own sources, for a period of 12 months from the date of approval of these financial statements. As HBPO GmbH's facilities expire within the going concern period and will be replaced with access to the Plastic Omnium cash pool facility, HBPO GmbH has obtained a letter of support from Plastic Omnium confirming that they will provide ongoing access to the group cash pool facility for a period of 12 months from the date of approval of these financial statements. The directors have made enquiries of HBPO GmbH and Plastic Omnium's directors to satisfy themselves that HBPO GmbH and Plastic Omnium have adequate resources to provide this support.

As a consequence, after making the necessary enquiries, considering the forecasts and the availability of financial support from HBPO GmbH and Plastic Omnium, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the period to 25/09/2024. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors' Report (Continued)

Employees

Social commitment is an integral part of HBPO UK corporate identity. We focus mainly on the two areas of resource efficiency and intercultural innovation & social inclusion. Using our core competencies, we want to achieve concrete, measurable improvements and fulfil our responsibilities as a good corporate citizen.

HBPO UK embraces entrepreneurial accountability, we lead through conviction and we act with integrity to our social responsibility.

We strive to ensure that our work environment is fulfilling and enhancing and aim to be a preferred employer in Banbury for the automotive industry.

We try to achieve this by committing to the following:

- Sourcing of a talented and committed workforce.
- Continuing to become a performance driven organisation.
- Committing to offer better growth and developmental opportunities.
- Excelling in offering meaningful and challenging employment to all associates.
- Demonstrating respectful and competent leadership within all situations

The company continues to provide employees with relevant information, and actively seeks their views on matters of common concern through the company structure. HBPO UK ensures that employees are aware of all significant matters affecting the company's financial position and of any significant organisational structure changes.

The company supports the employment of disabled persons wherever possible, having regard to their particular aptitudes and abilities through recruitment and by retention of those who become disabled during their employment and generally through training, career development and promotion.

Disclosure of information to auditors

As far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the Auditor in connection with preparing its report, of which the Auditor is unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board and signed on its behalf:



R.W. Fairclough
Director

25th September 2023

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 United Kingdom law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 102, 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 appropriate to presume that the company will not 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HBPO UK LIMITED

Opinion

We have audited the financial statements of HBPO UK Limited for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 19, 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HBPO UK LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, 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.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are frameworks which are directly relevant to specific assertions in the financial statements and those that relate to the reporting framework (FRS 102 and the Companies Act 2006). In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being those laws and regulations relating to health and safety and employee matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HBPO UK LIMITED (CONTINUED)

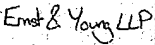
Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We understood how HBPO UK Limited is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of management meeting minutes and board meeting minutes.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and the potential incentives or opportunities to manage earnings. We considered the controls that the entity has established to address identified risks, or that otherwise prevent or detect fraud; and how management monitors those controls. Where the risk was considered to be higher, in particular in respect of adjustments to revenue arising other than through routine invoicing with the company's customers, we performed audit procedures to address the identified fraud risk. These procedures included utilising data analytic procedures to test the postings from Revenue to Cash, correlating the cash conversion of sales and testing a sample of manual journals posted to revenue outside of this transaction flow back to supporting documentation in order to assess the validity of the journal entries posted. We determined the sample based principally on the relative materiality of the entry recorded but also considering the corresponding account impacted and the nature of the audit evidence already gathered in respect of that account. These procedures were designed to provide reasonable assurance that the financial statements were free from material fraud.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved understanding management's internal controls over compliance laws and regulations, making enquiries of management and performing focused testing.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Adam Gittens (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

25 September 2023

Profit & Loss Account**for the year ended 31 December 2022**

| | Notes | Year ended 31 December 2022 €'000 | Year ended 31 December 2021 €'000 |
|--|-------|---|---|
| Turnover | 2 | 77,474 | 72,536 |
| Cost of sales | | (68,159) | (63,713) |
| Gross Profit | | 9,315 | 8,823 |
| Administrative expenses | | (6,597) | (6,063) |
| Other operating income | 3 | 140 | 105 |
| Operating Profit | 4 | 2,858 | 2,865 |
| Finance Expense | | (50) | (8) |
| Profit on ordinary activities before taxation | | 2,808 | 2,857 |
| Tax on profit on ordinary activities | 7 | (487) | (588) |
| Profit for the financial year | | 2,321 | 2,269 |

All results relate to continuing operations.

There are no amounts of Other Comprehensive Income therefore no separate Statement of Other Comprehensive Income is presented and total comprehensive income equates to the profit for the financial year.

Statement Of Changes In Equity**at 31 December 2022**

| | Share capital | Profit & loss account | Total share- holders' fund |
|----------------------------|---------------|--------------------------|-------------------------------|
| | €'000 | €'000 | €'000 |
| At 1 January 2021 | - | 1,416 | 1,416 |
| Total comprehensive income | - | 2,269 | 2,269 |
| Dividend | - | (860) | (860) |
| At 1 January 2022 | - | 2,825 | 2,825 |
| Total comprehensive income | - | 2,321 | 2,321 |
| Dividend | - | (2,042) | (2,042) |
| At 31 December 2022 | - | 3,104 | 3,104 |

Balance Sheet
at 31 December 2022

| | Notes | Year ended 31 December 2022 €'000 | Year ended 31 December 2021 €'000 |
|---|-------|---|---|
| Fixed Assets | | | |
| Intangible assets | 8 | 531 | 1,061 |
| Tangible assets | 9 | 1,036 | 1,138 |
| | | <u>1,567</u> | <u>2,199</u> |
| Current assets | | | |
| Stocks | 10 | 2,234 | 2,426 |
| Debtors | 11 | 13,431 | 16,110 |
| Cash at Bank | | 660 | 1,237 |
| | | <u>16,325</u> | <u>19,773</u> |
| Creditors: amounts falling due within one year | 12 | (14,421) | (18,656) |
| Net current assets | | <u>1,904</u> | <u>1,117</u> |
| Total assets less current liabilities | | <u>3,471</u> | <u>3,316</u> |
| Provisions for liabilities | 13 | (367) | (491) |
| | | <u>3,104</u> | <u>2,825</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | - | - |
| Profit and loss account | | 3,104 | 2,825 |
| | | <u>3,104</u> | <u>2,825</u> |

The accounts were authorised for issue by the board of Directors on 25/09/23 and signed on its behalf by


R.W. Fairclough

Director

25TH SEPTEMBER 2023

Notes to the financial statements

at 31 December 2022

1. Accounting policies

Statement of compliance

HBPO UK Limited is a private company limited by shares incorporated in England. The Registered Office is Wildmere Road, Banbury, Oxfordshire, OX16 3EY.

The financial statements at 31 December 2022 have been prepared in compliance with FRS 102.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements relate to the entity as an individual undertaking and are prepared in euros, which is the functional and presentational currency of the company and rounded to the nearest €000's.

Foreign currency

Transactions in currencies other than euro are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in currencies other than euro are retranslated at the rate of exchange ruling at the balance sheet date. The rate for the financial statements as at 31st December 2022 applicable was, 1 Euro = 0.89 British pounds.

Disclosure exemptions

HBPO UK Limited has taken the following disclosure exemptions under FRS 102 as the consolidated financial statements of HBPO Beteiligungsgesellschaft include the equivalent disclosures.

- the requirements of Section 4 - Statement of Financial Position, paragraph 4.12(a)(iv) to disclose a reconciliation of the number of shares outstanding at the beginning and at the end of the period

- the requirements of Section 7 - Statement of Cash Flows - and Section 3 - Financial Statement Presentation, paragraph 3.17(d) to present a cash flow statement

- the requirements of Section 11, paragraphs 11.39 to 11.48A and Section 12, paragraphs 12.26 to 12.29A in relation to disclosure requirements of financial instruments

- the requirement of Section 33 - Related Party Disclosures, paragraph 33.7, to disclose key management personnel compensation

Fixed assets

All fixed assets are initially recorded at cost. Cost of plant and machinery includes costs directly attributable to making the asset capable of operating as intended.

Intangible assets

All intangible fixed assets are initially recorded at cost, and relate to the cost of developing new product lines and software.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold improvements - over the lease term

Plant & machinery - over 5 - 10 years

Motor vehicles - over 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be reasonable.

Amortisation

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Capitalised development - 5 years

Software - 3 years

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be reasonable.

Notes to the financial statements

at 31 December 2022

1. Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials, consumables and goods for resale - Purchase costs on a first-in first-out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Leasing commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the Balance Sheet and depreciated over the shorter of the lease term and the assets' useful lives. The capital elements of future obligations under lease contracts are included as liabilities in the balance sheet. The interest elements of the rental obligations are charged in the profit and loss account over the period of the leases and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income, that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Warranty Provision

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for warranty costs are charged against profits when the sale of the products are recognised, and utilised in accordance with the applicable warranty period. The effect of the time value of money is not considered material, and therefore the provisions are not discounted.

Pension costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors, creditors and cash.

Debtor factoring is recognised in Accounts Receivable as a reduction, and represents amounts sold and accepted by the factor company where substantially all of the risks and rewards of ownership of the financial asset have been transferred. Factoring interest and fees are shown in the profit and loss account as they become payable.

Notes to the financial statements

at 31 December 2022

1. Accounting policies (continued)

Going concern

The company's business activities, together with the factors likely to affect its future development and position and its principal risk exposures and uncertainties are set out in the Strategic Report. The 2023 budget has been set conservatively in recognition of any market volatility and potential material shortages within the supply chain, using the latest production planning forecasts, issued by OEMs. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company relies on its own future income, cash balances and cash pooling with HBPO GmbH to finance its business. The company has prepared liquidity forecasts for a period of 12 months from the date of approving these financial statements and assume the availability of cash under the cash pooling arrangement with HBPO GmbH. These forecasts indicate that the business has, on a base case scenario, adequate resources to continue in operational existence throughout the forecast period up to 25/09/2024. Should the company be unable to access its cash held in the cash pool, the company would potentially require support from HBPO GmbH.

Due to the cash pooling arrangement the company has obtained a letter of support from HBPO GmbH which confirms its willingness and ability to provide financial support to the company, to the extent the company is unable to meet its obligations from its own sources, for a period of 12 months from the date of approval of these financial statements. As HBPO GmbH's facilities expire within the going concern period and will be replaced with access to the Plastic Omnium cash pool facility, HBPO GmbH has obtained a letter of support from Plastic Omnium confirming that they will provide ongoing access to the group cash pool facility for a period of 12 months from the date of approval of these financial statements. The directors have made enquiries of HBPO GmbH and Plastic Omnium's directors to satisfy themselves that HBPO GmbH and Plastic Omnium have adequate resources to provide this support.

As a consequence, after making the necessary enquiries, considering the forecasts and the availability of financial support from HBPO GmbH and Plastic Omnium, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the period to 25/09/2024. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Key judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported in the profit and loss statement during the financial year. The nature of estimations carries some risks, and the actual outcome could differ from estimates used. The following estimations were made in the financial statements for year ending 31 December 2022:

Pricing Accruals

In the absence of agreed purchase orders or price revaluations, HBPO will use the latest commercial information as the basis of sales and purchase prices.

During the course of business, if any deviations arise between customer and supplier prices, HBPO will only include the latest information and commercial estimates in the profit and loss statement, holding any surplus amounts under assets or liabilities, as appropriate. This can occur frequently during production development and ongoing commercial negotiations.

As at 31 December 2022, HBPO held 4.2m in liabilities due to price differences.

Useful lives of property and equipment

The annual depreciation charge is sensitive to changes in the estimated useful economic lives and residual values of the assets. HBPO UK uses PO group rules for assessing the useful life of different asset types. These are subject to change depending on the utilisation and physical condition of the asset.

Notes to the financial statements

at 31 December 2022

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties net of credit notes issued and provisions for potential future credit notes, or other pricing adjustments.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods.

Turnover is attributable to the manufacture of front end modules for motor vehicles.

An analysis of turnover by geographical market is given below:

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|----------------|--|--|
| | €'000 | €'000 |
| United Kingdom | 75,345 | 69,944 |
| Europe | 2,129 | 2,592 |
| | <u>77,474</u> | <u>72,536</u> |

3. Other operating income

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|-----------------|--|--|
| | €'000 | €'000 |
| RDEC | 140 | - |
| Furlough Claims | - | 105 |
| | <u>140</u> | <u>105</u> |

4. Operating Profit

This is stated after charging/(crediting)

Notes

| | | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|--|---|--|--|
| | | €'000 | €'000 |
| Auditors' remuneration - audit services | | 63 | 45 |
| Non-Audit Fees - Taxation | | <u>25</u> | <u>33</u> |
| | | <u>88</u> | <u>78</u> |
| Depreciation of owned fixed assets | 9 | 497 | 579 |
| Amortisation of owned intangible assets | 8 | <u>530</u> | <u>509</u> |
| | | <u>1,027</u> | <u>1,088</u> |
| Operating lease rentals - land and buildings | | 444 | 437 |
| Operating lease rentals - plant & machinery | | <u>47</u> | <u>37</u> |
| | | <u>491</u> | <u>474</u> |
| Loss on disposal of fixed assets | | <u>2</u> | <u>11</u> |
| Foreign exchange gain | | <u>(2)</u> | <u>(94)</u> |

Notes to the financial statements

at 31 December 2022

5. Directors' Remuneration

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|--|--|--|
| | <i>€'000</i> | <i>€'000</i> |
| Aggregate remuneration in respect of qualifying services | <u>165</u> | <u>155</u> |

The company made contributions of €10,962 to the company defined contribution pension scheme in respect of the directors who served during the year (2021: €8,731).

One of the directors services are not considered to comprise a significant amount of their time and therefore none of the remuneration paid to them has been included.

6. Staff costs

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|-----------------------|--|--|
| | <i>€'000</i> | <i>€'000</i> |
| Wages and salaries | 3,788 | 3,510 |
| Social security costs | 426 | 363 |
| Other pension costs | <u>121</u> | <u>113</u> |
| | <u>4,335</u> | <u>3,986</u> |

The average monthly number of employees during the year was follows:

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|----------------|--|--|
| | <i>No.</i> | <i>No.</i> |
| Administration | 24 | 23 |
| Production | <u>65</u> | <u>61</u> |
| | <u>89</u> | <u>84</u> |

Notes to the financial statements

at 31 December 2022

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up of follows:

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---|--------------------------------|--------------------------------|
| | €'000 | €'000 |
| <i>Current tax:</i> | | |
| Corporation tax | 616 | 597 |
| Adjustments in respect of prior periods | (5) | (55) |
| Total Current tax | <u>611</u> | <u>542</u> |
| <i>Deferred tax</i> | | |
| Originating and reversing of timing differences | (103) | (47) |
| Adjustments in respect of prior periods | 12 | 43 |
| Effect of changes in tax rates | (33) | 50 |
| Total Deferred Tax (note 7 (c)) | <u>(124)</u> | <u>46</u> |
| Total tax charge | <u>487</u> | <u>588</u> |

(b) Factors affecting current tax charge

The differences are reconciled below:

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 19%. The differences are reconciled below.

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---|--------------------------------|--------------------------------|
| | €'000 | €'000 |
| Profit on ordinary activities before tax | <u>2,808</u> | <u>2,857</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (PY: 19%) | 534 | 543 |
| Disallowed expenses and non-taxable income | 1 | - |
| R&D expenditure credits | - | 16 |
| Adjustment from previous periods | 7 | (12) |
| Exchange Difference | (5) | 2 |
| Tax Rate Changes | (33) | 39 |
| Fixed asset timing differences | (17) | - |
| Total current tax (note 7 (a)) | <u>487</u> | <u>588</u> |

Notes to the financial statements

at 31 December 2022

7. Taxation on ordinary activities (continued)

(c) Deferred taxation provided in the financial statements and the amounts not provided are shown below:

| | <i>Year ended 31 December 2022</i> | | <i>Year ended 31 December 2021</i> | |
|--------------------------------|------------------------------------|-------------------------------|------------------------------------|-------------------------------|
| | <i>Provided €'000</i> | <i>Not provided €'000</i> | <i>Provided €'000</i> | <i>Not provided €'000</i> |
| Decelerated capital allowances | 175 | - | 308 | - |
| Other timing differences | (138) | - | (147) | - |
| Deferred tax liability | <u>37</u> | <u>-</u> | <u>161</u> | <u>-</u> |

The movement in the deferred tax asset is:

| | <i>€'000</i> |
|--|--------------|
| At 1 January 2022 | 161 |
| Deferred tax charge to income statement for the period | (124) |
| At 31 December 2022 | <u>37</u> |

Factors that may affect future tax charges

The UK profits for the accounting period ended 31 December 2022 are taxed at the standard rate of 19%.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery. These included an increase to the UK's main corporation tax rate to 25%, which was enacted in May 2021 and effective from April 1 2023. Deferred tax has been measured at 25% (2021 – 25%) which represents the future corporation tax rate that was enacted at the balance sheet date.

Notes to the financial statements

at 31 December 2022

8. Intangible fixed assets

| | <i>Software</i> €'000 | <i>Development costs</i> €'000 | <i>Total</i> €'000 |
|-----------------------|--------------------------|-----------------------------------|-----------------------|
| Cost: | | | |
| At 1 January 2022 | 504 | 6,537 | 7,041 |
| Additions | - | - | - |
| At 31 December 2022 | 504 | 6,537 | 7,041 |
| Amortisation: | | | |
| At 1 January 2022 | 498 | 5,482 | 5,980 |
| Charge for the period | 3 | 527 | 530 |
| At 31 December 2022 | 501 | 6,009 | 6,510 |
| Net Book Value: | | | |
| At 31 December 2022 | 3 | 528 | 531 |
| At 1 January 2022 | 6 | 1,055 | 1,061 |

9. Tangible fixed assets

| | <i>Leasehold improvements</i> €'000 | <i>Plant & equipment</i> €'000 | <i>Assets under Construction</i> €'000 | <i>Total</i> €'000 |
|-----------------------|--|---------------------------------------|---|-----------------------|
| Cost: | | | | |
| At 1 January 2022 | 528 | 5,697 | 286 | 6,511 |
| Additions | 4 | 100 | 298 | 402 |
| Disposals | - | (18) | - | (18) |
| At 31 December 2022 | 532 | 5,779 | 584 | 6,895 |
| Depreciation: | | | | |
| At 1 January 2022 | 501 | 4,872 | - | 5,373 |
| Charge for the period | 9 | 488 | - | 497 |
| Disposal | - | (11) | - | (11) |
| At 31 December 2022 | 510 | 5,349 | - | 5,859 |
| Net Book Value: | | | | |
| At 31 December 2022 | 22 | 430 | 584 | 1,036 |
| At 1 January 2022 | 27 | 825 | 286 | 1,138 |

Notes to the financial statements

at 31 December 2022

10. Stocks

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|-------------------------------|--|--|
| | €'000 | €'000 |
| Raw materials and consumables | <u>2,234</u> | <u>2,426</u> |

The difference between purchase price of stocks and their replacement cost is not considered material.

The amount of stock recognised as an expense in the year was €63,548,000 (2021: €59,612,000).

11. Debtors

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|------------------------------------|--|--|
| | €'000 | €'000 |
| Trade debtors | 1,295 | 2,471 |
| Other debtors | 16 | 11 |
| Amounts owed by group undertakings | 11,961 | 13,620 |
| Other tax receivable | <u>159</u> | <u>8</u> |
| | <u>13,431</u> | <u>16,110</u> |

Cash settlement for Intercompany receivables is expected before the 25th of the month following the date of invoice.
Funds held in the central treasury cash pooling account is repayable on demand.

12. Creditors - amounts falling due within one year

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|------------------------------------|--|--|
| | €'000 | €'000 |
| Trade creditors | 6,385 | 9,756 |
| Corporation tax | 332 | 272 |
| Other taxation and social security | 1,568 | 2,051 |
| Other creditors and accruals | <u>6,136</u> | <u>6,577</u> |
| | <u>14,421</u> | <u>18,656</u> |

13. Provision for liabilities

| | <i>Warranty €'000</i> | <i>Deferred Tax €'000</i> | <i>Total €'000</i> |
|----------------------------------|---------------------------|-------------------------------|------------------------|
| At 1 January 2022 | 330 | 161 | 491 |
| Released | - | - | - |
| Charged to Profit & Loss Account | - | (124) | (124) |
| At 31 December 2022 | <u>330</u> | <u>37</u> | <u>367</u> |

Provisions are recognised for expected warranty claims on products sold and for deferred tax.
Warranty provisions are expected to be utilised within 7 years.

Notes to the financial statements

at 31 December 2022

14. Pensions

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost for the year was €121,000 (2021: €112,000). At 31 December 2022 there was an outstanding pension contribution of €17,000 (2021: €17,000).

15. Commitments under operating leases

At 31 December 2022, the company has the following total future commitments under non-cancellable operating leases as set out below:

| | Year ended 31 December 2022 | Year ended 31 December 2022 | Year ended 31 December 2021 | Year ended 31 December 2021 |
|------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Land and Buildings | Plant & Machinery | Land and Buildings | Plant & Machinery |
| | €000 | €000 | €000 | €000 |
| <i>Operating lease commitments</i> | | | | |
| Within one year | 426 | 47 | 449 | 25 |
| In two to five years | 1,702 | 171 | 1,198 | 157 |
| In over five years | 1,277 | 56 | - | 100 |
| | <u>3,405</u> | <u>274</u> | <u>1,647</u> | <u>282</u> |

Land and Buildings relate to a building lease agreement signed in 2022, valid until 31 December 2030.

16. Share Capital

| Authorised | Year ended 31 December 2022 | Year ended 31 December 2021 |
|--|--------------------------------|--------------------------------|
| | €'000 | €'000 |
| 1,000 Ordinary shares of €1 each | <u>1</u> | <u>1</u> |
| <i>Allocated, called up and fully paid</i> | <i>At 31 December 2022</i> | <i>At 1 January 2022</i> |
| | No €'000 | No €'000 |
| Ordinary shares of €1 each | <u>1 -</u> | <u>1 -</u> |

Ordinary Shares contain no rights to fixed income. Holders of ordinary shares are entitled to vote at meetings.

Notes to the financial statements

at 31 December 2022

17. Dividends and other appropriations

| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
|-----------------------------------|--|--|
| | <i>€000</i> | <i>€000</i> |
| Declared and paid during the year | <u>2,042</u> | <u>860</u> |

18. Related party transactions

During the year, the company entered into transactions, in the ordinary course of business, with related parties that comprise of other members within the company's parents control.

Outstanding balances with entities are unsecured, interest free, and cash settlement is expected on the 25th of the month following the date of invoice.

Transactions entered into, and trading balances outstanding at 31 December 2022, are shown below.

| | <i>Purchases from related party</i> | <i>Purchases from related party</i> | <i>Amounts owed to related parties</i> | <i>Amounts owed to related parties</i> |
|-------------------------------|---|---|--|--|
| | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> | <i>Year ended 31 December 2022</i> | <i>Year ended 31 December 2021</i> |
| | <i>€'000</i> | <i>€'000</i> | <i>€'000</i> | <i>€'000</i> |
| Hella KGaA Hueck & Co | - | - | - | - |
| Hella Fahrzeugkomponenten | - | - | - | - |
| Plastic Omnium Automotive Ltd | <u>63</u> | <u>63</u> | <u>-</u> | <u>-</u> |

The company has taken advantage of the exemption in FRS 102 section 33 Related Party Disclosures paragraph 33.7, from disclosing transactions with other wholly owned members of the HBPO GmbH group, as well as with other wholly owned members of the Plastic Omnium Auto SA (France) group, following Plastic Omniums acquisition of the remaining shares in December 2022.

19. Ultimate parent company

The immediate parent undertaking of the Company is HBPO GmbH, a company registered in Germany. The parent of this company is HBPO Beteiligungsgesellschaft, a company incorporated in Germany, which is the smallest group into which the company is consolidated.

The consolidated accounts of HBPO Beteiligungsgesellschaft are publicly available from Rixbecker Strasse 111, 59552 Lippstadt, Germany.

67.67% of HBPO Beteiligungsgesellschaft shares are held by Plastic Omnium Modules S.A.S (France).

In December 2022 Plastic Omnium GmbH acquired the remaining 33.33% shares of HBPO Beteiligungsgesellschaft from HELLA KGaA Hueck & Co.

The ultimate parent company of Plastic Omnium Modules S.A.S (France) and Plastic Omnium GmbH is Burelle SA. This is the largest group into which the accounts are consolidated.

Burelle SA accounts are available to the public and may be obtained from Burelle SA head office; 19 Boulevard Jules Carteret, 69342 Lyon Cedex 07, France.