

Financial information on the Napier Brown group

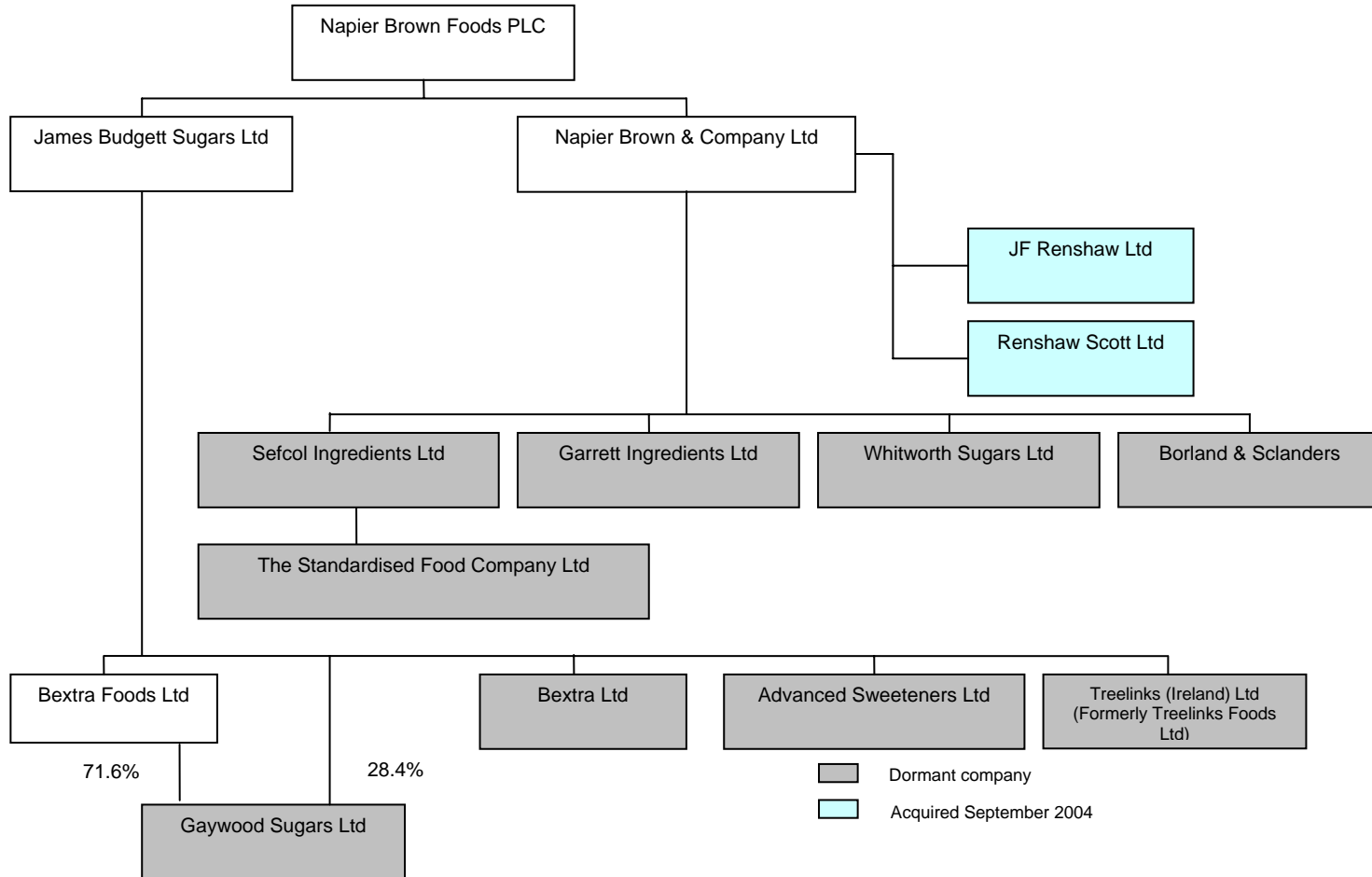
1. This appendix provides further financial information on the Napier Brown group, including the recent group reorganization.

Recent company history

2. NBF was incorporated in July 2003 as the new group holding company acquiring Napier Brown & Company Ltd (Napier Brown & Company), Garrett Ingredients Ltd (Garrett) and Sefcol for a total consideration of £50.8 million. It was listed on the AIM in December 2003.
3. The businesses of Garrett and Sefcol were transferred to Napier Brown & Company in March 2004 since when the two companies have been dormant.
4. JBS was acquired by NBF in July 2004 for £17.3 million.
5. JF Renshaw Ltd and Renshaw Scott Ltd were acquired by Napier Brown & Company in September 2004 for £18.4 million as part of a programme of diversification.
6. The group structure at September 2004 is shown in Figure 1.

FIGURE 1

Current group structure



Source: NBF.

TABLE 2 **Napier Brown & Company: balance sheet as at 31 March 2004**

	£'000
	<i>Year ending 31 March 2004</i>
Fixed Assets	12,969
Current assets	
Debtors	20,612
Stocks	5,917
Cash	<u>747</u>
	27,276
Creditors	
Amounts falling due within one year	-18,738
 Total assets less current liabilities	 <u>21,507</u>
 Shareholders funds	
Called up share capital	11,062
Share premium	2,700
Profit & loss account	<u>7,745</u>
	<u>21,507</u>

Source: Napier Brown & Company statutory accounts.

11. Turnover declined for the four years to 31 March 2003 before increasing in 2004 whereas the gross margin rose throughout that period. NBF attributed the reduction in turnover over this period [✂].
12. Napier Brown & Company offers a range of additional services to its industrial customers including telemetric management of sugar supplies, fixed price contracts and extended credit.
13. An ageing analysis of Napier Brown & Company's trade debtors over the last three years is shown in Table 3.

TABLE 3 **Ageing analysis**

	Total £'000	0-14 days %	14-28 days %	28-42 days %	42-56 days %	56+ days %
31 Mar 02	9,609	(✂)				
31 Mar 03	8,728					
31 Mar 04	10,727					

Source: NBF.