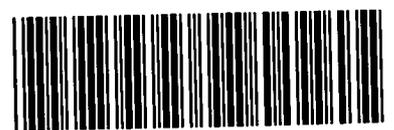


TERMO TEKNIK HOLDINGS LIMITED
(Registered Number 08675277)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2022

MONDAY



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18/09/2023

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COMPANIES HOUSE

TERMO TEKNIK HOLDINGS LIMITED

Directors

T T Harvey
G J Letham
Y M Polat

Secretary

L Wilcox

Independent auditors

PricewaterhouseCoopers LLP
Level 5 and 6
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Bankers

Natwest
16 Northumberland Street
Newcastle upon Tyne
NE1 7EL

Solicitors

Womble Bond Dickinson (UK) LLP
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

Registered office

69-75 Side
Newcastle upon Tyne
Tyne & Wear
NE1 3JE

TERMO TEKNIK HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Results and dividends

The company profit for the year amounted to £5,361k (2021 (unaudited): £nil). A dividend of £5,361k was made in the year ended 31 December 2022 (2021 (unaudited): £nil), with the dividend being credited directly from Termo Teknik Ticaret ve Sanayi AS to Stelrad Radiator Holdings Limited. No further dividends are proposed in relation to the financial year ended 31 December 2022.

The net assets of the company were £10,000 (2021: £10,000).

Principal activity and review of the business

Termo Teknik Holdings Limited is part of the Stelrad Group plc group of companies.

The company is a holding company whose subsidiary's principal areas of activity are the manufacture and distribution of radiators and boilers within Europe.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The board of directors of Termo Teknik Holdings Limited consider, both individually and together, that they have acted in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2022.

Each year the company undertakes a detailed business planning process, during which the company sets out its long term plans and, as part of this process, carefully assesses any consequences of these plans. The board will also, on an ad-hoc basis, ask the company to explore other long term options and their likely consequences. The main objective of the business planning process is to define a direction that will most likely promote the success of the company for its members as a whole.

During the year, the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others. Business relationships with our customers and suppliers and high standards of business conduct are critical to our company's performance. Accordingly, we continuously seek to build and strengthen these key relationships and at all times conduct business with integrity and in a professional manner.

The company is also aware of the impact we have on the environment and this is also a critical part of our investment decision making and business planning process.

As the Board of Directors, our intention is to behave responsibly toward our shareholders and treat them fairly and equally, so they all may benefit from the successful delivery of our plan.

Going concern

In preparing these financial statements on the going concern basis, the directors have considered the company's current and future prospects and its availability of cash resources and financing and the group's financial position. The company is directly impacted by the group's going concern position which is as follows:

The Group meets its day-to-day working capital requirements through bank loan facilities which are in place up to November 2024, with a two-year extension option, comprising a £76.027 million revolving credit facility and a €28.346 million term loan facility. At the year-end date the whole term loan was drawn along with £65.897 million of the revolving credit. The remainder of the facility and significant cash balances of £22.641 million were available to enable day-to-day working capital requirements to be met.

As part of their year-end review, management has performed a detailed going concern review, based on severe but plausible conditions, looking at the group's liquidity and banking covenant compliance,

TERMO TEKNIK HOLDINGS LIMITED

examining expected future performance. Based on the output of this going concern review, management have concluded that the group will be able to continue to operate within its existing facilities and as such the financial statements have been prepared on a going concern basis.

Principal risks and uncertainties

The principal risks and uncertainties impacting the business, including financial risk management, have been considered and, due to the nature of the business, there are none which require disclosure.

Future developments

Termo Teknik Holdings Limited will continue its principal activity as a holding company.

On behalf of the Board



.....
G J Letham
Director
14 September 2023

TERMO TEKNIK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report together with the audited financial statements for the year ended 31 December 2022.

The directors have chosen to set out the following information in the strategic report:

- Dividends
- Going concern
- Principal risks and uncertainties
- Future developments

General information

Termo Teknik Holdings Limited is a private company, limited by shares, incorporated and domiciled in the United Kingdom. The registered office is located at 69-75 Side, Newcastle upon Tyne, Tyne & Wear, NE1 3JE. The registered office of the Ultimate Parent Undertaking, Stelrad Group plc, is located at 69-75 Side, Newcastle upon Tyne, Tyne & Wear, NE1 3JE.

Directors

The composition of the Board of Directors during the year, and to the date of signing this report, was as follows:-

T T Harvey
G J Letham
Y M Polat

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of 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 was in force during the financial year and remains in force as at the date of approving the directors' report.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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 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.

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

TERMO TEKNIK HOLDINGS LIMITED

position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

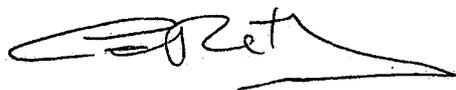
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP acted as auditors during the year and a resolution to reappoint PricewaterhouseCoopers LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



.....
G J Letham
Director
14 September 2023

Independent auditors' report to the members of Termo Teknik Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Termo Teknik Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Income Statement and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent auditors' report to the members of Termo Teknik Holdings Limited (continued)

Reporting on other information (continued)

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and UK tax laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase profit before taxation and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of minutes of meetings of the Board of Directors; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- Challenging assumptions and judgements made by management in their significant accounting estimates, primarily in relation to recoverability of investments.

Independent auditors' report to the members of Termo Teknik Holdings Limited (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 31 December 2021, forming the corresponding figures of the financial statements for the year ended 31 December 2022, are unaudited.



Paul Cheshire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
14 September 2023

TERMO TEKNIK HOLDINGS LIMITED

(Registered Number 8675277)

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 (unaudited) £'000
Income from shares in group undertakings		5,361	-
<i>Profit before taxation</i>		5,361	-
Tax on profit	6	-	-
<i>Profit for the financial year</i>		5,361	-

There are no elements of 'other comprehensive income' in the year; accordingly, a statement of comprehensive income has not been prepared.

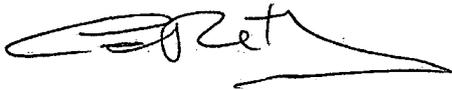
TERMO TEKNIK HOLDINGS LIMITED

(Registered Number 8675277)

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 (unaudited) £'000
Fixed assets			
Investments	8	10	10
		<hr/>	<hr/>
Net assets		10	10
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	10	10
Retained earnings		-	-
		<hr/>	<hr/>
Total shareholders' funds		10	10
		<hr/>	<hr/>

The financial statements on pages 9 to 17 to were approved by the Board of Directors on 14 September 2023 and signed on its behalf by:



G J Letham
Director

TERMO TEKNIK HOLDINGS LIMITED

(Registered Number 8675277)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
At 1 January 2021 (<i>unaudited</i>)	10	-	10
Result for the financial year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2021 (<i>unaudited</i>)	10	-	10
Profit for the financial year	-	5,361	5,361
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	5,361	5,361
Dividend paid (note 7)	-	(5,361)	(5,361)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	10	-	10
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TERMO TEKNIK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Corporate information

The financial statements of the Termo Teknik Holdings Limited for the year ended 31 December 2022 were authorised for issue by the board of directors on 14 September 2023. Termo Teknik Holdings Limited is a private company, limited by shares, incorporated and domiciled in England, United Kingdom. The registered office of the Company is located at 69-75 Side, Newcastle upon Tyne, Tyne & Wear, NE1 3JE. The registered office of the Ultimate Parent Undertaking, Stelrad Group plc, is located at 69-75 Side, Newcastle upon Tyne, Tyne & Wear, NE1 3JE.

The principal activity of the company was that of a holding company.

2 Basis of preparation

The financial statements of the company have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in GB Pounds and all values are rounded to the nearest thousand (£000), except when otherwise indicated.

The financial statements have been prepared on a going concern basis and in accordance with the Companies Act 2006 as applicable to companies using FRS 101, the basis for which is outlined below.

In preparing these financial statements on the going concern basis, the directors have considered the company's current and future prospects and its availability of cash resources and financing and the group's financial position. The company is directly impacted by the group's going concern position which is as follows:

The Group meets its day-to-day working capital requirements through bank loan facilities which are in place up to November 2024, with a two-year extension option, comprising a £76.027 million revolving credit facility and a €28.346 million term loan facility. At the year-end date the whole term loan was drawn along with £65.897 million of the revolving credit. The remainder of the facility and significant cash balances of £22.641 million were available to enable day-to-day working capital requirements to be met.

As part of their year-end review, management has performed a detailed going concern review, based on severe but plausible conditions, looking at the group's liquidity and banking covenant compliance, examining expected future performance. Based on the output of this going concern review, management have concluded that the group will be able to continue to operate within its existing facilities and as such the financial statements have been prepared on a going concern basis.

The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of Stelrad Group plc. Copies of Stelrad Group plc's financial statements can be obtained from Companies House, Cardiff.

The financial statements provide comparative information in respect of the previous year.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2022. No new accounting standards have been applied before their effective date.

The accounting policies have been applied consistently, other than where new policies have been adopted.

TERMO TEKNIK HOLDINGS LIMITED

The company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirements of IFRS 7 Financial Instruments: Disclosures as they are available within the consolidated financial statements of Stelrad Group plc.
- The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement as they are available within the consolidated financial statements of Stelrad Group plc.
- The requirement in paragraph 39 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79 a) iv) of IAS 1
- The requirements of paragraphs 10 d), 10 f), 39 c) and 134-136 of IAS 1 'Presentation of Financial Statements'.
- The requirements of IAS 7 Statement of Cash Flows.
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group provided that any subsidiary which is party to the transaction is a wholly owned by such a member.

3 Summary of significant accounting policies

The accounting policies outlined below have been applied consistently, other than where new policies have been adopted.

a) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'GB Pounds' (£), which is the company's functional and presentational currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to inventory and credit risks.

c) Taxation

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

TERMO TEKNIK HOLDINGS LIMITED

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

d) Cash at bank and in hand

Cash at bank and in hand in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

e) Investments

Investments are carried at cost less provision for impairment.

f) New standards applied in the year

Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the financial statements of the company. These include:

- Reference to the Conceptual Framework – Amendments to IFRS 3.
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16.
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37.
- IFRS 9 Financial Instruments – Fees in the “10%” Test for Derecognition of Financial Liabilities.

TERMO TEKNIK HOLDINGS LIMITED

g) New standards and interpretations not applied

The International Accounting Standards Board has issued the following standards and interpretations with an effective date after the date of these financial statements:

International Accounting Standards (IAS/IFRSs)	Effective date (period beginning on or after)
IFRS 17 Insurance Contracts	1 January 2023
Definition of Accounting Estimates – Amendments to IAS 8	1 January 2023
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendment to IAS 12	1 January 2023
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024

It is anticipated that adoption of these standards and interpretations will not have a material impact on the financial statements of the company.

The company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management do not consider that they have made any judgements, which would have a significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

Management do not consider there to be any key assumptions concerning the future, or other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Where applicable, the Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Where applicable, such changes are reflected in the assumptions when they occur.

TERMO TEKNIK HOLDINGS LIMITED

5 Directors' remuneration

The directors of the company are also directors of the ultimate UK parent undertaking and fellow subsidiaries. The directors received remuneration which was paid by a fellow subsidiary undertaking and not recharged to the company. These emoluments are disclosed in the financial statements of Stelrad Group plc. The directors of the company do not believe it is practicable to apportion this amount between services as directors of the ultimate UK parent undertaking and their services as directors of fellow subsidiary undertakings. The company does not have any employees (2021: nil).

The audit services fee of £8,500 (2021: £nil) is borne by another group company.

6 Tax on profit

The major components of the tax on profit are as follows:

	2022	2021
	£'000	(unaudited) £'000
Income statement		
Current income tax:		
Current income tax charge	-	-
Total tax	<u>-</u>	<u>-</u>

Reconciliation of tax position and the accounting profit at the tax rate in the United Kingdom of 19% (2021: 19%):

	2022	2021
	£'000	(unaudited) £'000
Profit before taxation	<u>5,361</u>	<u>-</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%):	1,019	-
Income from shares in group undertakings	(1,019)	-
Total tax	<u>-</u>	<u>-</u>

Changes in the corporate income tax rate

The UK corporation tax rate will rise to 25% from 1 April 2023.

7 Dividends paid

A dividend of £5,361k was made in the year ended 31 December 2022 (2021 (unaudited): £nil), with the dividend being credited directly from Termo Teknik Ticaret ve Sanayi AS to Stelrad Radiator Holdings Limited.

TERMO TEKNIK HOLDINGS LIMITED

8 Investments

Cost and net book value	£'000
At 31 December 2021 (unaudited) and 31 December 2022	10

Details of the investment the company holds as at 31 December 2022 are as follows:

Subsidiary undertakings

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Termo Teknik Ticaret ve Sanayi AS	Turkey	Ordinary	100%	Radiator manufacturer

9 Called up share capital

	2022	2022	2021	2021
	No.	£'000	(unaudited)	(unaudited)
			No.	£'000
Allotted, issued and fully paid: Ordinary shares of £1 each	10,000	10	10,000	10

10 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Stelrad Radiator Holdings Limited, a company registered in England and Wales. Copies of Stelrad Radiator Holdings Limited's financial statements can be obtained from Companies House, Cardiff.

The ultimate parent undertaking and controlling party is Stelrad Group plc, a company registered in England and Wales.

The parent of the largest group to consolidate these financial statements is Stelrad Group plc, a company registered in England and Wales. Copies of Stelrad Group plc's financial statements can be obtained from Companies House, Cardiff. The registered office of Stelrad Group plc is 69-75 Side, Newcastle upon Tyne, Tyne & Wear, NE1 3JE.