

Company Registration No. 04530131 (England and Wales)

2M HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2014

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UHY Hacker Young
Chartered Accountants

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2M HOLDINGS LIMITED

COMPANY INFORMATION

Directors	M Kessler C R Boyle
Secretary	C R Boyle
Company number	04530131
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Business address	Hampton Court Manor Park Runcorn Cheshire WA7 1TU
Bankers	Investec Bank plc 2 Gresham Street London EC2V 7QP HSBC Bank plc 4th Floor City Point 29 King Street Leeds LS1 2HL
Solicitors	DWF LLP 2nd Floor Bridgewater Place Water Lane Leeds LS11 5DY

2M HOLDINGS LIMITED

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2M HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2014

The directors present their report and financial statements for the year ended 30 April 2014.

Principal activities and review of the business

The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 May 2013:

M Kessler
C R Boyle

Auditors

The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these 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 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2M HOLDINGS LIMITED

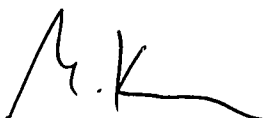
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to be 'M. Kessler', with a long horizontal flourish extending to the right.

M Kessler

Director

22 September 2014

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF 2M HOLDINGS LIMITED**

We have audited the financial statements of 2M Holdings Limited for the year ended 30 April 2014 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2014 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

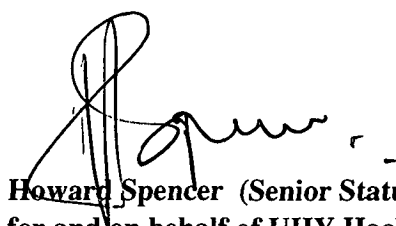
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF 2M HOLDINGS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Howard Spencer (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

22 September 2014

Chartered Accountants
Statutory Auditor

2M HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2014

	Notes	2014 £	2013 £
Turnover	2	240,000	240,000
Administrative expenses		(324,762)	(266,027)
Operating loss		(84,762)	(26,027)
Investment income	3	-	10,600,000
(Loss)/profit on ordinary activities before taxation		(84,762)	10,573,973
Tax on (loss)/profit on ordinary activities	4	16,514	5,869
(Loss)/profit for the year	11	(68,248)	10,579,842

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

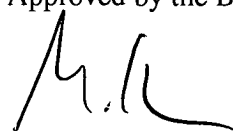
2M HOLDINGS LIMITED

BALANCE SHEET

AS AT 30 APRIL 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Investments	6		601,239		601,238
Current assets					
Debtors	7	6,068,938		6,051,295	
Cash at bank and in hand		10,631		25,220	
		<u>6,079,569</u>		<u>6,076,515</u>	
Creditors: amounts falling due within one year	8	<u>(4,859,411)</u>		<u>(4,788,108)</u>	
Net current assets			<u>1,220,158</u>		<u>1,288,407</u>
Total assets less current liabilities			<u><u>1,821,397</u></u>		<u><u>1,889,645</u></u>
Capital and reserves					
Called up share capital	10		260,000		260,000
Profit and loss account	11		<u>1,561,397</u>		<u>1,629,645</u>
Shareholders' funds	12		<u><u>1,821,397</u></u>		<u><u>1,889,645</u></u>

Approved by the Board and authorised for issue on 22 September 2014



M Kessler
Director



C R Boyle
Director

Company Registration No. 04530131

2M HOLDINGS LIMITED**CASH FLOW STATEMENT****FOR THE YEAR ENDED 30 APRIL 2014**

	2014	2013
	£	£
Net cash outflow from operating activities	(20,457)	(265,717)
Returns on investments and servicing of finance		
Dividends received	-	10,600,000
	<hr/>	<hr/>
Net cash (outflow)/inflow for returns on investments and servicing of finance	-	10,600,000
Taxation	5,869	35,759
Acquisitions and disposals		
Purchase of subsidiary undertakings (net of cash acquired)	(1)	-
	<hr/>	<hr/>
Net cash outflow for acquisitions and disposals	(1)	-
Equity dividends paid	-	(10,750,000)
	<hr/>	<hr/>
Net cash outflow before management of liquid resources and financing	(14,589)	(379,958)
	<hr/>	<hr/>
Decrease in cash in the year	<u>(14,589)</u>	<u>(379,958)</u>

2M HOLDINGS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2014

1 Reconciliation of operating loss to net cash outflow from operating activities	2014	2013
	£	£
Operating loss	(84,762)	(26,027)
Increase in debtors	(6,998)	(6,523)
Increase/(decrease) in creditors within one year	71,303	(233,167)
Net cash outflow from operating activities	<u>(20,457)</u>	<u>(265,717)</u>

2 Analysis of net funds	1 May 2013	Cash flow	Other non-cash changes	30 April 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	25,220	(14,589)	-	10,631
Net funds	<u>25,220</u>	<u>(14,589)</u>	<u>-</u>	<u>10,631</u>

3 Reconciliation of net cash flow to movement in net funds	2014	2013
	£	£
Decrease in cash in the year	(14,589)	(379,958)
Movement in net funds in the year	<u>(14,589)</u>	<u>(379,958)</u>
Opening net funds	25,220	405,178
Closing net funds	<u>10,631</u>	<u>25,220</u>

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for management services net of VAT and trade discounts.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of 2M Group Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Investment income	2014	2013
	£	£
Income from shares in group undertakings	-	10,600,000

2M HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2014**

4	Taxation	2014	2013
		£	£
	Domestic current year tax		
	U.K. corporation tax	(16,514)	(5,869)
	Total current tax	<u>(16,514)</u>	<u>(5,869)</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(84,762)</u>	<u>10,573,973</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	<u>(19,495)</u>	<u>2,537,754</u>
	Effects of:		
	Non deductible expenses	2,981	377
	Dividends and distributions received	-	(2,544,000)
		<u>2,981</u>	<u>(2,543,623)</u>
	Current tax charge for the year	<u>(16,514)</u>	<u>(5,869)</u>
5	Dividends	2014	2013
		£	£
	Ordinary interim paid	-	10,750,000

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 May 2013	601,238
Additions	1
	<hr/>
At 30 April 2014	601,239
	<hr/>
Net book value	
At 30 April 2014	601,239
	<hr/> <hr/>
At 30 April 2013	601,238
	<hr/> <hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Banner Chemicals Holdings Limited	England and Wales	Ordinary	100.00
Banner Chemicals Limited	England and Wales	Ordinary	100.00
Samuel Banner & Co Limited	England and Wales	Ordinary	100.00
Prism Chemicals Limited	England and Wales	Ordinary	100.00
M P Storage & Blending Limited	England and Wales	Ordinary	100.00
K M Z Chemicals Limited	England and Wales	Ordinary	100.00
Banner Chemicals Benelux NV	Belgium	Ordinary	65.00
2M London Limited	England and Wales	Ordinary	100.00
Integrated Chemicals Specialties UK Limited	England and Wales	Ordinary	100.00
Samuel Banner Polymers Limited	England and Wales	Ordinary	100.00
SB Dormantco One Limited	England and Wales	Ordinary	100.00
SB Dormantco Three Limited	England and Wales	Ordinary	100.00
Surfchem Holdings Limited	England and Wales	Ordinary	100.00
Surfchem Group Limited	England and Wales	Ordinary	100.00
Surfchem Limited	England and Wales	Ordinary	100.00
Filrite Limited	England and Wales	Ordinary	100.00
Samplerite Limited	England and Wales	Ordinary	100.00
Samplerite Qingdao Limited	P.R. China	Ordinary	100.00
Surfchem Nordic A.S.	Norway	Ordinary	66.67
Gel-Chem Limited	England and Wales	Ordinary	100.00

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

6 Fixed asset investments (Continued)

Netscore Limited	England and Wales	Ordinary	100.00
Specialty Food Ingredients Limited	England and Wales	Ordinary	100.00
Surfachem International Limited	England and Wales	Ordinary	100.00
Worsall Limited	England and Wales	Ordinary	100.00
Packed Chlorine Limited	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
	Principal activity		
Banner Chemicals Holdings Limited	Holding company	330,811	-
Banner Chemicals Limited	Holding company	9,645,636	11,046
Samuel Banner & Co Limited	Formulation and distribution of solvents and performance cleaning products	10,217,933	238,772
Prism Chemicals Limited	Blending and formulation of solvents and performance cleaning products	(1,007,738)	(183,443)
M P Storage & Blending Limited	Storage, drumming and blending of solvents and chemical products	389,833	(343,086)
K M Z Chemicals Limited	Distribution of chemical industry products	177,156	94,357
Banner Chemicals Benelux NV	Distribution of chemical industry products	(319,351)	(190,103)
2M London Limited	Dormant	7,601,995	-
Integrated Chemicals Specialties UK Limited	Dormant	-	-
Samuel Banner Polymers Limited	Dormant	(175,820)	-
SB Dormantco One Limited	Dormant	9,198	-
SB Dormantco Three Limited	Dormant	238,052	-
Surfachem Holdings Limited	Holding Company	773,415	(1,783)
Surfachem Group Limited	Holding Company	10,581,515	57,155
Surfachem Limited	Distribution of chemical industry products	15,569,986	3,116,192
Filrite Limited	Decanting and packaging of chemical industry products	791,141	38,156
Samplerite Limited	Distribution of chemical industry samples	485,521	93,637

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

6 Fixed asset investments		(Continued)	
Samplerite Qingdao Limited	Distribution of chemical industry samples	(97,947)	(84,221)
Surfachem Nordic A.S.	Distribution of chemical industry products	47,066	(56,561)
Gel-Chem Limited	Dormant	65,000	-
Netscore Limited	Dormant	1,000	-
Specialty Food Ingredients Limited	Dormant	100	-
Surfachem International Limited	Dormant	50,000	-
Worsall Limited	Dormant	50,000	-
Packed Chlorine Limited	Distribution of chemical industry products	24,529	24,528
		<u> </u>	<u> </u>

The investments in Banner Chemicals Holdings Limited, Packed Chlorine Limited and Surfachem Holdings Limited are held directly by the company. All other interests in subsidiary companies are held indirectly through intermediary holding companies.

The subsidiary company Samplerite Qingdao Limited is incorporated in the People's Republic of China and has a reporting date of 31 December. The subsidiary prepares separate accounts to 30 April to enable the above disclosures.

7 Debtors	2014	2013
	£	£
Amounts owed by subsidiary undertakings	6,045,426	6,045,426
Corporation tax	16,514	5,869
Prepayments and accrued income	6,998	-
	<u>6,068,938</u>	<u>6,051,295</u>

8 Creditors: amounts falling due within one year	2014	2013
	£	£
Amounts owed to subsidiary undertakings	4,815,927	4,765,232
Other creditors	13,804	9,196
Accruals and deferred income	29,680	13,680
	<u>4,859,411</u>	<u>4,788,108</u>

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2014

9 Pension and other post-retirement benefit commitments

Defined contribution

	2014 £	2013 £
Contributions payable by the company for the year	36,000	36,000

10 Share capital

	2014 £	2013 £
Allotted, called up and fully paid 260,000 Ordinary shares of £1 each	260,000	260,000

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2013	1,629,645
Loss for the year	(68,248)
Balance at 30 April 2014	1,561,397

12 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
(Loss)/Profit for the financial year	(68,248)	10,579,842
Dividends	-	(10,750,000)
Net depletion in shareholders' funds	(68,248)	(170,158)
Opening shareholders' funds	1,889,645	2,059,803
Closing shareholders' funds	1,821,397	1,889,645

2M HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2014

13 Directors' remuneration	2014	2013
	£	£
Remuneration for qualifying services	176,956	169,674
Company pension contributions to defined contribution schemes	36,000	36,000
	<u>212,956</u>	<u>205,674</u>

14 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014	2013
	Number	Number
Directors	2	2
Management	1	-
	<u>3</u>	<u>2</u>

Employment costs

	2014	2013
	£	£
Wages and salaries	202,441	169,674
Social security costs	27,831	24,253
Other pension costs	36,000	36,000
	<u>266,272</u>	<u>229,927</u>

15 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.