STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

FOR

VITACRESS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

VITACRESS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2024

DIRECTORS:	V J M Dos Santos C Jinks L McCrystal (Appointed 04/11/ 2024) G Sousa O Duarte (Appointed 21/06/2024 Resigned 04/11/2024) A Cooper (Resigned 21/06/2024)
SECRETARY:	L McCrystal
REGISTERED OFFICE:	Lower Link Farm St Mary Bourne Andover Hampshire SP11 6DB
REGISTERED NUMBER:	06544254 (England and Wales)
SENIOR STATUTORY AUDITOR:	Nikki Forster
AUDITORS:	Ernst & Young LLP Grosvenor House Grosvenor Square Southampton United Kingdom SO15 2BE
BANKERS:	Deutsche Bank AG, London

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

STRATEGIC REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024

The Directors have pleasure in presenting their strategic report, Directors' report and the audited financial statements for the year ended 31st December 2024.

PRINCIPAL ACTIVITY
The Company provides shared services to its subsidiaries, including Finance, HR and IT functions and manages the treasury requirements of the UK Companies.

The Vitacress Group's main operations are conducted through four subsidiaries of the Company:

Vitacress Salads (watercress and leafy salads in the UK),
Vitacress Portugal (watercress, baby leaf salads and other packaged fresh produce in Portugal and Spain, plus bulk leaf supply to the UK),
Vitacress Herbs (fresh herbs in the UK).
Vitacress Real (fresh herbs in Benelux and Germany).

Vitacress also owns a 51% stake in a baby leaf salads grower in Spain (Vitacress Espana).

REVIEW OF THE BUSINESS

The Company continued to be profitable in year 31st December(with a profit before tax of £2,004,2531,247 The overall financial results for the year were consistent with management expectations.

Results and movements in equity
The income statement for the year is set out on page 9. The profit after tax amounted to £1,861,433 (2023: £1,134,550). The movements in equity are set out on page 11.

Future developments
The Company will continue to invest in capital and innovation, while focusing on quality, service and efficiency, with an overarching commitment to health and safety.

Stakeholders
The Board of Directors, in line with their duties under s172 of the Companies Act 2006, recognises that the long-term sustainable success of the Company is dependent on the way it interacts with a large number of stakeholders.

The Company recognises that operating responsibly is a critical foundation to fostering our vision; to provide the freshest, tastiest, healthiest and most exciting produce throughout the year. This foundation is created through our shared values:
* Always deliver quality - We take pride in ensuring our product is of the best possible standard.
* Do the right thing - From the way we grow our product to the relationships we sustain with clients; everyone knows exactly what is going on. At the centre of everything is a trust that has been built over the years of excellent service.
* Nurture the future - We are focussed on always improving our offer and ourselves, leading the way forward.

Our responsibilities extend to our customers, colleagues, suppliers, the local community and the environment around us. We engage with our stakeholders in a variety of ways, including:

Our customers
- Working together to develop fresh, healthy and innovative product ranges to drive consumer demand.
- Supporting customer reviews and site visits conducted in open and transparent way through our customer focused technical and commercial teams.

Our colleagues
-The Company is committed to supporting our people, establishing and developing practices that attract and retain our workforce.
-The Company continues to implement programmes that support skills development and career progression through apprenticeship schemes, leadership programmes and professional development courses.
- Company forums on each site and an intranet.

Our suppliers
- The Company is committed to the protection of individual rights, and we make sure our suppliers share our core principles. through the membership of key ethical platforms and professional bodies.
- Collaborating with our suppliers to promote innovation, ethical trading, sustainability, health & safety and the protection of human rights.
- We conduct regular visits of suppliers to ensure standards are achieved across our supply chain.

Our communities
- The Company supports employee volunteering schemes that give back to local charities and good causes.
- Employees raise money to help provide for community groups and charities.

Our environment
- The Company conducts business ethically, sustainably, safely, and socially. It cares about the environment and people - working hard every day to minimise their environmental footprint, meet their obligations to Human Rights, educate and develop their employees and engage with local communities.

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

STRATEGIC REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024

Risk management objectives and policies

Operating risks
Vitacress operates in a challenging economic climate, in which inflationary pressure on costs must be balanced against the price expectations of our customers and competition within the market. The nature of the business, being management support to our subsidiary companies. Accordingly, the Directors assess the key risks to the business as:

- Foreign currency rate fluctuations
- Interest rate increases

The Directors are addressing these risks by:
- Hedging foreign currency exposures;
- Investment in training programmes and Health & Safety systems to develop safer working practices and track risks.

Financial risks
The Company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and market risk (specifically, interest rate risk and exchange rate risk). The Company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the Group.

Credit risk
The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The Company continually monitors existing customer accounts and takes appropriate action where necessary to minimise any potential credit risk.

Liquidity risk
The Company retains sufficient cash and overdraft facilities to ensure it has sufficient available funds for operations and planned expansions. The Company also has access to additional funding if required from its parent company. The Company uses a combination of term loans and overdrafts to manage its working capital requirements.

Interest rate risk
The Company has interest bearing assets and interest-bearing liabilities.

Foreign exchange risk
The Company has a policy of covering forward its estimated net currency exposure on a rolling basis. These transactions are designated as hedging instruments and are deemed effective cash flow hedges and are accounted for in line with the policy for derivatives and hedge accounting detailed in note 2.

ON BEHALF OF THE BOARD:

Lisa McCrystal
....
L McCrystal – Director

06/05/2025
....
Date of Signing

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2024

The Directors present their report with the financial statements of the company for the year ended 31st December 2024.

Principal activity
The principal activity of the Company and the results for the period have not been presented in the Directors report as they have been presented in the Strategic Report set out on pages 2-3.

Dividends
A final dividend for 2024 has not been proposed prior to the approval of these financial statements and there is no intention to declare such a dividend.

Directors
The Directors who held office during the year and up to the date of signing these financial statements are shown on page 1 of these financial statements.

Political and charitable donations
During the financial year the Company made donations to UK registered charities of £0.00 (2023: £0.00).

Going Concern
In preparing the financial statements the Directors have had regard to the fact that the Company generated a pre-tax profit on continuing operations of £2,004,253 (2023: £1,247,981) in the financial year ended 31st December 2024 A key judgement is the appropriateness of using the going concern basis in preparing the financial statements.

The Company's Directors continue to review existing forecasts, downside scenarios and the long-term strategy of its subsidiaries. The Company's Parent has provided the Company with a letter of support. The parent is represented by two Directors on the board of Vitacress Limited and through them, the Company has confirmed that there is sufficient headroom, and that the parent would be able to provide further working capital if required.

Therefore, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in business and meet its liabilities as they fall due for the foreseeable future, with the Directors reviewing the going concern assessment prepared for the period ending 30 June 2026, the going concern period.

Directors' and officers' indemnity insurance
The Company has taken out insurance to indemnify, against third party proceedings, the Directors of the Company whilst serving on the board of the Company and of any subsidiary. This cover also indemnifies those employees of the Company who serve on the boards of subsidiaries. The cover subsisted throughout the year and remains in place at the date of this report.

Employees
The Company's policy is to encourage employee involvement, thereby improving Company performance through regular meetings. Information on matters of concern to employees is given through staff newsletters, employee forums, management meetings and regular team briefings, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

The Company gives full consideration to applications for employment from people with a disability, where the requirements of the job can be adequately fulfilled by a person with a disability. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues, and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a person with a disability should, as far as possible, be identical to that of a person who does not have a disability.

Statement of Directors’ responsibilities
The Directors are responsible for preparing the Strategic report, 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 prepared the financial statements in accordance with UK-adopted international accounting standards. 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 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 that the financial statements comply with IFRS.
- 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.

The Directors are responsible for the maintenance and integrity of the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2024

Statement as to disclosure of information to auditors
In so far as the Directors in office at the date of approval of this report are aware:
- there is no relevant audit information of which the Company's auditors are unaware and
- the directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company’s auditors are aware of that information.

Independent auditors
The auditors, Ernst & Young LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1st January 2024 to the date of this report.

Vitor J M Dos Santos
C Jinks
G Sousa

Other changes in directors holding office are as follows:

L McCrystal - appointed 4th November 2024
O Duarte - appointed 21st June 2024 - resigned 4th November 2024
A J Cooper - resigned 21st June 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Ernst & Young LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Lisa McCrystal
....
L McCrystal – Director

06/05/2025
....
Date of Signing

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VITACRESS LIMITED

Opinion

We have audited the financial statements of Vitacress Limited for the year ended 31 December 2024 which comprise of the Statement of profit and loss, the Statement of comprehensive Income, the Statement of Financial Position, the Statement of Cash flows, the Statement of changes in equity, and the related notes 1 to 30, including a summary of significant accounting policies The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted accounting standards.

In our opinion, the financial statements:

give a true and fair view 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 Auditor's 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 UK, including the FRC'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 directors' 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 to 30 June 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are 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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the directors' report has 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 directors' 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:

- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
- 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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VITACRESS LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4 to 5 the directors are 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

• We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are UK adopted international accounting standards, and the Companies Act 2006 and the relevant direct and indirect tax compliance regulations in the United Kingdom. In addition, the company has to comply with laws and regulations relating to its operations, including, health and safety, data protection, anti-bribery and corruption.
• We understood how Vitacress Limited is complying with those frameworks by making enquiries of management to understand how the company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We also reviewed correspondence with HMRC regarding tax compliance.
• We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. We assessed appropriateness of the measurement of revenue to be a fraud risk. Our procedures to address management override involved testing journals that met specific risk criteria such as, review of journal descriptions that could indicate fraud or unusual activity, and understanding the adjustments posted around the year-end date. We have performed detailed testing of revenue mainly pertaining to management recharges, we understood the company's policy, reviewed the breakdown of these for clerical accuracy and items that have been recharged, we also tested specific transactions back to source documentation, ensuring appropriate authorisation of the transactions and inclusion in the relevant intercompany balance.

Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation including tax computations and returns.
A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ernst & Young LLP
39AA1AD87A3346D...
Nikki Forster (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Southampton

07 May 2025

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	2024 £'000	2023 £'000
CONTINUING OPERATIONS			
Revenue	4	6,240	6,174
Other operating income	5	17	32
Administration expenses		(6,376)	(5,740)
Other operating expenses		(55)	(13)
OPERATING (LOSS)/PROFIT		(174)	453
Finance expenses	7	(3,112)	(3,072)
Finance income	7	5,291	3,866
PROFIT BEFORE INCOME TAX	8	2,005	1,247
Income tax	10	(143)	(113)
PROFIT FOR THE YEAR		1,862	1,134

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024 £'000	2023 £'000
PROFIT FOR THE YEAR	1,862	1,134
OTHER COMPREHENSIVE (LOSS)/INCOME		
Items that will not be reclassified to profit or loss:		
Income tax relating to items that will not be reclassified to profit or loss	-	-
	-	-
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedging	(262)	2
	(262)	2
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF INCOME TAX	(262)	2
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,600	1,136

The notes form part of these financial statements

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2024

	Notes	2024 £'000	2023 £'000
ASSETS			
NON-CURRENT ASSETS			
Owned			
Intangible assets	11	2,125	2,157
Property, plant and equipment	12	133	127
Right-of-use			
Property, plant and equipment	12	784	370
Investments	13	65,577	65,577
Loans and other financial assets	14	100	105
Deferred tax	25	-	12
		68,719	68,348
CURRENT ASSETS			
Trade and other receivables	16	66,812	58,884
Cash and cash equivalents	17	1,413	1,993
		68,225	60,877
TOTAL ASSETS		136,944	129,225
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	59,942	59,942
Cash flow hedging reserve	19	(262)	(73)
Retained earnings	19	20,645	18,783
TOTAL EQUITY		80,325	78,652
LIABILITIES			
NON-CURRENT LIABILITIES			
Borrowings			
Lease liabilities	21	28,322	30,228
Deferred tax	25	2	-
		28,324	30,228
CURRENT LIABILITIES			
Trade and other payables	20	3,597	3,700
Borrowings			
Lease liabilities	21	24,436	16,572
Derivative financial instruments	24	262	73
		28,295	20,345
TOTAL LIABILITIES		56,619	50,573
TOTAL EQUITY AND LIABILITIES		136,944	129,225

The financial statements were approved by the Board of Directors and authorised for issue on 6 May 2025 and were signed on its behalf by:

Lisa McCrystal
....
L McCrystal – Director

06/05/2025
....
Date of Signing

The notes form part of these financial statements

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

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

	Called up share capital £'000	Retained earnings £'000	Cash flow hedging reserve £'000	Total equity £'000
Balance at 1st January 2023	49,942	17,649	(1)	67,590
Changes in equity				
Issue of share capital	10,000	-	-	10,000
Total comprehensive income	-	1,134	(72)	1,062
Balance at 31st December 2023	59,942	18,783	(73)	78,652
Changes in equity				
Total comprehensive income	-	1,862	(263)	1,599
Balance at 31st December 2024	59,942	20,645	(336)	80,251

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities			
Receipts from customers		-	-
Payments to external suppliers		(2,221)	(1,335)
Payments related to employees		(3,408)	(2,986)
Receipts from group companies		4,704	6,074
Operating cash flow		(925)	1,753
Tax receipts		1	30
Net cash generated from operating activities		(924)	1,783
Cash flows from investing activities			
Purchase of property, plant, and equipment		(99)	(99)
Purchase of intangible asset		(89)	(133)
Interest and similar income from group companies		3,702	3,148
Interest and similar income from external parties		17	-
Dividends received		1,500	760
Loan granted to group companies		(9,101)	(13,847)
Loan repayments received from group companies		2,500	3,271
Net cash used in investment activities		(1,570)	(6,900)
Cash flows from financing activities			
Payment of lease liabilities	22	(528)	(301)
Loans obtained from group companies		19,591	-
Loan repayment to group companies		-	(5,000)
Loans obtained from external parties		-	10,007
Loan repayments to external parties		(13,985)	(5,993)
Interest and similar costs to group companies		(190)	(443)
Interest and similar costs to external parties		(2,974)	(2,499)
Capital contribution		-	10,000
Net cash generated from / (used in) financing activities		1,914	5,771
Net increase / (decrease) in cash and cash equivalents		(580)	654
Cash and cash equivalents at the beginning of the year	17	1,993	1,339
Cash and cash equivalents at the end of the year		1,413	1,993

The notes form part of these financial statements

1. STATUTORY INFORMATION

Vitacress Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IAS. The financial statements have been prepared under the historical cost convention.

Going Concern

In preparing the financial statements the Directors have had regard to the fact that the Company generated a pre-tax profit on continuing operations of £2,005 (2023: £1,247) in the financial year ended 31st December 2024. A key judgement is the appropriateness of using the going concern basis in preparing the financial statements.

The Company's Directors continue to review existing forecasts, downside scenarios and the long-term strategy of its subsidiaries. The Company's Parent has provided the Company with a letter of support. The parent is represented by two Directors on the board of Vitacress Limited and through them, the Company has confirmed that there is sufficient headroom, and that the parent would be able to provide further working capital if required.

Therefore, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in business and meet its liabilities as they fall due for the foreseeable future, with the Directors reviewing the going concern assessment prepared for the period ending 30 June 2026, the going concern period.

Changes in accounting policies
The following changes to IFRS accounting standards came into effect as at 1 January 2024:

- Classification of Liabilities as Current or Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback - Amendment to IFRS 16
- Disclosures: Supplier Finance Agreements - Amendments to IAS 7 and IFRS 7

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The amendment to IAS 1 has a disclosure impact for the Company which is disclosed in note 21.

Revenue recognition
The Company provides shared services to subsidiaries in the areas of Finance, HR and IT and also manages the treasury requirements of all the UK businesses.
Operational expenses incurred centrally on behalf of the subsidiaries are recharged at a mark-up.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

Intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives when the asset is brought into use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis

2. **ACCOUNTING POLICIES - continued**

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost is defined as the purchase price, plus any additional costs incurred to bring the asset to its current location and position.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised within Other operating income in the income statement.

Financial assets and liabilities
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the respective financial instrument.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value taking into account transaction costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

Trade receivables
Trade receivables are recognised at amortised cost. They are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Accounts payable
Non-interest-bearing accounts payable are stated at their nominal value.

Loans
Loans are recorded as liabilities at their amortised cost. Possible costs incurred with the issuance of these loans are recorded as deductions from the liability and recognised over the period of the loans based on the effective interest rate. Financial expenses are calculated based on the effective interest rates, including premiums payable, and are reflected in the income statement on an accruals basis.

Taxation
Current income tax is based on taxable profit for the year (which differs from the accounting profit) of the Company. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the financial year.

Deferred tax is calculated using the statement of financial position method and reflects the timing differences between the carrying amounts of assets and liabilities for financial reporting and their income tax bases. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, provided they are enacted or substantively enacted by the end of the financial year.

Deferred tax assets are recognised only when there is reasonable expectation that there will be sufficient future taxable income against which to use them. The carrying amount of deferred tax assets are reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Foreign currencies
Foreign currency transactions are translated into the functional currency of the entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognised in the income statement.

2. **ACCOUNTING POLICIES - continued**

Leases
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of any identified asset for a period of time in exchange for consideration.

The Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Refer to note 12 Company as a lessee.

If ownership of the lease asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in impairment section.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

If lease contracts include extension and termination options, the Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(iv) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that met the low-value exemption criteria. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Employee benefit costs
The Company provides post-employment benefits through defined contribution retirement benefit plans. Payments to defined contribution retirement benefit plans are recognised as an expense when the relevant employees have rendered service entitling them to the contributions.

Borrowing costs
Borrowing costs on loans obtained are recognised in the income statement on an accruals basis at the implicit interest rate.

2. ACCOUNTING POLICIES - continued

Impairment of tangible and intangible assets other than goodwill
Assets are assessed for impairment at each statement of financial position date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in the income statement.

The recoverable amount of an asset is the higher of its net realisable value and its value in use. Net realisable value is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable parties, less costs of sale. Value in use is the present value of future cash flows from the continued use of an asset and its sale at the end of its useful life.

Impairment losses recognised in prior years are reversed when there are indications that the impairment losses no longer exist or have decreased. The reversal of impairment losses is recorded in the income statement. However, reversal of an impairment loss is recognised up to the amount that would have been recognised (net of depreciation or amortisation) had no impairment loss been recognised for that asset in prior years.

Investments
Investments in subsidiary companies are stated at cost less any provision for impairment in value.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies
The directors have concluded, at the time of approving the financial statements, that no significant judgments were necessary in the application of accounting policies. The directors remain vigilant in monitoring any underlying critical judgments that may need to be considered regarding the Company's accounting policies.

4. REVENUE

Revenue from group subsidiaries

	2024 £'000	2023 £'000
Revenue from the sale of services	6,240	6,174

5. OTHER OPERATING INCOME

	2024 £'000	2023 £'000
Other operational income	17	32

6. EMPLOYEES AND DIRECTORS

	2024 £'000	2023 £'000
Wages and salaries	3,439	2,720
Social security costs	371	308
Other pension costs	173	158
	3,983	3,186

The average number of employees during the year was as follows:

	2024	2023
Management and administration	38	37

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

6. **EMPLOYEES AND DIRECTORS - continued**

Directors' emoluments

	2024 £	2023 £
Salary payments and other short-term employee benefits	1,038	592
Company contributions to defined contribution schemes	23	15
Total directors' emoluments	1,061	607

Of the six directors, four were paid through the Company in the year (2023: three). The remaining two directors (2023: two) consider their services to the Company are incidental to their other activities within the wider RAR Group. Accordingly, their emoluments are paid by the parent company, RAR - Sociedade de Controle (Holding) SA. It is not possible to determine a specific allocation for services rendered to Vitacress Limited, and consequently their emoluments are not shown in the table above.

The aggregate emoluments of the highest paid director were £746,448 (2023: £414,531).

7. **NET FINANCE INCOME**

	2024 £'000	2023 £'000
Finance income:		
Dividends received	1,500	760
Other financial income	72	-
Interest income	3,719	3,106
	5,291	3,866
Finance expenses:		
Interest on external loans	2,703	2,338
Bank charges	327	283
Exchange losses	15	-
Interest on intercompany loans	22	426
Interest on leases	45	25
	3,112	3,072
Net finance income	2,179	794

8. **PROFIT BEFORE INCOME TAX**

The profit before income tax is stated after charging:

	2024 £'000	2023 £'000
Depreciation - owned assets	92	84
Depreciation - assets on finance leases	497	312
Software amortisation	122	105

9. **AUDITORS' REMUNERATION**

	2024 £'000	2023 £'000
Audit of company financial statements	14	25
Provision of taxation compliance services	13	64
Fees paid subsidiary audit and tax expenses	210	226
	237	315

10. INCOME TAX

Income tax recognised in the income statement

	2024 £'000	2023 £'000
Current tax		
Current year credit/ (charge)	(133)	(160)
Adjustment in respect of previous periods	4	-
Total current tax	(129)	(160)
Deferred Tax		
Current year	1	44
Effect of changes in tax rates	-	2
Adjustment in respect of previous periods	(15)	1
Total deferred tax	(14)	47
Total income tax expense recognised in income statement	(143)	(113)

Reconciliation of tax charge
The tax expense for the year can be reconciled to the accounting profit as follows:

	2024 £	2023 £
Profit before tax	2,005	1,247
Income tax - calculated at UK average corporation tax rate of 25.00% (2023 23.52%)	(501)	(294)
Income not taxable	375	179
Adjustment in respect to prior periods	(11)	-
Effect of changes in tax rates	-	3
Expenses not deductible	(6)	(1)
Total income tax expense recognised in income statement	(143)	(113)

11. INTANGIBLE ASSETS

	Software work in progress £'000	Software £'000	Totals £'000
COST			
At 1st January 2024	1,761	1,117	2,878
Additions	89	1	90
At 31st December 2024	1,850	1,118	2,968
AMORTISATION			
At 1st January 2024	-	721	721
Amortisation for year	-	122	122
At 31st December 2024	-	843	843
NET BOOK VALUE			
At 31st December 2024	1,850	275	2,125
At 31st December 2023	1,761	396	2,157

12. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use Assets £'000	Office furniture and fittings £'000	Totals £'000
COST OR VALUATION			
At 1st January 2024	1,137	292	1,429
Additions	1,021	99	1,120
Disposals	(280)	(26)	(306)
Revaluations	35	-	35
At 31st December 2024	1,913	365	2,278
DEPRECIATION			
At 1st January 2024	767	165	932
Charge for year	497	92	589
Eliminated on disposal	(135)	(25)	(160)
At 31st December 2024	1,129	232	1,361
NET BOOK VALUE			
At 31st December 2024	784	133	917
At 31st December 2023	370	127	497

12. **PROPERTY, PLANT AND EQUIPMENT - continued**

Company as a lessee
The Company has lease contracts for various items of office equipment and vehicles used in its operations. Leases of office equipment generally have lease terms between 2 and 5 years, while motor vehicles generally have lease terms between 3 and 5 years.

Set out below are the carrying amounts of right-of-use assets recognised and movements during the period.

	Office equipment £'000	Vehicles £'000	Total £'000
Cost or valuation			
Balance at 1 January 2024	1,045	92	1,137
Additions	1,021	-	1,021
Revaluations	35	-	35
Disposals	(264)	(16)	(280)
Balance at 31 December 2024	1,837	76	1,913
Accumulated depreciation			
Balance at 1 January 2024	729	38	767
Depreciation expense	477	20	497
Disposals	(123)	(12)	(135)
Balance at 31 December 2024	1,083	46	1,129
Carrying amount 31 December 2024	754	30	784

	Office equipment £'000	Vehicles £'000	Total £'000
Cost or valuation			
Balance at 1 January 2023	1,107	127	1,234
Additions	-	38	38
Revaluations	(62)	-	(62)
Disposals	-	(73)	(73)
Balance at 31 December 2023	1,045	92	1,137
Accumulated depreciation			
Balance at 1 January 2023	440	87	527
Depreciation expense	289	24	313
Disposals	-	(73)	(73)
Balance at 31 December 2023	729	38	767
Carrying amount 31 December 2023	316	54	370

13. INVESTMENTS

	Shares in group undertakings £'000
COST OR VALUATION	
At 1st January 2024 and 31st December 2024	65,577
NET BOOK VALUE	
At 31st December 2024	65,577
At 31st December 2023	65,577

During the financial year Vitacress Sales Limited ceased operations and was subsequently closed. As a result, Vitacress Limited has de-recognised its investment in Vitacress Sales (2023: 100%, £Nil).

The Company holds the following investments in trading subsidiaries and joint ventures (of which only Vitacress Nurseries Limited (previously known as Wight Salads Group Limited), Vitacress Salads Limited, Vitacress Herbs Limited and Vitacress Real BV represent direct holdings):

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Company Name	Registered	Class of Shares	Share % held	Nature of Business
Vitacress Salads Limited	England & Wales	Holding	100%	Produce & distribute salad crops
Vitacress Kent Limited	England & Wales	Holding	100%	Produce salad crops
Vitacress Nurseries Limited	England & Wales	Holding	100%	Discontinued
Vitacress Herbs Limited	England & Wales	Holding	100%	Produce & distribute herbs
VAISA Agricultura Intensiva S.A	Portugal	Holding	100%	Produce & distribute salad crops
Vitacress Portugal S.A.	Portugal	Holding	100%	Produce salad crops
Euralface Agricultura S.A.	Portugal	Holding	100%	Produce salad crops
Vitacress Portugal SGPS S.A.	Portugal	Holding	100%	Holding company
Margaret Nurseries San Martin S.L.	Spain	Holding	100%	Discontinued
Vitacress España S.L.	Spain	Holding	51%	Produce salad crops
Vitacress Real BV	Netherlands	Holding	50.10%	Pack and distribute herbs

14. LOANS AND OTHER FINANCIAL ASSETS

	Loans to group companies £'000
At 1st January 2024	105
Other movement	(5)
At 31st December 2024	100

VITACRESS LIMITED (REGISTERED NUMBER: 06544254)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

15. FINANCIAL ASSETS AND LIABILITIES

Financial assets measured at amortised cost

	2024 £'000	2023 £'000
Loans and Receivables		
Non-Current:		
Loans to Group Companies	100	105
Current:		
Loans to Group Companies	61,215	54,614
Amounts owed by Group companies - trade	3,925	3,891
Cash and Cash equivalents	1,413	1,993
Current tax asset	17	32
Total financial assets	66,570	60,530

Derivatives designated as cash flow hedging instruments at fair value

	2024 £'000	2023 £'000
Derivative financial instruments	-	1
Total financial assets	66,670	60,636
Disclosed as:		
Current	66,570	60,531
Non-current	100	105
Total financial assets	66,670	60,636

Financial liabilities measured at amortised cost

	2024 £'000	2023 £'000
Non-current:		
Borrowings	(28,322)	(30,228)
Current:		
Borrowings	(24,437)	(16,572)
Trade parables	(512)	(860)
Social security and other taxes	(647)	(264)
Amounts owed to group companies - trade	(154)	(756)
	(54,072)	(48,680)

Derivatives designated as cash flow hedging instruments at fair value

	2024 £'000	2023 £'000
Derivative financial instruments	(262)	(74)
Total financial liabilities	(54,334)	(48,754)
Disclosed as non-current	(28,322)	(30,228)
Disclosed as current	(26,012)	(18,526)
Total	(54,334)	(48,754)

16. TRADE AND OTHER RECEIVABLES

	2024 £'000	2023 £'000
Current:		
Amounts owed by group undertakings	5,066	3,891
Loans to Group Companies	61,215	54,614
Other current debtors	8	119
Corporation tax	17	32
Prepayments	506	228
	66,812	58,884

17. CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Cash in hand	1,413	1,993

The current cash balance includes cash that is cash pooled from subsidiary companies.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	**Class:**	**Nominal value:**	**2024 £'000**	**2023 £'000**
59,941,593	Ordinary	£1	59,942	59,942

19. RESERVES

Cash flow hedge reserve
The cash flow hedge reserve reflects the effective portion of changes in the fair value of foreign currency forward contracts that qualify as hedging derivatives.

20. TRADE AND OTHER PAYABLES

	2024 £'000	2023 £'000
Current:		
Trade creditors	510	860
Amounts owed to group undertakings	290	756
Social security and other tax	647	264
Corporation tax	17	-
Other current liabilities	2,133	1,820
	3,597	3,700

All amounts are short-term, interest free and repayable on demand.

21. BORROWINGS

	2024 £'000	2023 £'000
Current:		
Other loans	2,000	10,000
Commercial Paper	-	3,998
Intercompany loans	22,018	2,430
Leases (see note 22)	418	144
	24,436	16,572
Non-current:		
Other loans	27,972	29,959
Leases (see note 22)	350	269
	28,322	30,228

21. **BORROWINGS - continued**

Terms and debt repayment schedule

	1 year or less £'000	1-2 years £'000	2-5 years £'000	Totals £'000
Other loans	2,000	14,473	13,499	29,972
Intercompany loans	22,018	-	-	22,018
Leases	418	350	-	768
	24,436	14,823	13,499	52,758

The Company's loan agreements with external lenders are subject to the following covenants:

- Net Debt to EBITDA ratio
- Equity to Assets ratio

Covenants are tested annually as at the Balance Sheet date. The Company complied with all ratios as required in the loan agreements from all relevant lenders as of the Balance Sheet date.

Prior to the balance sheet date, the Company's parent provided an additional £19.5m of funding which enabled the Company to repay its external debt and meet its covenant ratios. After the balance sheet date, the external loans were drawn down and the parent company facility repaid.

22. **LEASING**

Under IFRS16

Company as a lessee
Lease liabilities included in the Statement of financial position at 31st December 2024.

	2024 £'000	2023 £'000
Current	418	144
Non-current	350	269
	768	413

Amounts recognised in profit or loss

	2024 £'000	2023 £'000
Interest on lease liabilities	45	25
Expense relating to short term leases	11	20
Expense relating to low-value leases	-	5
Depreciation expense of right-of-use assets	497	312
	553	362

Amount recognised in the statement of cash flows

	2024 £'000	2023 £'000
Total cash outflow for leases	528	301
	528	301

23. FINANCIAL INSTRUMENTS

Financial risk management objectives
The Company's board of Directors controls the Company's approach to financial risks and optimisation of capital, throughout the Vitacress group. The key risks are interest rate increases, foreign currency rate fluctuations, liquidity management and credit risk. The Company monitors these risks as part of its standard strategy and maintains both current and long-term projections.

The board of Directors focuses on actively securing the Company's short to medium cash flows by minimising the exposure to financial markets. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes

The Companies risk exposure as at 31st December 2024 is detailed below with currency rate fluctuation on foreign denominated cash and interest rate risk on borrowings (note 15) being the most significant.

Capital management
The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2023.

The capital structure of the Company consists of net debt (as detailed in note 18) and equity of the Company (comprising issued capital, reserves, and retained earnings as detailed in notes 18).

The Company is not subject to any externally imposed capital requirements.

The Board manages the capital of the Company by regularly reviewing internal reports such as short and medium-term cash flow forecasts and capital expenditure reports. Management use this information to assess the Company's capital availability against targets set by the parent Company and manage it in line with it's overall objectives.

Market risk - foreign currency risk management
The Company undertakes transactions denominated in foreign currencies; consequently, exposures to fluctuating exchange rates arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary liabilities at the end of the financial year are as follows:

	Asset		**Liabilities**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Euro	1,409	1,150	(95)	(83)
USD	-	93	(33)	-

Foreign currency sensitivity analysis
The Company is mainly exposed to the Euro.

The following table details the Company's sensitivity to a 5% increase and decrease in the GBP against the Euro. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the GBP strengthens 5% against the relevant currency. For a 5% weakening of the GBP against the relevant currency, there would be a comparable impact on the profit, and the balances below would reverse in sign.

	Euro impact		**US Dollar impact**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Profit or loss (i)	63	51	(2)	4
Equity (ii)	-	-	-	-

23. FINANCIAL INSTRUMENTS - continued

Market risk - foreign currency risk management - continued

i) This is mainly attributable to the exposure outstanding on Euro denominated receivables and payables in the Company at the end of the reporting year.

(ii) This is as a result of the changes in fair value of derivative instruments designated as hedging instruments in cash flow hedges.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the financial year does not reflect the exposure during the year. Euro denominated purchases are seasonal, with lower volumes in the mid-quarters of the financial year, resulting in an increase in payables at the end of the financial year.

Market risk - interest rate risk management

The Company is exposed to interest rate risk through borrowing funds at floating interest rates. The Company's policy is to minimise interest rate cash flow risk exposures.

Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.5% (2023: +/- 0.5%). These changes are considered reasonably possible based on observation of current market conditions. The calculations are based on change in the average market interest rate for each year, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. It assumes the amount of the asset outstanding at the end of the reporting year was outstanding for the whole year. All other variables are held constant.

	+ 0.5%		**- 0.5%**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Income statement	275	255	(275)	(255)

This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Credit risk management

Credit risk refers to the risk that the counterpart will default on its contractual obligations resulting in a financial loss for the Company.

The Company oversees the groups approach to credit management including:

(i) Defining customer credit limits, based on regular credit score reviews and customer relationship management.
(ii) Close review and analysis of customer outstanding balances and debt settlement history.

Impairment loss on accounts receivables is calculated considering:

(i) Customer Risk profile
(ii) Customer specific financial position
(iii) Company average collection statistics

The Company's customers are group subsidiaries, no impairments are recognised for the year to 31st December 2024. (2023: £nil)

Liquidity risk management

Liquidity risk is the risk that the Company cannot meet or settle its obligations on time or at a reasonable price. Due to the existence of liquidity risk, management of liquidity is performed with the objective of ensuring permanent and efficient access to funds to fulfil commitments, minimising the probability of not being able to fulfil its commitments and minimising the opportunity cost of retaining excess liquidity in the short-term.

The Company manages liquidity risk by regularly reviewing internal reports such as daily, weekly and medium-term cash flow forecasts and matching the maturity profiles of financial assets and liabilities. Management uses this information to ensure sufficient liquidity is available for the Company's day to day needs.

23. FINANCIAL INSTRUMENTS - continued

Liquidity risk management - continued

Liquidity risk tables
The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity risk	**Carrying amount £'000**	**Contractual cash flows £'000**	**1 year or less £'000**	**1-5 years £'000**	**5+ Years £'000**	**Total £'000**
31st December 2024						
Commercial paper	-	-	-	-	-	-
Other loans	(29,972)	(33,954)	(3,852)	(30,102)	-	(33,954)
Loans from Group companies	(22,018)	(22,018)	(22,018)	-	-	(22,018)
Amounts owed to Group companies	(290)	(290)	(290)	-	-	(290)
Right of use leases	(768)	(825)	(452)	(373)	-	(825)
Trade payables	(512)	(512)	(512)	-	-	(512)
Total	(53,560)	(57,599)	(27,124)	(30,475)	-	(57,599)
31st December 2023						
Commercial paper	(3,998)	(4,273)	(4,273)	-	-	(4,273)
Other loans	(39,959)	(46,788)	(12,633)	(34,154)	-	(46,788)
Loans from Group companies	(2,430)	(2,430)	(2,430)	-	-	(2,430)
Amounts owed to Group companies	(756)	(756)	(756)	-	-	(756)
Right of use leases	(413)	(449)	(165)	(284)	-	(449)
Trade payables	(860)	(860)	(860)	-	-	(860)
Total	(48,416)	(55,556)	(21,117)	(34,438)	-	(55,556)

24. DERIVATIVE FINANCIAL INSTRUMENTS

The Company, as the holding company for the Vitacress Group, utilises and manages forward foreign exchange contracts to mitigate exchange rate risks arising from group purchases in foreign denominated currencies.
Euro and US Dollar cash requirements are monitored monthly to assess operational requirements based on expected currency purchases and supplier settlement terms. Forward contracts are then placed to cover group operational needs.

(i) All foreign exchange contracts have been designated as hedging instruments in cash flow hedges in accordance with IFRS 9.
(ii) These derivative financial instruments are recognised at fair value, at contract commencement and subsequently remeasured at FV
(iii) There is no material ineffectiveness of cash flow hedges in 2024 or in 2023.

Forward foreign exchange contracts

All forward contracts purchases for the Vitacress Group are contractually placed by the Company and detailed below. Subsidiaries effectively assume the risk and gains from hedging contracts proportional to their utilisation of hedged funds.

Fair value is measured based on the lowest level input that is significant to the fair value measurement. It is categorised in fair value hierarchy level 2 by using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Outstanding contracts	**Average exchange rate**		**Foreign currency**		**Notional value**		**Fair value assets/(liabilities)**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
			FC'000	**FC'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash flow hedges Buy Euro								
< 3 months	0.848	0.872	12,200	10,349	10,350	9,026	(242)	(34)
3 to 6 months	0.839	0.875	6,310	6,400	5,296	5,598	(42)	(21)
Cash flow hedges Buy USD								
< 3 months	0.766	0.803	500	626	383	503	16	(11)
3 to 6 months	0.787	0.810	450	300	354	243	5	(8)
							(262)	(74)

The Company has entered into contracts to purchase raw materials from suppliers in Europe and the USA. The Company has entered into forward foreign exchange contracts (for terms not exceeding 6 months) to hedge the exchange rate risk arising from these anticipated future purchases, which are designated as cash flow hedges.

The movement during the year of the aggregate amount of gains and losses under forward foreign exchange contracts recognised in other comprehensive income and accumulated in the cash flow hedging reserve relating to these anticipated future purchase transactions is a loss of £189,000 (2023: loss of £72,000). It is anticipated that the purchases will take place during the first 6 months of the next financial year at which time the amount deferred in equity will be included in the carrying amount of the raw materials. It is anticipated that the raw materials will be converted into inventory and sold within 12 months after purchase, at which time the amount deferred in equity will be reclassified to the income statement.

25. DEFERRED TAX

Deferred tax assets
The following is the analysis of deferred tax assets presented in the statement of financial position:

	2024 £	2023 £
Deferred tax asset	44	12
Deferred tax liabilities	(46)	-
	(2)	12

Deferred tax movement

	Opening Balance £	Recognised in profit or loss £	Recognised in OCI £	Closing balance £
2024				
Deferred tax assets/(liabilities) in relation to:				
Property, plant & equipment	(28)	(18)	-	(46)
Pension	-	-	-	-
Other short term timing differences	40	4	-	44
	12	(14)	-	(2)
2023				
Deferred tax assets/(liabilities) in relation to:				
Property, plant & equipment	(35)	7	-	(28)
Pension	-	-	-	-
Other short term timing differences	-	40	-	40
	(35)	47	-	12

There are no unrecognised deductible temporary differences, unused tax losses and unused tax Credits.

26. PENSION COMMITMENTS

The Company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Company, in independently administered funds.

The total expense recognised in the income statement of £173,000 (2023: £158,000) represents contributions payable to these plans by the Company at rates specified in the rules of the plans. As at 31st December 2024, contributions of £25,000 (2023: £26,000) due in respect of the financial year had not been paid over to the plans. The amounts were paid subsequent to the end of the financial year.

27. CONTINGENT ASSETS AND LIABILITIES

The company has no contingent assets or liabilities (2023: £Nil)

28. COMMITMENTS FOR EXPENDITURE

As at 31st December 2024 the Company had the following capital commitments:

	2024 £'000	2023 £'000
Commitments for the acquisition of property, plant and equipment	568	842

29. RELATED PARTY DISCLOSURES

The Companies immediate parent company is RAR - Sociedade de Controle (Holding) SA, a company registered in Portugal. Its ultimate parent company and controlling party is SIEL SGPS SA, a company registered in Portugal. SIEL SGPS SA owns 100% of RAR - Sociedade de Controle (Holding) SA. The address of its registered office and principal place of business is Rua Passeio Alegre 624, 4169-002, Porto, Portugal.

RAR - Sociedade de Controle (Holding) SA is both the largest and smallest Group to consolidate these financial statements, and copies of its consolidated financial statements can be obtained from the address above.

Details of transactions between the Company and its related parties are disclosed below.

Trading Transactions
During the year, the Company entered into the following trading transactions, in relation to the Company's principal activities, with related parties:

	Sales of goods and services rendered		Purchases of goods and services received	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Immediate Parent company	-	-	-	(16)
RAR Group companies	-	-	(29)	(29)
Subsidiaries	6,237	6,155	-	6
	6,237	6,155	(29)	(39)

In addition to the above trading transactions the Company engaged in transaction with group companies as follows:

	2024 £'000	2023 £'000
Management charge from RAR for certain administrative services	-	(10)
Interest received on loans to Subsidiaries	3,702	3,106
Interest paid on loans to Group companies	(22)	(426)
Dividend received from subsidiaries	1,500	760
	5,180	3,430

The following balances were outstanding at the end of the financial year:

	Amounts owed by related parties		Amounts owed to related parties	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Immediate Parent company	-	-	(18)	(238)
RAR Group companies	-	-	(2)	-
Subsidiaries	5,067	3,891	(252)	(518)
	5,067	3,891	(272)	(756)

The amounts outstanding are unsecured, interest free trading balances repayable in accordance with the agreed payment terms with group companies. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

29. **RELATED PARTY DISCLOSURES - continued**

Loans from related parties

	2024 £'000	2023 £'000
Subsidiaries	(2,518)	(2,430)
Immediate parent	(19,500)	-
	(22,018)	(2,430)

Loans to related parties

	2024 £'000	2023 £'000
Subsidiaries	61,315	54,614
	61,315	54,614

The loans from the immediate parent are unsecured and attract interest at a fixed rate of 2.00% (2023: 2.00%) above the 3 months SONIA ruling in the month preceding the month in which the loan was made.

The loans are considered by management to be short-term and are repayable on demand. It is classified as a current as management intends to commence collection within the next 12 months. However, the timing of settlement remains under continuous review by the Directors and will be determined in line with the Group's overall strategic and financial priorities.

The Company's ability to settle all its loan liabilities as they fall due, is dependent on the financial support of the parent company. The Directors have received confirmation of financial support from its Parent Company through to June 2026, as detailed in the Directors report, page 4.

Key management compensation
Key management comprises the executive directors of the Company. The Directors' emoluments are paid by the employing Company. The amounts paid to those Directors employed by the Company are disclosed in note 6.

30. **EVENTS AFTER THE REPORTING PERIOD**

Subsequent to the reporting date, in January 2025, the company drew down £19.5m external debt facilities, the proceeds of which were used to repay inter-company loans from the parent.

24 VILD-LTD FS Final 06052025 Cropped

Final Audit Report 2025-05-06

Created:	2025-05-06
By:	Kaye Chittty (kaye.chitty@vitacress.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAI996BpyU7JAJ5CLoHZEHi-Upbyf6kbCj

"24 VILD-LTD FS Final 06052025 Cropped" History

Document created by Kaye Chittty (kaye.chitty@vitacress.com)
2025-05-06 - 3:32:41 PM GMT

Document emailed to Lisa McCrystal (lisa.mccrystal@vitacress.com) for signature
2025-05-06 - 3:32:47 PM GMT

Email viewed by Lisa McCrystal (lisa.mccrystal@vitacress.com)
2025-05-06 - 3:37:23 PM GMT

Document e-signed by Lisa McCrystal (lisa.mccrystal@vitacress.com)
Signature Date: 2025-05-06 - 3:37:50 PM GMT - Time Source: server

Agreement completed.
2025-05-06 - 3:37:50 PM GMT