

A-Gas Investments Limited

Annual report and financial statements

Registered number 06004328

For the year ended 31 December 2022



Contents

Company Information	1
Strategic Report	2
Directors' Report	8
Directors' Responsibilities Statement	10
Independent Auditor's Report to the members of A-Gas Investments Limited	11
Statement of Profit and Loss and Other Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Notes <i>(forming part of the financial statements)</i>	18

Company Information

Directors

AJ Ambrose
IVS Podmore
REM Stewart

Secretary

REM Stewart

Auditor

Deloitte LLP
Bristol

Banker

The Royal Bank of Scotland PLC
3 Temple Back East
Temple Quay
Bristol
BS1 6DZ

Solicitor

Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

Registered Office

Banyard Road
Portbury West
Bristol
BS20 7XH

Strategic Report

The directors present their strategic report for the period ended 31 December 2022.

Business model

The Company's business model is to act as an intermediate holding company within the A-Gas Group ("the Group").

Future developments

The Company intends to continue to act as an intermediate holding company within the A-Gas Group. Future performance will continue to be driven by interest on unsecured loan notes.

Business review

The Company's financial and other key performance indicators during the year to 31 December 2022 and 2021 were as follows:

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000	Movement %
Loss after tax	(49)	(346)	-86%
Total shareholders deficit	(10,273)	(10,224)	0%

Loss after tax demonstrates the financial performance of the Company. The movement year on year is driven by the non-recurring nature of the taxation adjustment in the prior year.

Total shareholders deficit demonstrates the financial position of the Company, and the movement year on year is a consequence of the financial performance noted above.

Strategic Report (continued)

Principal risks and uncertainties

A-Gas Investments Limited, in its position as an intermediate holding Company within the A-Gas Group, is intrinsically linked to the success of the Group as a whole. Therefore the same risks and uncertainties inherent to the Group's success also apply to the Company. All of the directors that serve on the board of A-Gas Investments Limited are also Group directors and so give consideration to the Company and the Group's success in tandem.

The principal risks and uncertainties facing the Company and Group are:

Operational Risks

Health & safety. The Group distributes both hazardous and non-hazardous chemicals and gases, the improper release, spillage, misuse or mishandling of which could lead to personal injury or death in extreme cases. The Group mitigates this risk through rigorous safety standards compliant with all applicable laws and regulations, insurance policies to cover any potential liability and a "Zero Harm" safety culture which is given top priority throughout the organisation.

Regulatory risk. The majority of the products sold by the Group are regulated by laws that aim to reduce their use over time and to transition to more environmentally-friendly products. These laws are underpinned by an international treaty called the Montreal Protocol which controls, and will ultimately phase out, the production and use of ozone depleting substances, particularly CFCs and HCFCs. Following the so-called Kigali Amendment, the phasedown of HFCs were also brought under the scope of the Protocol due to their global warming potential. This artificial restriction of supply poses a significant risk to the Group's ability to service customer demand. The Group mitigates this risk by educating customers on next-generation replacement products, maximising the availability of reclaimed products (which are not subject to phase-down) and leveraging its regulatory expertise to operate optimally across regions and within the boundaries of the Protocol.

Market risk. Demand for the Group's products is driven by growth in the underlying demand for climate cooling, refrigeration and fire protection applications. In turn these are driven by both global weather patterns and macro-economic trends, such as inflation and rising energy prices. The restriction of supply via regulations can also drive adverse market behaviours, like illegal imports and product dumping. All of these factors are inherent market risks that the Group aims to mitigate through diversification across products and geographies, active involvement and lobbying within the industry, long term business plans and scenario modelling and leveraging the Group's investors' global reach and insights.

Customer concentration risk. In certain geographies and business units within the Group a relatively small number of customers contribute the majority of total revenue. This customer concentration exposes the Group to the risk that losing a customer would have a material impact on revenue and profitability. The Group mitigates this risk by concluding long term contracts with key customers where possible, providing best-in-class service with access to reclaimed material and securing import quota rights as a competitive advantage.

Cyber security. The Group is responsible for protecting the confidentiality, integrity and availability of the data it holds about its customers, employees and suppliers. Failure to ensure it has the appropriate level of information security controls increases the risk that an information security breach is not prevented, detected or adequately remediated. This could result in reputational damage, remediation costs and financial penalties for a breach of data protection legislation. The Group mitigates this risk by investing in information security measures and continuously improving its data-related policies and procedures, under the supervision of the Chief Technology Officer.

Strategic Report (continued)

Climate change. Sustained global warming poses a huge risk to the world at large and over time it will affect almost all facets of commercial undertakings. Refrigeration is inextricably linked with this challenge, as it is a potential source of global warming but also a way to mitigate its effects. As such, climate change is both a risk and an opportunity to the Group and is interlinked with other principal risks like regulatory risk and market risk as described in this section. Beyond mitigating actions already described for these risks, the Group's sustainability task force continues to assess internal and external impacts, having set the Group's Net Zero milestones in 2021.

Financial risk management policies and objectives

Foreign currency risk. The Group operates internationally and is exposed to foreign currency exchange risk on transactions not denominated in sterling as well as the translation of the Group's financial position and performance of foreign operations into sterling on consolidation. The Group manages this risk by hedging material foreign currency denominated transactions and by seeking to match foreign currency denominated assets and liabilities in order to achieve a form of natural hedge.

Liquidity risk. The Group has obligations to settle liabilities in relation to both its operating activities and financing activities. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities due to the inability to convert assets into cash without incurring a loss. The Group aims to mitigate liquidity risk by properly managing cash generation from its operations and applying cash collection targets. The Group also manages liquidity risk by actively managing credit facilities and monitoring covenant compliance.

Credit risk. The Group extends credit terms to a majority of its customers. This exposes it to the risk that the customers will fail to settle their obligations in time or at all. The Group mitigates this risk through credit policies that provide guidance on credit checks, creditworthiness and payment history before extending credit terms to customers.

Interest rate risk. The Group has material interest-bearing bank loans. An increase in interest rates will increase the financial expense relates to these loans and decrease the Group's profitability. The Group mitigates this risk by using short interest periods which ensure rates stay in line with market movements and from time to time using financial instruments to hedge against rate increases, as deemed necessary.

Going concern

In assessing the Company's going concern the directors have again given consideration to the risks and opportunities that could impact the performance and position of the Company.

The directors have prepared cash flow forecasts which consider cash flows of both the Company and its subsidiaries. In preparing those forecasts, the directors have taken into account various risks and uncertainties as noted in the Strategic Report and stress tested the forecasts accordingly. The directors have also considered the nature of receivables due from and payables due to related parties, and the common ownership of these parties by A-Gas Group Limited.

The forecasts indicate that the company will have sufficient funds to meet its liabilities as they fall due for that period, subject to the continued financial support of its intermediate parent company, A-Gas Group Limited. A letter of support from A-Gas Group Limited has been obtained.

Strategic Report (continued)

The forecasts are also dependent on fellow subsidiaries of A-Gas Group Limited not seeking repayment of the amounts currently owed by the Company and providing additional financial support during that period. A-Gas Group Limited has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the Statement of Financial Position date. This support will continue for the foreseeable future to ensure that the Company remains a going concern for a period of not less than one year from the date that these financial statements are signed for the year ended 31 December 2022.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

After careful consideration the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and operate within the level of its facilities for the 12 months from signing these accounts and they continue to adopt the going concern basis in preparing the annual report and accounts.

Section 172(1) statement

The Directors of the Company – and those of all UK companies – must act in accordance with their duties under Section 172 of the Companies Act 2006 (the Act). These include a fundamental duty to promote the success of the Company for the benefit of its members as a whole. This duty has been central to the Board's decision-making processes and outcomes over many years.

Long-term consequences of decision-making (s172(1)(a))

The Board delegates day-to-day management and decision-making to its senior management team, but it maintains oversight of the Company's performance, and reserves to itself specific matters for approval, including significant new business initiatives. Then, by receiving regular updates on business programmes and objectives, the Board monitors that management is acting in accordance with agreed strategy. Processes are in place to ensure that the Board receives all relevant information to enable it to make well-judged decisions in support of the Company's long-term success.

The financial statements of A-Gas Group Limited, being the largest and smallest Group in which the results of the Company are consolidated, sets out further detail on how the board performs its duties in relation to long-term consequences of decision-making as set out in the Act.

Reputation for high standards of business conduct (s172(1)(e))

The Board is responsible for developing a corporate culture which promotes integrity and transparency. It has established systems of corporate governance and approves policies and procedures which promote corporate responsibility and ethical behaviour.

Key policies that have been implemented include an Anti-Bribery and Corruption policy, a Trade Sanctions policy and an Antitrust Compliance Policy. An ethics hotline has also been established where employees can report any concerns or potential policy breaches anonymously. Furthermore, as noted in the Directors' Report, the company's Modern Slavery Act Statement describes the steps it had taken to ensure that slavery and human trafficking were not taking place in the context of business carried out in 2022.

Strategic Report (continued)

Stakeholder Engagement (s172(1)(c))

The Board recognises that relationships with A-Gas' key stakeholders, including its investors, lenders, employees, customers, and suppliers are important in helping the Company to achieve its business aims.

The Board considers and discusses information from across the organisation to help it understand the impact of A-Gas' operations, and the interests and views of its key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person or digital presentations.

As a result of these activities, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Act.

Investors

Investors aim to maximise returns at the level of risk they are willing to assume. Consequently, investor concerns revolve around having continued access to the information they need to assess the relevant risks and ultimately achieving the expected return on their investment.

The financial statements of A-Gas Group Limited, being the largest and smallest Group in which the results of the Company are consolidated, sets out further detail on how the board performs its duties in relation to its investors.

Lenders

Like investors, lenders also look to achieve a return on funds they have lent to the Company under the debt facilities they make available. However, returns are generally lower, given risk is lowered through a series of mitigating actions, including the seniority of the facilities in the inter-creditor agreement, securing the facilities with assets of the company, setting financial covenants with which the company must comply, and prescribing various other obligations which the company must fulfil (including information undertakings).

The financial statements of A-Gas Group Limited, being the largest and smallest Group in which the results of the Company are consolidated, sets out further detail on how the board performs its duties in relation to its lenders.

Employees (s172(1)(b))

The requirements of the Act in relation to employees are not applicable as there are no individuals employed in the Company.

Customers

The requirements of the Act in relation to customers are not applicable as there are no third-party customers subject to dealings with the Company.

Strategic Report (continued)

Suppliers

The requirements of the Act in relation to customers are not applicable as there are no third-party suppliers subject to dealings with the Company.

Communities (s172(1)(d))

The Company engages with the communities in which it operates to build trust and understand the local issues that are important to them. Key areas of focus include how it can support local causes and issues, create opportunities to recruit and develop local people and be responsible stewards of the environment. While the Company's operations do not generally pose an immediate risk of harm to local communities, the high global warming potential of its products serve as impetus for minimising any emissions and continually improving health and safety procedures. The Company also partners with local charities and organisations to raise awareness and funds.

During the year, four key sustainability projects were identified that could substantially reduce the Group's carbon footprint and help it achieve its net zero commitments. Reducing the footprint to net zero would provide a significant benefit to the communities the Group serves, and the public at large. The board considered the capital cost of these projects and the related opportunity costs, for example reducing borrowings from Lenders. It also considered how a sustainable business model could ultimately drive shareholder value for Investors in the long term. The projects were ultimately approved for implementation.

Approved for issue by order of the board:



REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH
8 June 2023

Directors' Report

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

Results and dividends

The loss for the year, after taxation, amounted to £49,000 (2021: loss of £346,000).

No dividends were paid during the year (2021: £nil). The directors do not recommend the payment of a final dividend (2021: £nil).

Directors of the Company

The directors who served during the year, and subsequently, were:

AJ Ambrose
IVS Podmore
REM Stewart

Directors' qualifying third party indemnity provision

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2021: none).

The Modern Slavery Act 2015

The A-Gas Group is committed to meeting the aims of the Modern Slavery Act 2015. We strongly oppose slavery and human trafficking in our supply chains and in any part of our business. To be trusted to do the right thing is one of our core values. We would never knowingly engage with suppliers or contractors involved in slavery or human trafficking. In accordance with the requirements of the Act we have published on our website a Slavery and human trafficking statement signed by the chief executive and we have provided a prominent link to the statement on the home page.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' Report (continued)

Other information

An indication of likely future developments in the business, principal risks and uncertainties, policies and information on exposure to credit, liquidity and foreign currency risk, financial risk management policies and objectives, engagement with suppliers, customers and others and going concern have been included in the Strategic Report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Approved for issue by order of the board:



REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH
8 June 2023

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual 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 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of A-Gas Investments Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of A-Gas Investments Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of Profit and Loss and Other Comprehensive Income;
- the Statement of Financial Position;
- Statement of Changes in Equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 at least twelve 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.

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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design

procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Edward Bell (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Bristol, United Kingdom

Date: 8 June 2023

Statement of Profit and Loss and Other Comprehensive Income
for the Year ended 31 December 2022

		Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
	<i>Note</i>		
Revenue	2	-	-
Operating profit	3	-	-
Finance expense	5	(49)	(42)
Loss before taxation		(49)	(42)
Tax on Loss	6	-	(304)
Loss for the year		(49)	(346)
Total comprehensive loss for the year		(49)	(346)

All results are derived from continuing activities.

The notes on pages 18 to 28 form an integral part of these financial statements.

There are no other recognised gains or losses attributable to the shareholders of the Company other than as stated above and therefore no separate Statement of Other Comprehensive Income has been presented.

Statement of Financial Position

at 31 December 2022

	Note	2022 £000	2021 £000
Non-current assets			
Investments in subsidiaries	7	31,427	31,427
Long term receivables	8	3,345	3,345
		<u>34,772</u>	<u>34,772</u>
Current liabilities			
Creditors	9	(45,045)	(44,996)
		<u>(45,045)</u>	<u>(44,996)</u>
Net current liabilities		<u>(45,045)</u>	<u>(44,996)</u>
Total assets less current liabilities		<u>(10,273)</u>	<u>(10,224)</u>
Net liabilities		<u>(10,273)</u>	<u>(10,224)</u>
Capital and reserves			
Share capital	11	-	-
Retained earnings		(10,273)	(10,224)
		<u>(10,273)</u>	<u>(10,224)</u>
Equity shareholder funds		<u>(10,273)</u>	<u>(10,224)</u>

The notes on pages 18 to 28 form an integral part of these financial statements.

These financial statements were approved by the board of directors and authorised for issue on 8 June 2023 and were signed on its behalf by:



REM Stewart
Director

Statement of Changes in Equity

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2021	-	(9,878)	(9,878)
<i>Total comprehensive income for the year</i>			
Loss in year	-	(346)	(346)
Total comprehensive income for the year	-	(346)	(346)
Balance at 31 December 2021	-	(10,224)	(10,224)

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2022	-	(10,224)	(10,224)
<i>Total comprehensive loss for the year</i>			
Loss in year	-	(49)	(49)
Total comprehensive loss for the year	-	(49)	(49)
Balance at 31 December 2022	-	(10,273)	(10,273)

Notes (continued)

1. Accounting policies

A-Gas Investments Limited (the Company) is a private company limited by shares and incorporated in the UK under the Companies Act 2006 and is registered in England and Wales. The registered number is 06004328 and the registered address is Banyard Road, Portbury West, Bristol, BS20 7XH.

The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare Group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

The group accounts of A-Gas Group Limited are available to the public and can be obtained as set out in note 14.

The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, certain related party transactions, and certain disclosure requirements in respect of leases.

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

- a Cash Flow Statement and related notes;
- Comparative year reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company; and
- Certain disclosures in relation to the revenue requirements of IFRS 15.

As the consolidated financial statements of A-Gas Group Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

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

Critical accounting judgments and key accounting estimates

The directors have concluded that in the application of these accounting policies, there have been no judgements that have a significant effect on the financial statements, nor are there any key sources of estimation uncertainty which may give rise to a material misstatement.

Notes (continued)

Basis of preparation and measurement convention

The financial statements are prepared under the historical cost convention as modified by financial instruments recognised at fair value.

Going concern

In assessing the Company's going concern the directors have again given consideration to the risks and opportunities that could impact the performance and position of the Company.

The directors have prepared cash flow forecasts which consider cash flows of both the Company and its subsidiaries. In preparing those forecasts, the directors have taken into account various risks and uncertainties as noted in the Strategic Report and stress tested the forecasts accordingly. The directors have also considered the nature of receivables due from and payables due to related parties, and the common ownership of these parties by A-Gas Group Limited.

The forecasts indicate that the company will have sufficient funds to meet its liabilities as they fall due for that period, subject to the continued financial support of its intermediate parent company, A-Gas Group Limited. A letter of support from A-Gas Group Limited has been obtained.

The forecasts are also dependent on fellow subsidiaries of A-Gas Group Limited not seeking repayment of the amounts currently owed by the Company and providing additional financial support during that period. A-Gas Group Limited has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the Statement of Financial Position date. This support will continue for the foreseeable future to ensure that the Company remains a going concern for a period of not less than one year from the date that these financial statements are signed for the year ended 31 December 2022.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

After careful consideration the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and operate within the level of its facilities for the 12 months from signing these accounts and they continue to adopt the going concern basis in preparing the annual report and accounts.

Notes (continued)

Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade debtors and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts. The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the year end.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value, normally being the transaction price plus directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the statement of comprehensive income. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in the statement of comprehensive income. Other investments are measured at cost less impairment in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Notes (continued)

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

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

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

Taxation

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital reserve represents the nominal value of shares issued.

Retained earnings

Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

Fixed asset investments

Investments in subsidiaries are carried at cost less impairment.

Notes (continued)

2. Turnover

The Company is an intermediate holding company and has not traded during the current or previous year.

3. Expenses and auditors' remuneration

Included in loss are the following:

	2022 £000	2021 £000
Auditor's remuneration:		
- Audit of these financial statements	4	3

The Company's audit fee was £4,000 (2021: £3,000) and was borne by another Company within the A-Gas Group. Fees paid to the Company's auditor, Deloitte LLP, for services other than the statutory audit of the Company are not disclosed in the Company's accounts since the consolidated accounts of the Company's parent, A-Gas Group Limited disclose non-audit fees on a consolidated basis.

There were no persons employed by the Company in either year.

4. Directors remuneration

All directors are also directors of an intermediate parent Company, A-Gas Group Limited. Their emoluments for the current and prior year are borne by and disclosed in the financial statements of A-Gas (Orb) Limited, an intermediate Group company. None of the services provided by directors can be attributed to the Company as they are insignificant (2021: none).

5. Finance expense

	2022 £000	2021 £000
Interest payable on unsecured loan notes due to fellow Group company (note 9)	49	42
	<u>49</u>	<u>42</u>

Notes (continued)

6. Tax on (loss)/profit

	2022		2021	
	£000	£000	£000	£000
<i>Current tax</i>				
Total current tax		-		-
<i>Deferred tax</i>				
Origination and reversal of timing differences	-		399	
Change in tax rate	-		(95)	
Total deferred tax		-		304
Total tax charge		-		304
Reconciliation of effective tax rate:				
			2022	2021
			£000	£000
(Loss) for the year			(49)	(346)
Total tax charge			-	304
(Loss) for the year before tax			(49)	(42)
Tax using the UK corporation tax rate of 19% (2021: 19%)			(9)	(8)
Effect of tax losses			-	400
Thin capitalisation and transfer pricing			(390)	(391)
Remeasurement of deferred tax for changes in tax rates			-	(95)
Group relief for no consideration			399	398
Total tax charge			-	304

In Finance Act 2021, it was announced that the main rate of corporation tax will be increased to 25% for businesses with profits exceeding £250,000 from 1 April 2023. As this was substantively enacted before the balance sheet date, balances are measured at 25%.

Notes (forming part of the Financial Statements)

7. Investments in subsidiaries

The Company has the following investments in subsidiaries:

<i>Subsidiary undertaking</i>	<i>Class and percentage of shares held</i>	<i>Country of incorporation</i>	<i>Registered address</i>	<i>Principal activity</i>
A-Gas International Limited	100% ordinary	England & Wales	²	Holding company
A-Gas (UK) Limited ¹	100% ordinary	England & Wales	²	Chemicals and gases
A-Gas (Australia) Pty Limited ¹	100% ordinary	Australia	³	Chemicals and gases
A-Gas (South Africa) (Pty) Limited ¹	100% ordinary	South Africa	⁴	Chemicals and gases
A-Gas (SEA) Pte Limited ¹	100% ordinary	Singapore	⁵	Chemicals and gases
A-Gas Electronic Materials Limited ¹	100% ordinary	England & Wales	²	Electronic materials
Comercializadora Industrial JFD, S.A de C.V. ¹	100% ordinary	Mexico	⁶	Chemicals and gases
A-Gas Solpac Asia Pacific Pte Limited ¹	100% ordinary	Singapore	⁵	Holding company
A-Gas Solpac Holdings (Thailand) Limited ^{1,20}	49% ordinary	Thailand	⁷	Holding company
A-Gas (Thailand) Limited ¹	99% ordinary	Thailand	⁷	Chemicals and gases
A-Gas (Shanghai) Chemical Co Limited ¹	100% ordinary	China	⁸	Chemicals and gases
A-Gas US Holdings, Inc. ¹	100% ordinary	USA	⁹	Holding company
A-Gas US, Inc. ¹	100% ordinary	USA	⁹	Chemicals and gases
BTC B.V. ¹	100% ordinary	Netherlands	¹⁰	Chemicals and gases
A-Gas Deutschland Holdings GmbH ¹	100% ordinary	Germany	¹¹	Holding company
A-Gas Canada Inc ¹	100% ordinary	Canada	¹²	Chemicals and gases
A-Gas (New Zealand) Limited ¹	100% ordinary	New Zealand	¹³	Chemicals and gases
A-Gas Deutschland GmbH ¹	100% ordinary	Germany	¹⁴	Chemicals and gases
A-Gas Grundstücksverwaltungs GmbH ¹	100% ordinary	Germany	¹¹	Property company
A-Gas Singapore Pte Limited ¹	100% ordinary	Singapore	¹⁵	Chemicals and gases
A-Gas Environmental Services Hongkong Limited ¹	100% ordinary	Hong Kong	¹⁶	Chemicals and gases
A-Gas Italia S.R.L. ¹	100% ordinary	Italy	¹⁷	Chemicals and gases
A-Gas Japan Limited ¹	100% ordinary	Japan	¹⁸	Chemicals and gases
Salience Solutions Pty Limited ¹	100% ordinary	Australia	¹⁹	Gas destruction

Notes (forming part of the Financial Statements)

7. Investments in subsidiaries - Company (continued)

- Note 1 – Shares held by a subsidiary of the Company
 Note 2 - Banyard Road, Portbury West, Bristol, BS20 7XH, UK
 Note 3 - 9-11 Oxford Road, Laverton North, Melbourne, Victoria, Australia, 3026
 Note 4 - 649 Afrikander Road, Mirdock Valley South, Simonstown, South Africa
 Note 5 - C/O KWCA Pte Ltd 80 Raffles Place, #25-01 UOB Plaza 1, Singapore 048624
 Note 6 - Pablo Villaseñor 460, Col. Ladrón de Guevara CP 44600 Guadalajara, México
 Note 7 - 68-68/6 S&B Tower, Floor 7th, Room No. 702, Pan Road, Silom, Bangrak, Bangkok 10500, Thailand
 Note 8 - Room 1102 Yunding International Building, 800 Chengshan Rd, Pudong District, Shanghai, 200125
 Note 9 - 1209 Orange Street, Wilmington, New Castle County, Delaware, 19802
 Note 10 - Albert Thijsstraat 65, 6471 WX, Eygelshoven
 Note 11 - Reeperbahn 1, C/O Osborne Clarke, Rechtsanwälte Steuerberater PartGmbH, Tanzende Turme, 20359
 Note 12 - 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario, Canada, M5L 1A9
 Note 13 - MinterEllisonRuddWatts, Level 20, 88 Shortland Street, Auckland Central, Auckland, 1010
 Note 14 - Bei den Kämpen 22, Seevetal, 21220
 Note 15 - 142 Tuas South Avenue 2 West Point, Bizhub Singapore, 637176 Singapore
 Note 16 - RM 1203, 12/F W50, 50 Wong Chuk Hang RD, Hong Kong
 Note 17 - Via Cavour, 96, 67051 Avezzano AQ, Italy
 Note 18 - Shinsaka building 101, 8-6-13 Akasaka, Minato-ku Tokyo 107-0052, Japan
 Note 19 - Level 1, 376 Heidelberg Road, Fairfield, Victoria, 3078, Australia
 Note 20 - The Directors have assessed that the Company has significant influence over A-Gas Solpac Holdings (Thailand) Limited as it controls 95% of the voting power of those shares

	Shares in Group undertakings £000	Total £000
<i>Cost</i>		
Balance at 1 January 2022 and 31 December 2022	31,427	31,427
<i>Net book value</i>		
Balance at 1 January 2022 and 31 December 2022	31,427	31,427

Notes (forming part of the Financial Statements)

8. Debtors

	2022 £000	2021 £000
Long term receivables		
Amounts owed by fellow Group companies	3,345	3,345
	<u>3,345</u>	<u>3,345</u>

Amounts owed by Group undertakings bear no interest, are unsecured and are payable on demand, although the likelihood of repayment within 12 months is remote, and so classified as repayable after more than one year.

As members of the same Group, it is common for Group companies to transact with fellow Group undertakings to meet the requirements of said fellow Group undertaking.

9. Creditors falling due in less than one year

	2022 £000	2021 £000
Unsecured loan notes due to fellow Group company	665	616
Amounts owed to fellow Group companies	4,546	4,546
Loans due to fellow Group companies	39,834	39,834
	<u>45,045</u>	<u>44,996</u>

The unsecured loan notes due to a Group company bear interest at 8% per annum and are repayable on demand. The amounts owed to fellow Group companies bear no interest, are unsecured, and are payable within one year. The loans due to fellow Group companies bear no interest and are payable within one year.

As members of the same Group, it is common for Group companies to transact with fellow Group undertakings to meet the requirements of said fellow Group undertaking.

Notes (forming part of the Financial Statements)

10. Deferred tax assets and liabilities

The following are the major deferred tax liabilities and assets recognised by the Company and the movements thereon during the current and prior reporting period.

	Tax losses £000	Total £000
Balance at 1 January 2021	304	304
Charge to profit or loss	(304)	(304)
Balance at 1 January 2022 and at 31 December 2022	-	-

At the reporting date, the Company has unused tax losses of £nil (2021: £nil) available for offset against future profits. A deferred tax asset has been recognised in respect of £nil (2021: £nil) of such losses. No deferred tax asset has been recognised in respect of the remaining £1.6m (2021: £1.6m) as it is not considered probable that there will be future taxable profits available.

11. Capital and reserves

	2022 £000	2021 £000
<i>Authorised, allotted, called up and fully paid</i>		
One ordinary share of £1	-	-

The amount of dividends per share for 2022 was £nil (2021: £nil).

The Company has one class of ordinary shares which carry no right to fixed income.

Notes (forming part of the Financial Statements)

12. Contingencies

The Company together with other Group subsidiaries has fixed and floating charges under a charge dated 11 August 2017 in respect of loans and bank borrowings of a parent of the Company. The total amount of loans guaranteed at 31 December 2022 was £240,024,710 (2021: £231,905,165). As at 31 December 2022, £238,846,039 (2021: £229,412,061) was utilised.

The Company together with Group subsidiaries has guaranteed the Group revolving credit facility to the extent of £30,000,000 (2021: £30,000,000). As at 31 December 2022, £21,897,426 (2021: £21,264,029) was utilised.

13. Related party transactions

The Company has taken advantage of the exemption given by FRS101 to subsidiary undertakings, 100% of whose voting rights are controlled within the Group, by not disclosing information on related party transactions with entities that are part of the Group, or investees of the Group qualifying as related parties.

	Loans to parties & receivables outstanding		Loans from parties & creditors outstanding	
	2022 £000	2021 £000	2022 £000	2021 £000
Entities with control, joint control or significant influence	-	-	30,537	30,537
Entities over which the Company has control, joint control or significant influence	3,345	3,345	14,508	14,459
	<u>3,345</u>	<u>3,345</u>	<u>45,045</u>	<u>44,996</u>

14. Ultimate parent Company

The Company is a subsidiary undertaking of A-Gas (Orb) Limited and the registered address is: Banyard Road, Portbury West, Bristol, BS20 7XH, United Kingdom. The ultimate holding Company is Clean Topco Limited, incorporated in the Cayman Islands, and the registered address is: P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The ultimate controlling party is KKR & Co. Inc., incorporated in Delaware, United States of America and registered at 30 Hudson Yards, Suite 7500, New York, New York, 10001, United States of America.

The largest and smallest Group in which the results of the Company are consolidated is that headed by A-Gas Group Limited, incorporated in the United Kingdom, and the registered address is: 11th Floor, 200 Aldersgate Street, London, EC1 4HD, United Kingdom. Consolidated financial statements can be obtained from Companies House.