

STOELZLE FLACONNAGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

STOELZLE FLACONNAGE LIMITED

COMPANY INFORMATION

Director	TA Riss
Company secretary	S Malpass
Registered number	02973822
Registered office	Weeland Road Knottingley West Yorkshire WF11 8AP
Independent auditors	AAB Audit & Accountancy Limited Gresham House 5-7 St Pauls Street Leeds LS1 2JG

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Introduction

The director presents his Strategic Report for the year ended 31 December 2024.

Business review

The principal activity of the Company during the year was the production of glass containers.

The Company continues to offer premium quality products, often with high levels of technical complexity, supported by our innovative design services, to customers in the Prestige Spirit market and Perfumery and Cosmetics sector.

The Company operates a single, cosmetic grade glass flint furnace, with five associated production lines, with the capability of producing single and double gob glass containers, with the additional ability to manufacture feeder colour products on two of the five lines.

The Company also operates an in-house glass decoration facility, offering a range of complex techniques to enhance our product range.

The profit for the financial year before tax amounted to £1,602,968 (2023: £4,631,295)

The results show a decline in profitability in comparison to the previous year, reflecting inflationary cost pressures, combined with a reduction in general market demand.

The quality of our products and services, aligned to bespoke customer requirements is of paramount importance to the Company; we continued to achieve high standards throughout the year, evidenced against our key performance indicators outlined below.

Principal risks and uncertainties

The Company's activities give rise to a number of risks and uncertainties. The director reviews and agrees policies for managing each of these risks and these are summarised below:

Currency risk

The Company's profit and loss account and balance sheet are reported in pounds sterling and may be affected by fluctuations in exchange rates as some of the Company's turnover and costs are denominated in either US Dollars or Euros. The Company also has borrowings denominated in Euros. In light of its foreign currency exposure, the Company takes advantage of natural hedging of transactions and enters into forward exchange contracts to hedge against foreign currency exposure on Euro borrowings.

Credit risk

The Company continues to manage credit risk by the use of appropriate customer credit limits, covered by credit insurance policies.

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by the use of loans from group companies and financial institutions. The Company controls and monitors cash flow on a regular basis to ensure that the Company is adequately financed to support its ongoing activities and commitments.

Commodity price risk

Production costs are sensitive to fluctuations in the market price of energy, and the Company limits its exposure to such risk by fixing purchasing prices in advance at a Group level and also by agreeing energy price overrides with major customers.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Political risk

The majority of our customer base is within the UK and Ireland although many of our customers serve global markets. We regularly engage with industry bodies to review the potential impact of legislative changes and regulatory changes that may be relevant to the glass industry.

Financial key performance indicators

The director has monitored the progress of the strategy of the Company by continuous review of the Key Performance Indicators (KPIs) set out below:

Revenue

Turnover decreased by 19.6% in 2024, driven mainly by a surplus of finished stock in the distribution network, resulting in reduced volume demand from all customers.

Margin

Gross margin was 18.6% in the year, compared to 19.7% in the prior year. The Company operated below full capacity, because of the reduction in volume, but was able to manage the increased cost pressures and capacity reduction through production efficiencies

Cash management

The Company manages its resources to ensure it is able to continue as a going concern whilst controlling costs and liquidity risk. The Company benefits from short-term financing facilities available of €3M from our ultimate group holding company (CAG Holding GmbH); overdraft facilities of over £11M with two major European financial banking institutions; and invoice factoring facilities of up to £20M, which together provide sufficient finance for the ongoing working capital requirements of the Company.

Other key performance indicators

The Company's key performance indicators as well as the financial KPIs described above relate to and focus on the strategy of Safety, Quality and Delivery.

Safety

The Company is committed to the health and safety impacts of its operations on employees and visitors. The number of lost time accidents per 100,000 hours worked is used to track this objective. Lost time accidents per 100,000 hours worked were 0.35 in 2024 (2023: 0.34).

Quality

Our aim is to become the glass supplier of choice in terms of quality of product and service to our customers. We monitor customer feedback and complaints and focus on improving quality by improving processes and investing in modern glass inspection facilities. This is also measured by regular scorecards from our key customers.

Delivery

On time and in full performance measurements are used to track performance against key customer targets. These are agreed and reviewed with customers on an individual basis, in addition to being measured by the scorecards from our key customers.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Director's statement of compliance with duty to promote the success of the Company

Statement by the director in performance of his statutory duties in accordance with s172 (1) Companies Act 2006.

The director of the company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in a way they consider in good faith would be most likely to promote the success of the company, for the benefit of its shareholders as a whole, and in doing so have regard to:

- the likely consequences of any decisions in the long term
- the interest of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly between shareholders of the company

As part of their induction, a director is briefed on their duties. They can access professional advice on these, either from the company secretary, or if they judge it necessary from an independent adviser. It is important to recognise that in an organisation such as ours, the director fulfils his duties partly through a governance framework that delegates day to day decision-making to employees of the company. Details can be found in documents available online such as the Stoelzle Code of Conduct, or the Corporate Social Responsibility Policy on our website.

The following paragraphs summarize how the director fulfils his duties:

Risk management

We continued the roll-out of our strategy throughout this year to continue the development of our organisation as a leading glass company in the prestige spirit market. Within this strategy, we aligned investment and development programs to support its implementation. As we grow, our business and our risk environment becomes more complex. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face and that we continue to evolve our approach to risk management. This is done on a company level, as well as on a group level involving senior management on a regular basis. The Company achieved accreditation of ISO 45001 within the year, to accompany our previous certifications.

Our people

Our employees are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach towards our employees. The health, safety, and well-being of our employees is one of our primary considerations in the way we do business. To succeed, we need to manage our people's performance and develop them, bringing talent through, whilst ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve our goals in an appropriate way. The business overcame the challenge of reduction of capacity due to market demand, demonstrating that our people are understanding, flexible to change and our relationship with them is strong.

We also held an Open Day during the year, celebrating 30 years since the Company was incorporated, where we invited our employees and their families, as an appreciation of thanks for supporting the local workforce.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Disabled employees

The Company is committed to being an equal opportunities employer. Full and fair consideration is made to applications for employment from all candidates. The selection process is objective, consistent and non-discriminatory. Arrangements made during the recruitment process aim to eliminate any disadvantage to less able candidates and invitations to interview enquire whether any reasonable adjustments are required. Support is offered to any employee that becomes disabled throughout their term of employment to return to the workplace. This could be to their previous role where possible, with reasonable adjustments if needed, or to a more suitable role if available. Our Employee Assistance Program and onsite Occupational Health Nurse and Physiotherapist are all available to any employee who may require assistance. The Company considers and provides training to help the development and promotion of all employees, including those that may require additional support throughout their employment due to a disability.

Business relationships

Our continued strategy to improve our position as a key supplier in the prestige spirit market is supported by long-term customer relationships with the major players in this sector. These well established business collaborations have been further developed by running common projects, including initiatives to reduce our packaging and by further developing our creative and technical design services. We have also widened our customer base to allow for this growth in-line with our business strategy. We also continue to develop sustainable, long-term relationships with our key suppliers.

Community and environment

The Company's approach is to create positive change for the people working for us and the community with which we interact. We continue to support local schools and sports initiatives, in addition to organising charity events for local groups of vulnerable individuals. As mentioned previously, the 30 year Open Day event was an opportunity to bring together the local community and workforce.

Shareholders

The board is committed to openly engaging with our parent company board, as we recognise the importance of continued, effective dialogue, whether this be with our head office and with the owner's family. These communications take place regularly at various levels and are always held in a very positive mood, being forward looking and target driven to ensure alignment with all relevant parties.

This report was approved by the board on 3 July 2025 and signed on its behalf.

TA Riss
Director

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The director presents his report and the financial statements for the year ended 31 December 2024.

Director's responsibilities statement

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,062,468 (2023 - £3,542,941).

The director does not recommend a payment of a dividend.

Director

The director who served during the year and up to the date of this report year was:

TA Riss

Future developments

Sustainability continues to be a major consideration for the Company, the glass industry in general, and our customers.

Future development plans for our site in Knottingley are focused on delivering significant reductions in our carbon footprint, whilst continuing to deliver high quality, prestige glass to our customers in a cost-effective and sustainable (environmentally responsible) way.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Greenhouse gas emissions, energy consumption and energy efficiency action

The Company's greenhouse gas emissions and energy consumption are as follows:

	Current reporting year 2024	Previous reporting year 2023
Energy consumption used to calculate emissions: /kWh	152,137,021	165,474,051
Breakdown of above total energy by source:		
Electricity	24,779,622	31,665,864
Gas (& Other Fuels)	127,287,200	133,732,899
Transport	70,199	75,289
Other	0	0
Emissions from combustion of gas and other fuels (Scope 1) / tCO ₂ e	23,308.65	24,492.79
Emissions from combustion of fuel for transport purposes (Scope 1) / tCO ₂ e	7.45	8.19
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) / tCO ₂ e	9.65	10.07
Emissions from purchased electricity (Scope 2, location-based) / tCO ₂ e	5,130.62	6,557.19
Total gross CO ₂ e based on above / tCO ₂ e	28,456.37	31,068.24
Intensity ratio: tCO ₂ e (gross) per tonne:	0.702	0.605

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines.

We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2024 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in tonnes of CO₂e per net tonne of product processed.

Energy Efficiency Action Taken:

K15 optimisation project

Mould Extraction Modification

Cold End- F1-3 air optimisation

EDMS Observations to reduce energy waste

Increased cullet level in furnace

Matters covered in the Strategic Report

Certain information is not shown in the director's report because it is shown in the strategic report instead under s414C (11). The strategic report includes a business review, principal risks and uncertainties and financial key performance indicators.

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, AAB Audit & Accountancy Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 3 July 2025 and signed on its behalf.

TA Riss
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOELZLE FLACONNAGE LIMITED

Opinion

We have audited the financial statements of Stoelzle Flaconnage Limited (the 'Company') for the year ended 31 December 2024, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 state of the Company's affairs as at 31 December 2024 and of its profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOELZLE FLACONNAGE LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have 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 Strategic report or the Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement set out on page 5, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOELZLE FLACONNAGE LIMITED (CONTINUED)

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006, UK Taxation legislation, health and safety law and employment law as the areas most likely to have such an effect. 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.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets
- Timing of revenue recognition
- Management judgement applied in calculating provisions
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations
- Analytical procedures to identify any unusual or unexpected trends or relationship
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOELZLE FLACONNAGE LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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 him in an Auditors' 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.

Ross Preston CA (Senior statutory auditor)

for and on behalf of

AAB Audit & Accountancy Limited

Statutory Auditor

Gresham House
5-7 St Pauls Street
Leeds
LS1 2JG

3 July 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £	2023 £
Turnover	4	56,303,263	70,043,804
Cost of sales		(45,830,400)	(56,256,381)
Gross profit		<u>10,472,863</u>	<u>13,787,423</u>
Distribution costs		(4,905,056)	(5,284,335)
Administrative expenses		(3,309,133)	(3,043,329)
Operating profit	5	<u>2,258,674</u>	<u>5,459,759</u>
Interest payable and similar expenses	9	(655,706)	(828,464)
Profit before tax		<u>1,602,968</u>	<u>4,631,295</u>
Tax on profit	10	(540,500)	(1,088,354)
Profit for the financial year		<u><u>1,062,468</u></u>	<u><u>3,542,941</u></u>

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2024 (2023:£NIL).

The notes on pages 16 to 31 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	11	1,419,669	1,380,961
Tangible assets	12	16,581,833	18,424,227
		<u>18,001,502</u>	<u>19,805,188</u>
Current assets			
Stocks	13	12,106,683	12,968,705
Debtors: amounts falling due within one year	14	7,011,336	3,678,740
Cash at bank and in hand	15	364,474	35,875
		<u>19,482,493</u>	<u>16,683,320</u>
Creditors: amounts falling due within one year	16	(12,885,649)	(12,944,758)
Net current assets		<u>6,596,844</u>	<u>3,738,562</u>
Total assets less current liabilities		<u>24,598,346</u>	<u>23,543,750</u>
Provisions for liabilities			
Deferred tax	18	(2,736,563)	(2,744,435)
		<u>(2,736,563)</u>	<u>(2,744,435)</u>
Net assets		<u><u>21,861,783</u></u>	<u><u>20,799,315</u></u>
Capital and reserves			
Called up share capital	19	1,000,000	1,000,000
Profit and loss account	20	20,861,783	19,799,315
		<u><u>21,861,783</u></u>	<u><u>20,799,315</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 July 2025.

TA Riss
Director

The notes on pages 16 to 31 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2024	1,000,000	19,799,315	20,799,315
Comprehensive income for the year			
Profit for the year	-	1,062,468	1,062,468
Total comprehensive income for the year	-	1,062,468	1,062,468
At 31 December 2024	<u>1,000,000</u>	<u>20,861,783</u>	<u>21,861,783</u>

The notes on pages 16 to 31 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2023	1,000,000	16,256,374	17,256,374
Comprehensive income for the year			
Profit for the year	-	3,542,941	3,542,941
Total comprehensive income for the year	-	3,542,941	3,542,941
At 31 December 2023	<u>1,000,000</u>	<u>19,799,315</u>	<u>20,799,315</u>

The notes on pages 16 to 31 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. General information

Stoelzle Flaconnage Limited ("the Company") is a company limited by shares and incorporated and domiciled in England and Wales (Company Number 02973822). The registered office is located at Weeland Road, Knottingley, WF11 8AP. The principal activities of the Company are the manufacture of glass containers from cosmetic type glass, servicing primarily the prestige spirit and perfumery marketplaces.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under FRS102 paragraph 1.12(b) and has not presented Statement of Cash Flows.

The following principal accounting policies have been applied:

2.2 Going concern

The director has at the time of approving the financial statements a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future and for a period of at least 12 months from the date of approval of the accounts.

The Company currently has available £11 million of unutilised external bank overdraft facilities. The ultimate parent company, CAG Holding GmbH has confirmed the ongoing availability of a group cash pooling facility for foreign currency borrowing up to a maximum level of €3 million Euro, of which €1,533,093 was utilised at the end of the financial year.

Conservative budgets have been prepared for the next year and assessed under various scenarios, and with the Director being satisfied that there are sufficient facilities in place to finance future activities, the financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.9 Intangible assets

Intangible assets relate to carbon credits held for company's use. These are amortised in the year that the carbon credits are utilised.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Carbon emission credits	amortised over the allocated financial period the credits were purchased for
-------------------------	--

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Buildings	- 25 years
Plant and machinery	- 3 to 10 years
Moulds	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.17 Financial instruments

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.17 Financial instruments (continued)

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Company's accounting policies

(i) Functional currency

The functional currency for the Company is the currency of the primary economic environment in which the company operates. The Company has determined the functional currency is GBP. Determination of functional currency may involve certain judgements to determine the primary economic environment. The company reconsiders the functional currency if there is a change in events and conditions which determines the primary economic environment.

(b) Key accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a heightened risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Stock provision

The Company manufactures glass bottles for the prestige spirit and perfumery market places and is subject to changing consumer demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and the condition of the stock, as well as applying anticipated saleability of finished goods and future usage of raw materials. See note 13 for the net carrying amount of stock.

(ii) Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. Turnover

The whole of the turnover is attributable to the principle business activity of the company.

Analysis of turnover by country of destination:

	2024 £	2023 £
United Kingdom	48,647,321	62,331,814
Rest of Europe	7,496,848	7,602,540
Rest of the world	159,094	109,451
	<u>56,303,263</u>	<u>70,043,805</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible assets	3,892,933	3,580,933
Amortisation of intangible assets	337,275	760,693
(Gain)/loss on disposal of fixed assets	1,752	(2,499)
Other operating lease rentals	402,442	321,201
Pension costs	<u>1,605,200</u>	<u>1,592,738</u>

6. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2024 £	2023 £
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	34,850	31,250
Fees payable to the Company's auditors and their associates in respect of:		
Taxation compliance services	4,200	4,000
All other services	<u>3,200</u>	<u>3,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Employees

Staff costs, including director's remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	13,759,526	14,436,312
Social security costs	1,468,085	1,552,080
Cost of defined contribution scheme	1,605,200	1,592,738
	<u>16,832,811</u>	<u>17,581,130</u>

The average monthly number of employees, including the director, during the year was as follows:

	2024 No.	2023 No.
Works	325	341
Administrative	40	39
Executive	16	17
	<u>381</u>	<u>397</u>

8. Director's remuneration

	2024 £	2023 £
Director's emoluments	201,154	211,531
	<u>201,154</u>	<u>211,531</u>

9. Interest payable and similar expenses

	2024 £	2023 £
Bank interest payable	703,812	785,011
Group loan interest	29,995	35,253
Net foreign exchange (gain)/loss	(78,101)	8,200
	<u>655,706</u>	<u>828,464</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Taxation

	2024 £	2023 £
Corporation tax		
Current tax on profits for the year	559,338	539,002
Adjustments in respect of previous periods	(10,966)	-
	<u>548,372</u>	<u>539,002</u>
Total current tax	<u>548,372</u>	<u>539,002</u>
Deferred tax		
Origination and reversal of timing differences	(7,872)	549,352
Total deferred tax	<u>(7,872)</u>	<u>549,352</u>
Tax on profit	<u>540,500</u>	<u>1,088,354</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - lower than) the standard rate of corporation tax in the UK of 25% (2023 - 23.52%). The differences are explained below:

	2024 £	2023 £
Profit on ordinary activities before tax	<u>1,602,967</u>	<u>4,631,295</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 23.52%)	400,742	1,089,306
Effects of:		
Expenses not deductible for tax purposes	755	854
Capital allowances for year in excess of depreciation	88,786	2,428
Adjustments to tax charge in respect of previous periods	(10,966)	-
Remeasurement of deferred tax for changes in tax rates	-	36,386
Movement in deferred tax not recognised	209,268	(40,620)
Other differences leading to an increase (decrease) in the tax charge	(148,085)	-
Total tax charge for the year	<u>540,500</u>	<u>1,088,354</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. Intangible assets

	Carbon emission credits £
Cost	
At 1 January 2024	1,380,961
Additions	375,983
Disposals	(337,275)
At 31 December 2024	<u>1,419,669</u>
Amortisation	
Charge for the year on owned assets	337,275
On disposals	(337,275)
At 31 December 2024	<u>-</u>
Net book value	
At 31 December 2024	<u><u>1,419,669</u></u>
At 31 December 2023	<u><u>1,380,961</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. Tangible fixed assets

	Land £	Buildings £	Plant and machinery £	Moulds £	Total £
Cost or valuation					
At 1 January 2024	540,000	3,771,019	46,895,669	1,516,271	52,722,959
Additions	-	24,845	1,879,990	148,254	2,053,089
Disposals	-	-	(4,517,012)	(14,582)	(4,531,594)
At 31 December 2024	540,000	3,795,864	44,258,647	1,649,943	50,244,454
Depreciation					
At 1 January 2024	-	2,660,885	30,410,010	1,227,837	34,298,732
Charge for the year on owned assets	-	89,758	3,598,821	204,353	3,892,932
Disposals	-	-	(4,514,461)	(14,582)	(4,529,043)
At 31 December 2024	-	2,750,643	29,494,370	1,417,608	33,662,621
Net book value					
At 31 December 2024	540,000	1,045,221	14,764,277	232,335	16,581,833
At 31 December 2023	540,000	1,110,134	16,485,659	288,434	18,424,227

The net book value of land and buildings may be further analysed as follows:

	2024 £	2023 £
Freehold land	540,000	540,000
Buildings	1,045,221	1,110,134
	<u>1,585,221</u>	<u>1,650,134</u>

13. Stocks

	2024 £	2023 £
Raw materials and consumables	2,509,766	2,935,129
Finished goods and work in progress	9,596,917	10,033,576
	<u>12,106,683</u>	<u>12,968,705</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14. Debtors

	2024 £	2023 £
Trade debtors including factored debts	14,224,959	13,193,955
Factored debts	(8,957,374)	(10,986,069)
Amounts owed by group undertakings	826,448	216,617
Other debtors	490,324	155,842
Prepayments and accrued income	426,979	1,098,395
	<u>7,011,336</u>	<u>3,678,740</u>

The Company has an agreement to factor a specific proportion of trade debtors with Erste Bank. The amounts factored at the reporting date are shown above.

15. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	364,474	35,875
	<u>364,474</u>	<u>35,875</u>

16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	5,054,386	5,783,572
Bank overdrafts	284,305	522,296
Amounts owed to group undertakings	1,489,776	258,454
Corporation tax	380,660	539,002
Other taxation and social security	1,138,577	664,606
Other creditors	411,100	427,239
Accruals and deferred income	2,776,845	3,399,589
Share capital treated as debt	1,350,000	1,350,000
	<u>12,885,649</u>	<u>12,944,758</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17. Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at amortised cost	<u>6,948,831</u>	<u>2,616,220</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>12,885,649</u>	<u>12,944,758</u>
Financial assets measured at amortised cost comprise cash, trade and other debtors.		
Financial liabilities measured at amortised cost comprise trade payables, loans, accruals, and other payables.		

18. Deferred taxation

	2024 £
At beginning of year	(2,744,435)
Credited to profit or loss	7,872
At end of year	<u>(2,736,563)</u>

The provision for deferred taxation is made up as follows:

	2024 £	2023 £
Accelerated capital allowances	(2,692,930)	(2,692,930)
Short timing differences	(43,633)	(51,505)
	<u>(2,736,563)</u>	<u>(2,744,435)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19. Share capital

	2024 £	2023 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000,000 (2023 - 1,000,000) Ordinary shares shares of £1.00 each	<u>1,000,000</u>	<u>1,000,000</u>
	2024 £	2023 £
Shares classified as debt		
Allotted, called up and fully paid		
600,000 (2023 - 600,000) Redeemable A Shares shares of £1.00 each	600,000	600,000
750,000 (2023 - 750,000) Redeemable B Shares shares of £1.00 each	750,000	750,000
	<u>1,350,000</u>	<u>1,350,000</u>

20. Reserves**Profit and loss account**

The profit and loss account represents the accumulation of all historical profits and losses accumulated since the incorporation of the Company.

21. Capital commitments

As at 31 December 2024, the Company had capital commitments for plant and machinery of £1,105,758 (2023: £1,087,752).

22. Commitments under operating leases

At 31 December 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	287,131	169,875
Later than 1 year and not later than 5 years	289,222	83,796
	<u>576,353</u>	<u>253,671</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23. Related party transactions

The only related party transactions entered into during the year were to other members within the group headed by CAG Holding GmbH. Transactions include sales to other group members as well as management and technical support charges and other similar charges from other group members.

The Company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed related party transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

24. Controlling party

The Company is a subsidiary undertaking of Stoelzle Oberglas GmbH, incorporated in Austria. The Company's ultimate parent company is CAG Handels GmbH.

The largest group in which the results of the Company are consolidated is that headed by CAG Holding GmbH, incorporated in Austria. The consolidated financial statements of these groups are available to the public and may be obtained from:

Matthias Ertl

CAG Holding GmbH

Werkstraße 1

A-3182 Lilienfeld/Marktl

Austria

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.