

## **U-POL Bidco Limited**

Directors' report, Strategic report and  
financial statements

Registered number 07330406

For the year ended 31 December 2021



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## Strategic report

The Directors present the strategic report for the year ended 31 December 2021.

### Principal activities

The principal activity of the company in the year under review was that of an intermediate holding company. The Company held external bank loan which was settled in full on 15 September 2021 when the U-POL Group was acquired by Axalta Coating Systems UK Holding Ltd.

The loss after taxation for the financial year amounted to £1.8 million (2020: £0.7 million), the losses mainly represent interest expense on bank loan, the loan amortisation cost of £0.8 million was also written off in the profit and loss account upon settlement of the loan balance.

### Principal risks and uncertainties

Risks are identified and formally reviewed by management and appropriate processes are in place to monitor them.

### Political contributions

The Company made no political donations or incurred any political expenditure during the year.

### Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £24.8 million (2020: £25.8 million) and a loss for the year amounting to £1.8 million (2020: £0.7 million) which the directors believe to be appropriate for the following reasons:

The Company is part of the U-POL Holdings Limited group (the "Group"). The Company's ability to continue to operate as a going concern is directly linked to the Group position as the company does not trade and have no cash reserves of its own. The Company is an intermediate holding company and the loss amounting to £1.8 million (2020: £0.7 million) is mainly on account of interest expense. The external loan was settled in full on 15 September 2021 when the U-POL Group was acquired by Axalta Coating Systems UK Holding Ltd.


The Board of the Group undertook an assessment of the ability of the Group to continue in operation and meet its liabilities as they fall due over a period up to 31 July 2023. The Group's assessment was made available to the Directors of the Company. The Directors did not consider that this assessment indicated the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The Group have provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the 12 months from the date of signing these financial statements by meeting its liabilities as they fall due for payment.

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.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

On behalf of the board

  
James Ian Blenkinsopp  
Director

23 June 2022

U-POL Tech Centre,  
Denington Road,  
Wellingborough,  
Northamptonshire,  
NN8 2QH

## Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2021.

### Proposed dividend

The directors do not recommend the payment of a final dividend (2020: £nil). Dividends declared during the year amounted to £nil (2020: £nil).

### Directors

The directors who held office during the year were as follows:

James Ian Blenkinsopp (appointed, 15 September 2021)

Farrell Dolan (appointed, 15 September 2021)

Michael John Coombes (resigned, 15 September 2021)

Guy Hampton Williams (resigned, 15 September 2021)

### Disclosure of information to 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 they 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.

### Auditor

Pursuant to section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



James Ian Blenkinsopp  
Director

23 June 2022

U-POL Tech Centre,  
Denington Road  
Wellingborough, ,  
Northamptonshire  
NN8 2QH

Registered number 07330406

## **Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.'*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent Auditor's Report to the Members of U-POL Bidco Limited**

### **Opinion**

We have audited the financial statements of U-POL Bidco Limited. ("the company") for the year ended 31 December 2021 which comprise the profit and loss account, the statement of other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards including, FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Board meeting minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

## **Independent Auditor's Report to the Members of U-POL Bidco Limited (*continued*)**

### **Fraud and breaches of laws and regulations – ability to detect (*continued*)**

#### *Identifying and responding to risks of material misstatement due to fraud (continued)*

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to unexpected accounts, journal entries posted to seldom used accounts and journal entries ending with round numbers.

#### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law and data protection law recognising the nature of company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

## **Independent Auditor's Report to the Members of U-POL Bidco Limited (continued)**

### **Strategic report and directors' report (continued)**

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

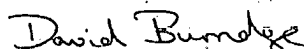
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**David BurrIDGE (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

58, Clarendon Road

Watford

WD17 1DE

Date: 23 June 2022



**Profit and loss account**  
*for the year ended 31 December 2021*

	<i>Note</i>	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
Administrative expenses		-	(6)
<b>Operating loss</b>		-	(6)
Interest payable and similar charges	4	(2,181)	(3,354)
Interest receivable and similar income	5	409	2,639
<b>Loss before tax</b>		(1,772)	(721)
Tax	6	-	-
<b>Loss for the year</b>		(1,772)	(721)

The results shown above are derived entirely from continuing operations.

**Statement of other comprehensive income**  
*for the year ended 31 December 2021*

	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
<b>Loss for the year</b>	(1,772)	(721)
Effective portion of changes in fair value of cash flow hedges	-	(7)
<b>Total losses recognised during the year</b>	(1,772)	(728)

The notes on pages 10 to 16 form an integral part of these financial statements.

**Balance sheet**  
*at 31 December 2021*

	<i>Note</i>	<b>31 December 2021</b>		<b>31 December 2020</b>	
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed assets</b>					
Investments	7		51,361		51,361
<b>Current assets</b>					
Debtors	8	-		3,663	
Cash		1			
		<u>1</u>		<u>3,663</u>	
<b>Creditors: amounts falling due within one year</b>	9	<b>(24,812)</b>		<b>(29,478)</b>	
<b>Net current liabilities</b>			<b>(24,811)</b>		<b>(25,815)</b>
<b>Total assets less current liabilities</b>			<b>26,550</b>		<b>25,546</b>
<b>Creditors: amounts falling due after more than one year</b>	10				<b>(42,359)</b>
<b>Net assets/(liabilities)</b>			<b>26,550</b>		<b>(16,813)</b>
<b>Capital and reserves</b>					
Called up share capital	11				
Profit and loss account			(18,585)		(16,813)
Capital contribution	11b		45,135		
<b>Shareholders' equity/(deficit)</b>			<b>26,550</b>		<b>(16,813)</b>

The notes on pages 10 to 16 form part of these financial statements.

These financial statements were approved by the board of directors on 23 June 2022 and were signed on its behalf by:



**James Ian Blenkinsopp**  
*Director*

**Statement of Changes in Equity**  
*At 31 December 2021*

	Called-up share capital	Capital Contribution	Cash flow hedge reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
Balance at 1 January 2020	-	-	7	(16,092)	(16,085)
Loss for the year	-	-	-	(721)	(721)
Cash flow hedge	-	-	(7)	-	(7)
<b>Balance at 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,813)</b>	<b>(16,813)</b>
Loss for the year	-	-	-	(1,772)	(1,772)
Capital Contribution (refer note 11b)	-	45,135	-	-	45,135
<b>Balance at 31 December 2021</b>	<b>-</b>	<b>45,135</b>	<b>-</b>	<b>(18,585)</b>	<b>26,550</b>

The notes on pages 10 to 16 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis unless otherwise indicated. The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- Cash Flow Statement and related notes; and
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The details of the ultimate parent undertaking in which the Company is consolidated are provided in note 14.

#### **Going concern**

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £24.8 million (2020: £25.8 million) and a loss for the year amounting to £1.8 million (2020: £0.7 million) which the directors believe to be appropriate for the following reasons.

The Company is part of the U-POL Holdings Limited group (the "Group"). The Company's ability to continue to operate as a going concern is directly linked to the Group position as the company does not trade and have no cash reserves of its own. The Company is an intermediate holding company and the loss amounting to £1.8 million (2020: £0.7 million) is mainly on account of interest expense. The external loan was settled in full on 15 September 2021 when the U-POL Group was acquired by Axalta Coating Systems UK Holding Ltd.

The Board of the Group undertook an assessment of the ability of the Group to continue in operation and meet its liabilities as they fall due over a period up to 31 July 2023. The Group's assessment was made available to the Directors of the Company. The Directors did not consider that this assessment indicated the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The Group have provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the 12 months from the date of signing these financial statements by meeting its liabilities as they fall due for payment.

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.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### ***Investments***

Investments are shown at cost. Any permanent diminution in value is written off directly to the profit and loss account as incurred.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Finance costs*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

#### *Taxation*

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### *Basic financial instruments*

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less 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 instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### *Other financial instruments*

##### *Financial instruments not considered to be Basic financial instruments (Other financial instruments)*

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

## Notes (continued)

### 2 Loss before taxation

The company's auditor's remuneration of £3,000 (2020: £3,000) was borne by the indirect subsidiary company, U-POL Limited.

### 3 Directors' remuneration

Directors' remuneration was borne by other group entities. The notional allocation of cost to the entity was negligible.

### 4 Interest payable and similar charges

	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
On bank loans and overdrafts	1,350	3,046
Debt issue costs amortisation	831	308
	<u>2,181</u>	<u>3,354</u>

### 5 Interest receivable and similar income

	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
Other finance income	163	175
Net exchange rate gain on retranslation of US Dollar loans and intercompany balances	246	2,464
	<u>409</u>	<u>2,639</u>

## Notes (continued)

### 6 Taxation

#### *Factors affecting the tax charge for the current year*

	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
<i>Current tax reconciliation</i>		
Loss for the year	(1,772)	(721)
Current tax at 19 % (2020: 19%)	(337)	(137)
<i>Effects of:</i>		
Designated currency election	(952)	(599)
Group relief surrendered and CIR	615	736
Total tax charge	-	-

#### **Factors that may affect future current and total tax charges**

The UK corporation tax rate remains at 19% for the full year (2020: 19%). On 3 March 2021, the Government announced that with effect from 1 April 2023 the corporation tax rate would increase to 25% for companies with profits of over £250,000. This increase in the corporation tax rate was substantively enacted on 24 May 2021.

### 7 Fixed asset investments

	Shares in subsidiary undertakings £'000
<i>Cost</i>	
At beginning and end of year	51,361

## Notes (continued)

### 7 Fixed asset investments (continued)

The company's wholly owned subsidiaries are:

<i>Indirect subsidiary undertakings</i>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class and Percentage of Company Shares</b>
U-POL Bond Limited	Great Britain	Intermediate Holding Company	100% ordinary shares
U-POL Mezzanine Limited	Great Britain	Intermediate Holding Company	100% ordinary shares
U-POL Products Limited	Great Britain	Intermediate Holding Company	100% ordinary shares
U-POL Limited	Great Britain	Manufacture and distribution of automotive refinish products	100% ordinary shares
U-POL Russia	Russia	Distribution of automotive refinish products	100% ordinary shares
U-POL Coatings (Shanghai) Co., Ltd	China	Distribution of automotive refinish products	100% ordinary shares
U-POL Canada Limited	Canada	Distribution of automotive refinish products	100% ordinary shares
U-POL Netherlands	Netherlands	Distribution of automotive refinish products	100% ordinary shares
<i>Direct subsidiary undertakings</i>			
U-POL Acquisition Limited	Great Britain	Intermediate Holding Company	100% ordinary shares
U-POL US Corporation	USA	Distribution of automotive refinish products	100% ordinary shares

The registered office for all of the UK subsidiaries is the address disclosed on page 3. The registered office for U-POL Russia is 14, Nizhnyay Street, Moscow, 125040. The registered office for U-POL US Corporation is 711 Centerville Road Suite 400, Wilmington, Delaware 19804, USA. The registered office for U-POL Coatings (Shanghai) Co., Ltd is Room 313-18, Building No.1, 38 Debao Road, Shanghai Pilot Free Trade Zone, China. The registered office for U-POL Canada Ltd is 1212-1175 Douglas Street, Victoria, BC, V8W 2E1, Canada. The registered office of U-POL Netherlands B.V. is Hoogoorddreef 15, 1101BA Amsterdam, Netherlands

### 8 Debtors

	2021 £'000	2020 £'000
Amounts owed by group undertakings	-	3,635
Other debtors	-	28
	<hr/>	<hr/>
	-	3,663
	<hr/>	<hr/>

Subsequent to the year end, Axalta Coating Systems UK Holding Limited has provided a guarantee against the assets of the company in relation to financing from Barclays Bank PLC.



## Notes (continued)

### 9 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Bank loans and overdrafts (refer note 11b)	-	5,234
Amounts owed to group undertakings	24,812	24,244
	<u>24,812</u>	<u>29,478</u>

### 10 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Bank loans (refer note 11b)	-	42,359
	<u>-</u>	<u>42,359</u>

#### Analysis of debt:

	2021 £'000	2020 £'000
Debt can be analysed as falling due:		
In one year or less, or on demand	-	5,234
Between one and two years	-	5,275
Between two and five years	-	37,915
	<u>-</u>	<u>48,424</u>
Less: unamortised issue costs	-	(831)
	<u>-</u>	<u>47,593</u>

### 11 Share capital

	Authorised £	Allotted, called up and fully paid £
1 ordinary share of £1	1	1

### 11b Capital contribution

Following the acquisition of U-POL Group by Axalta Coating Systems UK Holding Limited on 15 September 2021, the Company received investment in the form of capital contribution from U-POL Finco Limited (immediate parent) amounting to £45.1 million, the Company used the funds to repay external loan.

## Notes (continued)

### 12 Contingent liabilities

The company had no contingent liabilities at the end of the year (2020: *none*).

### 13 Commitments

The company had no capital commitments at the end of the year (2020: *none*).

### 14 Ultimate parent company

On 15th September 2021, 100% of the Share Capital of the U-POL Group ("Group") was acquired by Axalta Coating Systems UK Holding Limited.

The company is a wholly owned subsidiary of U-POL Finco Limited, a company registered in England.

The ultimate parent undertaking and controlling party is Axalta Coating Systems Limited, incorporated in Bermuda, which is the parent undertaking of the largest and smallest group to consolidate these financial statements.

Copies of these group financial statements can be obtained from C/O Codan Services Limited, Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.