

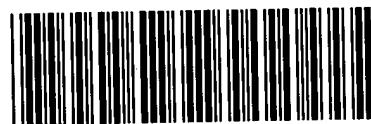
Epichem Group Limited

**Directors' report and financial
statements**

Registered number 2332327

For the year ended 31 December 2014

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

The Company has met the requirements in The Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

Business Review

The principal activity of the company is the investment and management of a group of companies, consisting of the production and merchanting of high quality speciality gases and chemicals, spanning the gases, metalorganics and silicon markets.

Performance

The Company is exempt from the requirement to prepare consolidated accounts, consequently these financial statements present information about the company only.

The Company has met the requirements of the Companies Act 2006 to obtain the exemption provided from the presentation of an enhanced business review.

The loss on ordinary activities before taxation was £103,000 (2013: £169,000).

Dividends

No dividends were paid during the year (2013: *£nil*).

Directors

The directors who held office during the year were as follows:

G Wynne

F Wicks (resigned 1 February 2014)

PL Rose (resigned 9 January 2014)

A Verhaeghe (resigned 21 March 2014)

D Goss (appointed 1 February 2014)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

Post balance sheet events are detailed in Note 14 to the financial statements

Auditors

In accordance with Section 487 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



G Wynne
Secretary

Power Road
Bromborough
Wirral
CH62 3QF

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent Auditor's report to the members of Epichem Group Limited

We have audited the financial statements of Epichem Group Limited for the year ended 31 December 2014 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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.

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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

Will Baker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

8 Princes Parade,

Liverpool,

L3 1QH

Date:

18 June 2015

Profit and loss account
 for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative income		183	90
		<hr/>	<hr/>
Operating profit / (loss)		183	90
Other interest receivable and similar income	5	-	38
Interest payable and similar charges	6	(286)	(297)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	2	(103)	(169)
Tax on loss on ordinary activities	7	(4)	40
		<hr/>	<hr/>
Loss for the financial year	13	(107)	(129)
		<hr/>	<hr/>

There were no recognised gains or losses other than the result for the year and therefore no statement of recognised gains or losses has been prepared.

All operating profits are derived from continuing operations.

The accompanying notes on pages 7 to 11 are an integral part of the financial statements.

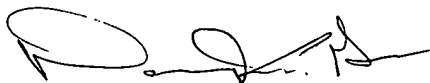
Balance sheet
 at 31 December 2014

	Note	£000	2014 £000	£000	2013 £000
Fixed assets					
Investments	8		23,381		24,115
Current assets					
Debtors	9	32		116	
Cash at bank and in hand		434		465	
		466		581	
Creditors: amounts falling due within one year	10	(69)		(20,638)	
Net current assets/(liabilities)			397		(20,057)
Total assets less current liabilities			23,778		4,058
Creditors: amounts falling due after more than one year	11		(20,023)		(196)
Net assets			3,755		3,862
Capital and reserves					
Called up share capital	12		-		-
Share premium account	13		4,230		4,230
Profit and loss account	13		(475)		(368)
Shareholders' funds			3,755		3,862

Included in debtors are debtors falling due after more than one year of £nil (2013: £32,000).

These financial statements were approved by the board of directors on
 and were signed on its behalf by:

29 May 2015



D Goss
 Director

The accompanying notes on pages 7 to 11 are an integral part of the financial statements.

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2013

	2014	2013
	£000	£000
Loss for the financial year	(107)	(129)
Reduction in shareholders' funds	(107)	(129)
Opening shareholders' funds	3,862	3,991
Closing shareholders' funds	3,755	3,862

The accompanying notes on pages 7 to 11 are an integral part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Sigma Aldrich Corporation, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Sigma Aldrich Corporation within which this Company is included, can be obtained from the address given in note 15.

Going concern

The directors believe that the company has sufficient financial resources. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Fixed asset investments

In the Company's financial statements, investments in subsidiary undertakings, associates and joint ventures are stated at cost.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Dividends on shares presented within shareholders funds

Dividends unpaid at the balance sheet date are only recognised as a liability of that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes (continued)

2 Loss on ordinary activities before taxation

	2014 £000	2013 £000
<i>Loss on ordinary activities before taxation is stated</i>		
<i>After (crediting) / charging</i>		
Auditor's remuneration:		
Of these financial statements	3	6
Exchange gains	(156)	(26)
Licence income	(29)	(58)
	<u> </u>	<u> </u>

3 Staff numbers and costs

No persons were employed by the company during the year.

4 Remuneration of directors

No directors received remuneration in respect of services to the company.

5 Other interest receivable and similar income

	2014 £000	2013 £000
Interest receivable from group undertakings	-	38
Other interest	-	-
	<u> </u>	<u> </u>
	-	38
	<u> </u>	<u> </u>

6 Interest payable and similar charges

	2014 £000	2013 £000
Interest payable to group undertakings	286	297
	<u> </u>	<u> </u>
	286	297
	<u> </u>	<u> </u>

Notes (continued)

7 Taxation

Analysis of charge in period

	2014 £000	2013 £000
<i>Corporation tax</i>		
Current year	(23)	(40)
Adjustment in respect of prior years	27	-
	<u>4</u>	<u>(40)</u>

Factors affecting the tax charge for the current period

The current tax charge for the period is higher than (2013: lower than) the standard rate of corporation tax in the UK 21.5% (2013: 23.25%). The differences are explained below.

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(103)	(169)
Current tax at 21.5% (2013: 23.25%)	<u>(23)</u>	<u>(40)</u>
<i>Effects of:</i>		
Expenses/income not deductible for tax purposes	-	-
Adjustment in respect of prior years	27	-
Total current tax charge (see above)	<u>4</u>	<u>(40)</u>

The corporation tax charge above has been calculated using a hybrid rate of 21.5%.

Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 24% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

8 Fixed asset investment

	Loans to group undertakings £000	Investments other than loans £000	Shares in group undertakings £000	Total £000
At 1 January 2014	768	62	23,285	24,115
Loan repayment	(734)	-	-	(734)
	<u>34</u>	<u>62</u>	<u>23,285</u>	<u>23,381</u>
At 31 December 2014				

Notes (continued)

8 Fixed asset investment (continued)

<i>Subsidiary undertakings</i>	Country of registration or incorporation	Principal activity	Class and Percentage of shares held
SAFC Hitech Limited	England	Production and merchenting of high quality gases and chemicals	100% of ordinary share capital
SAFC Hitech Taiwan Co Limited	Taiwan	Production and merchenting of high quality gases and chemicals	100% of ordinary share capital
SAFC Hitech (Shanghai) Chemical Co Limited	Shanghai	Production and merchenting of high quality gases and chemicals	100% of ordinary share capital
SAFC Hitech Korea Limited	Korea	Dormant Company	100% of ordinary share capital

9 Debtors

	2014 £000	2013 £000
Amounts owed by group companies	9	44
Tax debtor	23	40
Tax debtor greater than one year	-	32
	<u>32</u>	<u>116</u>

10 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Accruals and deferred income	6	3
Amounts owed to group companies	-	20,571
Deferred income	63	64
	<u>69</u>	<u>20,638</u>

Notes (continued)

11 Creditors: amounts falling due after more than one year

	2014 £000	2013 £000
Amounts owed to Group companies	19,856	-
Deferred income greater than 1 year	167	196
	<u>20,023</u>	<u>196</u>

The revolving credit facility with Sigma Aldrich Company Limited included within amounts owed to group companies (creditors: amounts falling due after more than one year) expires in March 2017.

12 Called up share capital

	Number of shares	2014 £000	Number of shares	2013 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of 1p each	27,562	-	27,562	-
		<u>-</u>		<u>-</u>

13 Share premium and reserves

	Share premium account £000	Profit and loss account £000
At beginning of year	4,230	(368)
Retained loss for the year	-	(107)
At end of year	<u>4,230</u>	<u>(475)</u>

14 Post Balance Sheet events

Subsequent to the year end on 4 May 2015, the company sold the investment in Optogration Inc. for £65,789. At year end, this investment was had a carrying value of £62,782 included in investments. Consequently, a profit on disposal of £3,007 will be recognised in the 2015 financial statements in respect of this transaction.

15 Ultimate holding company

The intermediate holding is Sigma-Aldrich Company Limited and the ultimate holding company is Sigma-Aldrich Corporation. Sigma-Aldrich Corporation is the only group in which the results of the company are consolidated. The consolidated financial statements of Sigma-Aldrich Corporation are available to the public and may be obtained from PO Box 14508, St Louis, Missouri 63178.