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Companies House

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→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

COATS INDUSTRIAL THREAD HOLDINGS B.V.

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All fields are mandatory unless specified or indicated by *

① This is the name of the company in its home state.

A1

Please give the legislation under which the accounts have been prepared and audited.

Legislation ③

DUTCH GAAP

④ This means the relevant rules or legislation which regulates the preparation of accounts.

A2

Accounts

Please tick the appropriate box.

☐ **No. Go to Section A3.**

☒ **Yes.** Please enter the name of the organisation or other body which issued those principles below, and then go to **Section A3**.

⑤ Please insert the name of the appropriate accounting organisation or body.

Name of organisation
or body ³

DUTCH ACCOUNTING STANDARDS BOARD

OS AA01

Statement of details of parent law and other information for an overseas company

A3**Audited accounts****Audited accounts**

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☒ **No.** Go to **Part 3 'Signature'**.☐ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body

Part 3**Signature**

I am signing this form on behalf of the overseas company.

Signature

Signature

X



X

This form may be signed by:
Director, Secretary, Permanent representative.

OS AA01**Statement of details of parent law and other information for an overseas company****Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Secretariat						
Company name	Coats Group						
Address	The Pavilions						
Bridgwater Road							
Post town	Bristol						
County/Region							
Postcode	B	S	1	3		8	F D
Country	United Kingdom						
DX							
Telephone	02082105070						

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

**Important information**

Please note that all this information will appear on the public record.

**Where to send**

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Coats Industrial Thread Holdings B.V.

Amsterdam, the Netherlands

FINANCIAL STATEMENTS 2022

Dossiernummer: 34261191

Amsterdam

(expressed in USD)

Coats Industrial Thread Holdings B.V.**BALANCE SHEET as at December 31, 2022**

(in USD, after appropriation of results)

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
FIXED ASSETS			
Financial fixed assets	4	646,526,092	435,474,672
CURRENT ASSETS			
Receivables	5	10,494,465	67,902,393
Cash at bank and in hand		855	-
TOTAL ASSETS		<u>657,021,412</u>	<u>503,377,065</u>
EQUITY AND LIABILITIES			
Shareholder's Equity	6		
Issued and paid-up capital		18,020	18,020
Share premium reserve		449,351,453	449,351,453
Other reserve		65,712,111	53,984,842
Shareholder's Equity		<u>515,081,584</u>	<u>503,354,315</u>
Current Liabilities	7	<u>141,939,828</u>	<u>22,750</u>
TOTAL EQUITY AND LIABILITIES		<u>657,021,412</u>	<u>503,377,065</u>

Approved by the Board of Directors on 25 May 2023


A Kermalli
Director

J Gunningham
Director

Coats Industrial Thread Holdings B.V.**Income statement for the financial year ended December 31, 2022**
(in USD)

	Notes	2022	2021
General and administrative expenses		(11,321,906)	(6,288)
Operating expenses		<u>(11,321,906)</u>	<u>(6,288)</u>
OPERATING RESULT		(11,321,906)	(6,288)
Result on participations / subsidiaries	9	25,000,000	66,000,000
Interest income on loans to group companies	10	(1,950,825)	16,443
Financial income and expenses		<u>23,049,175</u>	<u>66,016,443</u>
RESULT BEFORE TAXATION		<u>11,727,269</u>	<u>66,010,155</u>
Income tax expense		-	-
NET RESULT AFTER TAXATION		<u><u>11,727,269</u></u>	<u><u>66,010,155</u></u>

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

1. GENERAL

Coats Industrial Thread Holdings B.V. is a Dutch private company with limited liability, incorporated in Amsterdam on December 4, 2006. The Company mainly acts as a holding and finance Company and currently has its office address at The Pavilions, Bridgwater Road, Bristol, BS13 8FD, United Kingdom.

(a) Group structure

The Company is a member of the Coats group. The ultimate parent company of this group is Coats Group plc, The Pavilions, Bridgwater Road, Bristol, BS13 8FD, United Kingdom. The financial statements of the Company are included in the consolidated financial statements of Coats Group plc.

(b) Related party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be related party. Also entities which can control the Company are considered a related party. In addition, statutory directors and close relatives are regarded as related parties.

(c) Consolidation

Consolidated Financial Statements have not been prepared, as is permitted by Article 408, Book 2 of the Dutch Civil Code. Pursuant to the conditions of this article, the Company will file with the Trade Register of the Chamber of Commerce in Amsterdam the consolidated financial statements of its parent company Coats Group plc.

(d) Use of estimates

In applying the accounting policies and guidelines for preparing the financial statements, management makes a range of estimates and judgements that might be essential for the amounts disclosed in the financial statements. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the Financial Statement items in question. Actual amounts may differ from these estimates.

(e) Foreign currencies

Receivables, liabilities and other commitments denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Transactions in foreign currencies during the financial year are recognised in the financial statements at the exchange rates prevailing at the transaction date. Exchange differences arising are recorded in the profit and loss account.

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

2. ACCOUNTING POLICIES FOR THE BALANCE SHEET

The accompanying Financial Statements have been prepared in accordance with the statutory provisions of Title 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting as issued by the Dutch Accounting Standards Board, taking into account the exemptions offered by the Dutch Accounting Standards Board.

(a) Financial fixed assets

Participating interests, including majority investments where significant influence can be exercised, are stated at acquisition cost in accordance with Article 214.325 of the Guideline for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board, with reference to Title 9, Book 2, Article 408 of the Dutch Civil Code or in case of an impairment of the value of the shares, it is measured at impaired value; any write-offs are disclosed in the income statement.

(b) Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

(c) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value and are freely disposable, unless otherwise stated.

(d) Short-term liabilities

The short term liabilities concern the liabilities with a duration shorter than one year. These liabilities are valued at face value unless stated otherwise.

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

3. ACCOUNTING POLICIES FOR THE INCOME STATEMENT

(a) General

Profit or loss is determined as the difference between the realisable value of the goods delivered and services rendered, and the costs and other charges for the year. Revenue transactions are recognised in the year in which they are realised.

(b) Exchange rate differences

Exchange rate differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise.

(c) Selling expenses, and general and administrative expenses

Selling expenses, and general and administrative expenses comprise costs chargeable to the year.

(d) Financial income and expenses

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

Dividends receivable from associates not carried at net asset value and securities are recognised as soon as the Company acquires the right to them.

(e) Taxation

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible expenses. Changes in deferred income tax assets and liabilities due to changes in the applicable tax rates are also taken into account.

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

4. FINANCIAL FIXED ASSETS

Movements in financial fixed assets can be broken down as follows:

	Investment in group companies	Interests in joint venture	Total
At January 1, 2022	435,474,672	-	435,474,672
Movements in 2022			
Additions	211,051,420	-	211,051,420
At December 31, 2022	<u>646,526,092</u>	<u>-</u>	<u>646,526,092</u>

The Company's investments in group companies are as follows:

	Registered office	Ownership %	2022	2021
Rhenoflex GmbH	Germany	100.00	78,004,696	-
Torque Group International				
Fortune Ltd (Texon)	United Kingdom	100.00	133,046,727	-
Coats International Pte Limited	Singapore	100.00	262,777,326	262,777,326
Coats Northern Holdings B.V	United Kingdom	100.00	223,138,917	223,138,917
	Accumulated impairment		(114,138,917)	(114,138,917)
			<u>109,000,000</u>	<u>109,000,000</u>
Coats Industrial Euorpe Holdings B.V	United Kingdom	100.00	63,697,346	63,697,346
			<u>646,526,092</u>	<u>435,474,672</u>

On 20 July 2022 the Company acquired the entire share capital of Torque Group International Fortune Limited ("Texon") and on 23 August 2022 the Company also acquired the entire share capital of Rhenoflex GmbH ("Rhenoflex"). Texon and Rhenoflex are leading manufacturers of structural footwear components supplying the world's leading footwear brands. Both have operations in Asia and Europe and are complementary additions to Coats' existing footwear business with opportunities to leverage existing footprints and combine expertise in the attractive athleisure footwear market.

Transaction and other costs incurred in connection with the acquisitions of Texon and Rhenoflex was \$11,317,659 and is included in general and administrative expenses for the year ended 31 December 2022.

The Company's interests in joint venture are as follows:

	Registered office	Ownership %	2022	2021
Coats VTT Limited	United Kingdom	50.00	1,116,195	1,116,195
	Accumulated impairment		(1,116,195)	(1,116,195)
			<u>-</u>	<u>-</u>

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

5. RECEIVABLES

	<u>2022</u>	<u>2021</u>
Amounts due from group companies	10,494,465	67,902,393

Amounts due from group companies are as follows:

	<u>2022</u>	<u>2021</u>
Coats Group Finance Company Limited	10,494,465	67,902,393
	<u>10,494,465</u>	<u>67,902,393</u>

6. SHAREHOLDER'S EQUITY

The Company's capital consists of one or more shares with nominal value of USD 1 each.

As at December 31, 2021, 18,021 shares were issued and fully paid-up. The movements in the year under review can be summarised as follows:

	Issued and paid-up capital	Share premium reserve	Other reserves	Total
At January 1, 2021	18,020	449,351,453	37,974,687	487,344,160
Result for the year	-	-	66,010,155	66,010,155
Dividend paid	-	-	(50,000,000)	(50,000,000)
At December 31, 2021	<u>18,020</u>	<u>449,351,453</u>	<u>53,984,842</u>	<u>503,354,315</u>
Result for the year	<u>-</u>	<u>-</u>	<u>11,727,269</u>	<u>11,727,269</u>
At December 31, 2022	<u>18,020</u>	<u>449,351,453</u>	<u>65,712,111</u>	<u>515,081,584</u>

Appropriation of the result for the 2022 financial year

The Board of Directors proposes to add the profit for the year ended December 31, 2022 of \$11,727,269 to other reserves. Awaiting approval at the Annual General Meeting, this proposition has already been reflected in these financial statements.

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

7. CURRENT LIABILITIES

	2022	2021
Payable to group companies	141,774,632	-
Accruals and other provisions	165,196	22,750
	<u>141,939,828</u>	<u>22,750</u>

The payables to group companies are specified as follows:

	2021	2021
Coats Group Finance Company Limited	141,774,632	-
	<u>141,774,632</u>	<u>-</u>

8. COMMITMENTS AND CONTINGENCIES NOT INCLUDED IN THE BALANCE SHEET

Guarantees

The Company unconditionally and irrevocably guarantees that, if for any reason the subsidiaries do not pay any sum payable as and when the same shall become due and payable in accordance with the goods and materials supplied by Itochu Textile Prominent (Asia) Limited, the Company will pay that sum immediately upon request from Itochu provided that such sum when aggregated with all other sums paid under the Guarantee does not exceed USD 30 million.

	2022	2021
Trade facility guarantees	30,000,000	25,000,000
	<u>30,000,000</u>	<u>25,000,000</u>

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

9. RESULT ON PARTICIPATIONS/SUBSIDIARIES

The result on subsidiaries can be broken down as follows:

	<u>2022</u>	<u>2021</u>
Dividends received from subsidiaries	25,000,000	115,000,000
Impairment of subsidiaries	-	(49,000,000)
	<u>25,000,000</u>	<u>66,000,000</u>

The dividends received from subsidiaries is specified as follows:

	<u>2022</u>	<u>2021</u>
Coats International Pte Limited	25,000,000	100,000,000
Coats Industrial Europe Holdings BV	-	15,000,000
	<u>25,000,000</u>	<u>115,000,000</u>

10. INTEREST ON LOANS TO GROUP COMPANIES

	<u>2022</u>	<u>2021</u>
Coats Group Finance Company Limited	(1,950,825)	16,443
	<u>(1,950,825)</u>	<u>16,443</u>

Interest at the USD risk free rate was applied to amounts due from Coats Group Finance Company Limited and interest at the USD risk free rate plus a margin of 1.25% per annum applied to amounts due to Coats Group Finance Company Limited. Amounts due from Coats Group Finance Company as at December 31, 2022 are receivable on demand.

Coats Industrial Thread Holdings B.V.
Notes to the Financial Statements as at December 31, 2022
(in USD)

11. NUMBER OF EMPLOYEES AND EMPLOYEES COSTS

Neither during the year under review nor in the previous year did the Company have any employees. Hence, it did not pay any wages and related social security.

12. DIRECTORS

During the year, the Company had 5 Managing Directors, who received no remuneration from the Company during the current or previous year. The Company has no Board of Supervisory Directors.

C Thompson resigned as a Managing Director on April 29, 2022.

K Shah was appointed as a Managing Director on June 13, 2022.

13. COMMITMENTS AND CONTINGENCIES NOT INCLUDED IN THE BALANCE SHEET

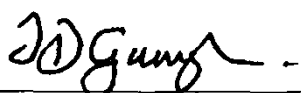
There are no commitments and contingencies not included in the balance sheet to be disclosed.

14. POST BALANCE SHEET EVENTS

On 20 January 2023, the Company issued one ordinary share of \$1 for a consideration of \$133.0 million to its immediate parent undertaking, Coats Group Finance Company Limited.

15. SIGNATORIES OF THE FINANCIAL STATEMENTS

Financial statements have been approved by the Board of Managing Directors on May 25, 2023.



J Gunningham
Date: 25/05/2023
Place: United Kingdom



A Kermalli
Date: 25/05/2023
Place: United Kingdom



N Kidd
Date: 25/05/2023
Place: United Kingdom



K Shah
Date: 25/05/2023
Place: United Kingdom