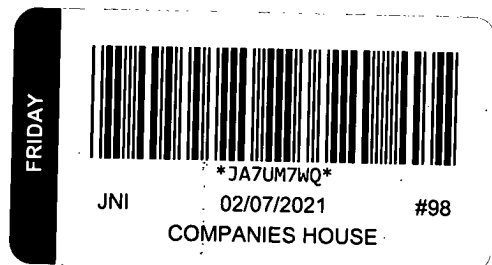


Musto Midco Limited

Report and Financial Statements

31 December 2020



Directors

P Barnes
W Matheson
P Stoneham

Auditors

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

Bankers

DNB Bank ASA
8th Floor, The Walbrook Building
25 Walbrook
London
EC4N 8AF

Registered Office

International House
St Katharine Docks
St Katherines Way
London
E1W 1UN
United Kingdom

Registered No. 06295514

Strategic Report

The directors present their strategic report for Musto Midco ("the company") for the year ended 31 December 2020.

Principal activity and review of the business

Throughout the year the company has acted as a non-trading, intermediate parent undertaking.

Results

The loss for the year after taxation amounted to £nil (2019 – loss of £10,698,454). The loss in the prior year is due to the company acting as a non-trading, intermediate parent undertaking and includes an impairment of the investment in the subsidiary company Musto Bidco Limited.

By order of the Board



Director

P Barnes

30th June 2021

Registered No. 06295514

Directors' report

The directors present their report and financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year after taxation amounted to £nil (2019 – £10,698,454). The loss in the prior year was due to an impairment of the investment in the subsidiary company Musto Bidco Limited. The directors do not recommend a final dividend (2019 – £nil).

Principal activity and future developments

Throughout the year the company has acted as a non-trading, intermediate parent undertaking.

Financial risk management policy

The company's financial instruments comprise investments and group indebtedness. The main risks associated with these financial assets and liabilities are set out below:

Credit risk

Given the company's receivables are owed by group undertakings, the directors do not believe that there are significant exposures arising from credit risk, as Musto Limited has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk and debt service risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The liquidity risk within the overall Musto Group is managed by the parent company, Helly Hansen AS and there is support in place in terms of funding should Musto need to call upon it.

Foreign currency risk

The company has no exposure to foreign currencies.

Market price risk

Given the nature of the company the directors do not believe that there are any significant exposures arising from market price risk.

Going concern

The company operates as an integral part of the Helly Hansen group ("the group"), whose parent entity is Helly Hansen Holdings AS. The company also operates within the group's financing arrangements. The wider Helly Hansen group is also funded through a combination of shareholder loans and revolving credit facilities.

The directors have considered the impact of Covid-19 on the company's trading subsidiary undertaking's financial performance and cash flows for the period to 30 June 2022, including modelling sensitivities that consider the risk of reductions in revenues due to more adverse trading conditions and/or slower recovery from the impact of the pandemic. These financial forecasts and sensitivities show the company and its subsidiary undertaking will be reliant on financial support from its parent, including not demanding repayment of amounts repayable on demand and also providing further funding as and when needed. Further, the company's trading subsidiary undertaking sources the majority of its goods from fellow group companies and hence is reliant on the continued existence of the Helly Hansen group to continue in existence.

The directors of Helly Hansen Holdings AS have provided a letter indicating that they intend to continue to provide financial support to the company and its trading subsidiary undertaking, including not demanding repayment of amounts owed by the company and to provide sufficient funds to the company for at least one year from approval of these financial statements.

On the basis of their assessment of the company's and its trading subsidiary's cash flow forecasts, the letter of support provided by Helly Hansen Holdings AS, and the reasonable expectations that the Helly Hansen Holdings AS group will continue as a going concern, the directors have concluded that the company will be able to continue in operational existence for the period to 30 June 2022. Consequently, the directors have concluded that it is appropriate to prepare these financial statements on a going concern basis.

Directors' report (continued)

Post balance sheet events

On 4 January 2021, in response to the rising infection rate of Covid-19, the UK Prime Minister announced a national lockdown and instructed people to stay at home to control the virus. This resulted in a temporary closure of all the company's subsidiary undertaking, Musto Limited's, retail stores.

Similar lockdown measures taken by the Irish government also resulted in a temporary closure of the company's subsidiary undertaking, Musto Limited's, Irish store in 2021.

Directors

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

P Barnes
W Matheson
P Stoneham

Disclosure of information to the auditors

So 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 auditor, each director has taken all the steps that they are obliged to take as a director 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.

On behalf of the Board



Director
P Barnes

30th June 2021

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 102 and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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 Musto Midco Limited

Opinion

We have audited the financial statements of Musto Midco Limited (the 'company') for the year ended 31 December 2020 which comprise the Profit and Loss Account, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity, and the related notes 1 to 11, 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 2020 and of its result 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 below. 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.

Independent auditor's report (continued)

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.

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.

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

We have nothing to report in this regard.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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

Independent auditor's report (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the company is complying with those frameworks by making inquiries of management to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through reading board minutes and correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override to be a fraud risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria. We read the minutes of Directors' meetings to identify any non-compliance with laws and regulations. We also made enquiries with the Directors and of management of the company regarding compliance with laws and regulations.

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.

Independent auditor's report (continued)

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.

Ernst + Young LLP

Michael Christie (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Belfast

Date: 30 June 2021

Profit and loss account

for the year ended 31 December 2020

		2020	2019
	Notes	£	£
Impairment of investment in subsidiary undertaking	5	-	(10,698,454)
Operating loss	2	-	(10,698,454)
Interest payable and similar expenses		-	-
Loss before taxation		-	(10,698,454)
Tax	4	-	-
Loss for the financial year		-	(10,698,454)

Statement of comprehensive income

for the year ended 31 December 2020

	2020	2019
	£	£
Loss for the financial year	-	(10,698,454)
Other comprehensive income	-	-
Total comprehensive loss for the year	-	(10,698,454)

Registered No. 06295514

Balance sheet

at 31 December 2020

		2020	2019
	Notes	£	£
Fixed assets			
Investments	5	<u>22,000,000</u>	<u>22,000,000</u>
Current assets			
Debtors	6	<u>34,504,730</u>	<u>34,504,730</u>
Net current assets		<u>34,504,730</u>	<u>34,504,730</u>
Total assets		<u>56,504,730</u>	<u>56,504,730</u>
Creditors: amounts falling due within one year	7	<u>(32,517,164)</u>	<u>(32,517,164)</u>
Net assets		<u>23,987,566</u>	<u>23,987,566</u>
Capital and reserves			
Called up share capital	8	7,065,432	7,065,432
Share premium account		35,514,959	35,514,959
Profit and loss account		<u>(18,592,825)</u>	<u>(18,592,825)</u>
Shareholders' funds		<u>23,987,566</u>	<u>23,987,566</u>

The accounts were approved by the Board of Directors and authorised for issue on 30 June 2021 and signed by:



Director

P Barnes

30th June 2021

Statement of changes in equity

for the year ended 31 December 2020

	<i>Called up Share Capital</i>	<i>Share premium</i>	<i>Profit and loss account</i>	<i>Total Equity</i>
	£	£	£	£
At 1 January 2019	7,065,432	35,514,959	(7,894,371)	34,686,020
Loss for the year	-	-	(10,698,454)	(10,698,454)
At 1 January 2020	7,065,432	35,514,959	(18,592,825)	23,987,566
Loss for the year	-	-	-	-
At 31 December 2020	7,065,432	35,514,959	(18,592,825)	23,987,566

Called up Share capital

The balance classified as called up share capital includes the nominal value of issued company's share capital.

Share premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account

The company's profit and loss account include the accumulated profits and losses of the company less any dividends declared.

Notes to the financial statements

at 31 December 2020

1. Accounting policies

Statement of compliance

Musto Midco Limited is a limited liability company incorporated in England. The Registered Office is International House, St Katharine Docks, St Katherine's Way, London, E1W 1UN.

The financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements for the year ended 31 December 2020.

Basis of preparation

The financial statements of Musto Midco Limited were authorised for issue by the Board of Directors. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and are rounded to the nearest pound (£).

Going concern

The company operates as an integral part of the Helly Hansen group ("the group"), whose parent entity is Helly Hansen Holdings AS. The company also operates within the group's financing arrangements. The wider Helly Hansen group is also funded through a combination of shareholder loans and revolving credit facilities.

The directors have considered the impact of Covid-19 on the company's trading subsidiary undertaking's financial performance and cash flows for the period to 30 June 2022, including modelling sensitivities that consider the risk of reductions in revenues due to more adverse trading conditions and/or slower recovery from the impact of the pandemic. These financial forecasts and sensitivities show the company and its subsidiary undertaking will be reliant on financial support from its parent, including not demanding repayment of amounts repayable on demand and also providing further funding as and when needed. Further, the company's trading subsidiary undertaking sources the majority of its goods from fellow group companies and hence is reliant on the continued existence of the Helly Hansen group to continue in existence.

The directors of Helly Hansen Holdings AS have provided a letter indicating that they intend to continue to provide financial support to the company and its trading subsidiary undertaking, including not demanding repayment of amounts owed by the company and to provide sufficient funds to the company for at least one year from approval of these financial statements.

On the basis of their assessment of the company's and its trading subsidiary's cash flow forecasts, the letter of support provided by Helly Hansen Holdings AS, and the reasonable expectations that the Helly Hansen Holdings AS group will continue as a going concern, the directors have concluded that the company will be able to continue in operational existence for the period to 30 June 2022. Consequently, the directors have concluded that it is appropriate to prepare these financial statements on a going concern basis.

Consolidation

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the company's results are included in the results of the ultimate parent company's consolidated financial statements which are publically available (see Note 9).

The company's financial statements present information about it as an individual undertaking and not about its group.

Notes to the financial statements

at 31 December 2020

1. Accounting policies (continued)

Reduced disclosure framework

The Company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- (b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- (c) The requirements of Section 11 Basic Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and Section 12 paragraph 12.26; and
- (d) Section 33 Related Party Disclosures paragraph 33.7.

Investments

Investments in subsidiaries are valued at cost less any provision for impairment.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- 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.

Foreign currencies

Interest bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by payments made in respect of the debts of the period. Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

Notes to the financial statements

at 31 December 2020

1. Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of 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 for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimations.

In the course of preparing the company's financial statements, no judgements have been made in the process of applying the company's accounting policies.

The directors consider that the following estimates and judgements are likely to have the most significant effect on the amounts recognised in the financial statements:

Impairment of carrying value of investments

The company reviews the carrying amounts of its investments to determine whether there is any indication that the value of those assets is impaired as set out below. This requires an estimation of the fair value less cost of disposal and value in use, which includes the estimation of future cash flows and the application of a suitable discount rate.

2. Operating result

The audit expenses of the company have been met by Musto Limited, a subsidiary undertaking, in the current and prior year. The fee receivable by the auditors for the audit of the company's financial statements (borne by Musto Limited) was £3,500 (2019 – £3,500).

3. Directors' remuneration

Due to the limited activities of the company no remuneration has been paid to the directors with respect to any services to the company (2019 – £nil).

Notes to the financial statements

at 31 December 2020

4. Tax

(a) Tax on loss

There is no current tax payable (2019 - £nil).

(b) Factors affecting the current tax result for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020 £	2019 £
Loss before tax	-	(10,698,454)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	-	(2,032,706)
<i>Effects of:</i>	-	-
Disallowed expenses and non-taxable income	-	-
Losses carried forward not utilised	-	2,032,706
Current tax for the year (note 4(a))	-	-

(c) Deferred tax

Deferred tax assets not recognised in the financial statements comprise

	2020 £	2019 £
Losses carried forward	1,188	1,063
	1,188	1,063

The asset will be recognised when there is sufficient certainty over future non-trading taxable profits within the company.

(d) Factors that may affect future tax charges

The 2020 Finance Bill announced that the planned reduction in the main rate of corporation tax from 19% to 17% from 1 April 2020 would not occur and that the corporation tax rate would remain at 19% from 1 April 2020 and that this rate will be maintained from 1 April 2021. Accordingly, deferred tax assets and liabilities are calculated based on 19% as that is the rate expected to be in effect when the asset or liability reverses. On 24 May 2021, the Finance Bill 2021 was substantively enacted so that from 1 April 2023 the headline corporation tax rate will increase to 25%. We have continued to measure unrecognised deferred tax at the rate of 19% as the new rate was substantively enacted after the balance sheet date. A deferred tax asset of £1,188 has not been recognised on the basis that future recovery of such amounts is uncertain.

Notes to the financial statements

at 31 December 2020

5. Investments

	<i>Subsidiary undertakings</i> £
Cost:	
At 1 January 2019	32,698,454
Impairment:	
At 31 December 2019	(10,698,454)
Impairment in the year	-
At 31 December 2020	(10,698,454)
Net book value	
At 1 January 2020 and 31 December 2020	22,000,000

There was an impairment loss of £nil in the year due to a brand valuation from the ultimate controlling party company (2019 - £10,698,454).

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

<i>Name of company</i>	<i>Country of incorporation or registration</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Musto Bidco Limited	England	Ordinary shares	99.99%	Parent undertaking
Musto Limited*	England	Ordinary shares	99.99%	Retailer of clothing and accessories to marine an country wear markets
Musto Italy Srl**	Italy	Ordinary shares	99.99%	Promotion and marketing of group's products in Italy

* held by Musto Bidco Limited

** held by Musto Limited

Notes to the financial statements

at 31 December 2020

6. Debtors

	2020	2019
	£	£
Amounts due from subsidiary undertaking	34,504,710	34,504,710
Other debtors	20	20
	<u>34,504,730</u>	<u>34,504,730</u>

Amounts due from subsidiary undertaking bear no interest and are repayable on demand.

7. Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts due to parent undertaking	32,517,164	32,517,164
	<u>32,517,164</u>	<u>32,517,164</u>

8. Issued share capital

	2020		2019	
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£</i>	<i>No.</i>	<i>£</i>
Ordinary shares of £1 each	7,065,312	7,065,312	7,065,312	7,065,312
Ordinary 'B' shares of 1p each	11,000	110	11,000	110
Ordinary 'Z' shares of £1 each	10	10	10	10
		<u>7,065,432</u>		<u>7,065,432</u>

Notes to the financial statements

at 31 December 2020

9. Ultimate parent company and related party transactions

The company's immediate parent company is Musto Topco Limited. The company is a wholly owned subsidiary of Helly Hansen AS, a company incorporated in Norway.

Canadian Tire Corporation is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2020. Copies of the consolidated financial statements may be obtained from Canadian Tire Corporation is: 2180 Yonge Street, Toronto, Ontario, Canada M4P 2V8.

Details of transactions with group companies are not presented in these financial statements in accordance with exemptions contained within FRS102.

10. Ultimate Controlling party

The directors consider Canadian Tire Corporation to be the ultimate controlling party. The address of the Canadian Tire Corporation is: 2180 Yonge Street, Toronto, Ontario, Canada M4P 2V8.

11. Post balance sheet events

On 4 January 2021, in response to the rising infection rate of Covid-19, the UK Prime Minister announced a national lockdown and instructed people to stay at home to control the virus. This resulted in a temporary closure of all the company's subsidiary undertaking, Musto Limited's, retail stores.

Similar lockdown measures taken by the Irish government also resulted in a temporary closure of the company's subsidiary undertaking, Musto Limited's, Irish store in 2021.