

Company Registration No. 10010176 (England and Wales)

**GLOBAL RESALE, LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

GLOBAL RESALE, LTD

COMPANY INFORMATION

Directors	C Farrell C M H Backman E A U Odelind
Company number	10010176
Registered office	4 Bradbury Park Bradbury Drive Braintree Essex CM7 2DH
Auditor	RSM UK Audit LLP Chartered Accountants Third Floor Priory Place New London Road Chelmsford CM2 0PP

GLOBAL RESALE, LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the standalone accounts of Global Resale Ltd for the year ended 31 December 2022. The 2021 comparatives reflect the activity of Global Resale Ltd independently of its former subsidiary CFA Trading Limited.

Fair review of the business

2022 has been a very successful year for Global Resale Ltd both financially and strategically.

Since incorporation in 2016, Global Resale Ltd has benefited from its relationship with its US parent Global Resale LLC, but Global Resale Ltd's ability to also standalone and thrive was recognised by the Group's ultimate owners Brightstar Capital Partners, a US private equity firm, who embraced the financial and strategic opportunities offered by carving out Global Resale Ltd from the rest of the Group and taking it to market.

On the 28th November 2022 Foxway AB acquired Global Resale Ltd as part of its strategy to become the leading group within circular tech in Europe and beyond. During the last two years, Foxway has acquired several companies within this sector. Global Resale Ltd is the second company to join the group during 2022 and this acquisition is intended to further strengthen the Foxway group's business of providing circular tech services to large organisations, the public sector and the recommerce industry.

Foxway is an international group with subsidiaries in Europe, Asia and North America. It currently employs approximately 1,200 full time employees and had an annual turnover in 2022 of SEK 5.9 billion. Foxway started life in 2009 and has grown both organically and through the acquisition of experienced, successful competitors who have proved that they can provide the working practices and global coverage which the Foxway Group excels at.

Despite the management team's focus on the sale process, and the global challenges driven by the Russian/Ukraine conflict and covid lockdown policies in the Asian market, the financial performance of the company during 2022 remained strong as Global Resale Ltd was once again able to adjust its product mix, service offerings and trading geographies in order to continue providing a comprehensive range of IT technology and services to its global customer base.

In the year ended 31 December 2022, Global Resale Ltd's revenue decreased by 28% to £109,837,281 (2021: £152,843,950). This reduction was driven by our decision as we exited 2021 to focus on the Computing and Enterprise sectors and to be less active in the Mobility space which had previously driven high revenue but with low margin. This strategic decision saw actual gross profit rise by over £1.5m or 12% to £13,781,984 (2021: £12,261,305) coupled with a gross profit margin percentage increase to 12.55% (2021: 8.02%) despite significant increases in freight and logistics costs driven by global events such as the Russia/Ukraine conflict.

Preparing a business for sale is both time consuming and expensive and the 2022 P&L highlights some of the exceptional cost incurred this year re vendor due diligence, additional audit work and warranties and insurances associated with the change of ownership. As we have shown in Note 4 Operating Profit was impacted by these exceptional one-off costs which totalled £3,417,244. Administrative expenses have grown by 5.38% to £9,180,320 (2021: 8,711,837). This increase was driven mainly by headcount and remuneration growth and reflects our investment in recruiting and retaining the right people to make our business successful.

Excluding the exceptional costs of £3,417,244 (2021: £1,571,232), Operating profit for 2022 landed at £4,601,664 which represents a 29.2% increase from the previous year (2021: £3,560,620).

The business has continued to be self-financing with no reliance whatsoever on bank or credit facilities. We have also successfully repaid out of positive operating cashflow the start-up loan of \$10.3m which was provided via the former parent Global Resale LLC.

We move into 2023 with strong relationships established with a wide base of customers and supply partners enabling us to continue working on a global level. We are delighted that despite global supply chain constraints and challenges we have continued to maintain exceptionally strong links with our non UK customers and 82% of our turnover was driven by exports (2021: 78%).

GLOBAL RESALE, LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties

Foreign exchange risk

As the business operates within a multi-currency environment there is a risk that the fair value of a financial instrument or future cash flows will fluctuate in line with changes to exchange rates which may adversely affect the company's financial results. The business tries to minimise foreign exchange risk by offsetting income received in foreign currency with purchases made in the same currency.

Key performance indicators

The principal KPIs for the business include gross profit, admin expenses as a percentage of revenue and headcount. Working capital indicators are also reviewed regularly specifically the liquidity using the current ratio, Debtor Days Outstanding, Creditor Days and Inventory Turnover.

Gross profit increased by £1,520,679 or 12% reflecting a product mix shift

Administrative expenses (excluding exceptional costs) increased by £468,483 or 5.38%

The average number of employees increased to 111 (2021: 97); this reflects ongoing growth of the business.

Liquidity has moved to 1.75 in 2022 (2021: 1.53) and the inter-company loan of \$10.3m has been successfully discharged. Net current assets have increased by £1.4m and once again the company closed the year with a very strong cash at bank position.

Debtor days outstanding have remained stable at 20.14 (2021: 20.20) whilst creditor days have increased to 58.73 (2021: 33.72). This shift in the creditor days metric is influenced by the reclassification of the legacy loan from long-term to short-term in 2021 coupled with existing and new suppliers offering the improved payment credit terms. Inventory Turnover has decreased to 9.12 (2021: 13.84), this is a reflection of our move away from the Mobility sector with its high inventory turn rate.

Future developments

The directors expect the general level of activity to increase in the forthcoming year as the company continues to increase its market share by sourcing competitively priced second user and end of life product and developing its service offering in conjunction with global customers and partners. There are also substantial opportunities for Global Resale Ltd within the Foxway Group as we work with other divisions to share best practice and global opportunities.

A very exciting recent development in June 2023 has been a substantial investment in the Foxway Group by a leading private equity investor, Nordic Capital who has become the majority owner. Nordic Capital's expertise, network and capital will help the Foxway Group to accelerate further growth and geographical expansion. The incumbent investor, Norvester, has also chosen to reinvest as a minority shareholder as they also share our vision for growth combined with a clear focus on sustainability delivered through our unique circular business model.

Section 172 Companies Act Statement

The statements below are designed to address the reporting requirements of the Board under Section 172 of the Companies Act and the Companies (Miscellaneous Reporting) Regulations 2018. The Directors are well aware of their duty under section 172 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to the following areas.

(a) the likely consequences of any decision in the long term,

Global Resale Ltd has a long term growth strategy and as such all significant business decisions consider the short, medium and long-term consequences of each potential course of action as part of the strategic decision making process. Weekly leadership calls take place between the senior managers from the UK & Foxway sites as well as regular calls and on-line meetings with members of the Board.

GLOBAL RESALE, LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(b) the interests of the Company's employees,

One of the fundamental requirements for sustainable, profitable growth is a talented and committed workforce. The majority of Global Resale's employees have had extensive work experience in the same sector and bring relevant skills and connections to the Company. The workplace is clean and well kept, we've adopted the Living Wage directive and communication between all departments and roles is transparent and informal. The Foxway Group mirrors this approach and the qualities they recruit for and value are curiosity, passion, courage and commitment.

(c) the need to foster the Company's business relationships with suppliers, customers and others,

As a business we understand the need to foster the Company's business relationships with suppliers, customers and others and to dedicate substantial time, effort and resources to develop and maintain strong relationships from which in turn all stakeholders benefit.

(d) the impact of the Company's operations on the community and the environment,

The nature of the Company's business is fundamentally low impact to the community and the environment. The core of our business is repairing and reselling second user IT thus significantly extending the lifespan of IT assets which might otherwise have been judged as redundant and sent to landfill. One of the Foxway Group's key missions is to lead the way with ESG (Environmental, Social and Governance) and circular services by offering our partners and customer different services that help them to manage mobile phones, computers and other tech devices in a way that is both cost efficient and sustainable. More details can be found on the Foxway.com website.

(e) the desirability of the Company maintaining a reputation for high standards of business conduct,

The Board's intention is to behave responsibly and ethically at all times, in line with our Company values, and to ensure that our management teams operate the business in a responsible manner maintaining a reputation for the highest standards of business conduct and good governance as set out in our report and accounts. As part of our commitment to quality control, accountability and compliance we have been awarded the following certifications; R2, ISO 9001, ISO 14001, ISO 45001 and ISO 27001.

(f) the need to act fairly as between members of the Company.

The Directors have regard to the interests of the Company's employees and shareholders and treat all members of the Company fairly and consistently, as required by both our professional standards and in compliance with HR regulations and recommendations. Decision makers and process owners are known to suppliers and customers. External strategic communications are managed by the Board with internal communications being made via email, meetings and social events. Strong relationships exist and are encouraged between a wide variety of role holders at all levels within the Group. Foxway host regular all hands Team calls to provide updates on the business outlook and strategy.

On behalf of the board

C Farrell

Chris Farrell (Aug 7, 2023, 12:45pm)

C Farrell

Director

Date: 07 Aug 2023

GLOBAL RESALE, LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company is that of a leading, global provider of aftermarket services and reverse logistics, focused on resale, buyback and dispositions of technology devices.

Results and dividends

The results for the year are set out on page 15.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Farrell	
T J Meredith	(Resigned 28 November 2022)
A S Weinberg	(Resigned 28 November 2022)
J A Zeigler	(Resigned 28 November 2022)
J B Arkin	(Resigned 28 November 2022)
M D E Singer	(Resigned 28 November 2022)
C M H Backman	(Appointed 28 November 2022)
E A U Odelind	(Appointed 28 November 2022)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

RSM UK Audit LLP, Chartered Accountants, have indicated their willingness to continue in office.

Streamlined Energy & Carbon Reporting

Following the introduction of the new Streamlined Energy and Carbon Reporting framework, the Directors present their report on the performance of Global Resale, Ltd addressing our Annual GHG emissions, as applicable from activities for which the company is responsible, including combustion of fuel and operation of any facility, and the annual emissions from the purchase of electricity, heat, steam or cooling by the company for its own use.

Quantification and reporting methodology

We are an ISO14001:2015 certified business and have followed the UK Government Conversion Factors for greenhouse gas (GHG) reporting including streamlined energy and carbon reporting and greenhouse gas reporting guidance March 2019 and measuring and reporting environmental impacts guidance for businesses. The criteria we have reported on is for unquoted large companies. For the 2022 reporting period data we used the UK Government Gas Reporting Conversion Factors 2022 (conversion-factors-2022-full-set-advanced-users, published June 2022).

In the period covered by the report, sustainability reporting advice was taken from an external advisor. Our internal Compliance resource assisted by the Global Resale Facilities Management Team have developed Energy Use/ Carbon/ GHG reduction strategies.

Organisational and operational boundaries

The greenhouse gas emissions and energy use data are based on the activities at our Braintree location.

In Q1 2022 CFA Trading Ltd, a subsidiary previously reported in the 2021 SECR annual greenhouse gas emissions, ceased operations; We have excluded the data for CFA Trading Ltd.

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Base year

This is our third reporting period having reached the reporting threshold for SECR Unquoted large companies in 2020 Financial Year.

The 2021 Financial Year has been used as the baseline year, as 2021 was our second year of SECR reporting.

Operational Scopes

The SECR Mandatory reporting requirements for non-listed entities has been reported.

Scopes 1 and 2 have been reported, as has the SECR Mandatory Scope 3 and the conversion factors as set out in SECR GOVUK have used the latest Green House Gas Conversion and the Tables from conversion-factors-2022-full-set-advanced-users have been used.

The following activities have been included in our calculation of our total energy consumption: Electricity; Gas; LPG for Forklift Trucks, Business use Mileage Claims, Rail and Air Travel and energy use for homeworking have all been included.

We are reporting Zero Emissions of Global Warming Potential Refrigerant use in Heating and Ventilation systems as they are well maintained and no leakages have been detected.

The company outsources logistics shipments by land sea and air, these have been excluded, as a permitted exemption under SECR rules for "non-listed" entities.

We have excluded reporting of Non-Mandatory SECR GHG Emissions items in this SECR report, except the scope 3 GHG (tCO₂e) equivalent emissions, which has been included.

Operational purchases of materials and management of outbound waste are not included in this SECR report, as this is not mandated for non-listed entities under SECR as an Unquoted large company.

Intensity Metrics

As for the previous years we have chosen two intensity metrics to report on:

1. Intensity Ratio of t CO₂e/ £100,000 Revenue a common metric for all businesses in any sector.
2. Intensity Ratio Energy Consumption of kWh/ employee = 111 average in 2022 at Global Resale Ltd this figure aligns with our occupational health, safety reporting metrics.

Methodology

Gaseous fuels

Natural Gas Scope 1 -There is no Natural Gas usage.

Passenger and delivery vehicles

Passenger and delivery vehicles- kWh factors Scope 3 Class I (up to 1.305 tonnes) – in 2022 there were no vehicles in this category in 2022, in the previous year, 2021 Rental Van environmental impact was determined via mileage logs.

Gaseous fuels

Gaseous fuels - Propane Scope 1 Forklift Fuel determined via billing records.

UK electricity

UK electricity Scope 2 Facilities Management and Operations Equipment Use

UK electricity Transmission and Distribution Scope 3 Excluded as not an SECR Mandatory for non-listed enterprise.

Homeworking scope 3 factors have been included to report emissions associated with company staff working from home.

Electricity usage is as per real time billing reports.

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Biomass Boiler Fuel

Biomass Fuel use has not been reported this year as Global Resale Ltd does not use Biomass Fuel – and is Outside of scopes for Mandatory SECR.

Business Travel Scope 3

Business travel Land

Vehicle Mileage paid through Expenses Claims Mandatory under SECR.

Rail Travel Mileage calculated based on Expense Claims Mandatory under SECR.

Air Travel Mileage calculated based on Expense Claims/ Flight Billing Records Mandatory under SECR.

Homeworking Scope 3

The Scope 3 GHG emissions have been included and has been calculated @ 0.34075331486473 kg CO2e per Working Hour using the methodology from the Homeworking emission Whitepaper (EcoAct, 2020) number of FTE (Full-time Equivalent) working hours of which staff were working from home. The 2022 Homeworking FTE has been calculated has been based on average of 3 FTE and calculated using the factor above.

Energy Consumption and GHG (tCO2e) Emissions 2022

Emissions Source - Environmental Aspects Scopes 1, 2 and 3	Scope	kWh Total	GHG Emissions (tCO2e)	Intensity Ration of t CO2e/ £100,000 Revenue	Intensity Ratio Energy Consumption of t CO2e / employee
Gaseous fuels – Natural Gas	1	Zero	Zero	Zero	Zero
Gaseous fuels - Propane	1	14,848.13	3.453	0.003	0.031
Refrigerant & other	1	Zero	Zero	Zero	Zero
UK electricity	2	355,169.20	68.683	0.064	0.608
Homeworking (use of office equipment & heating)	3	17,762.00	3.435	0.003	0.030
Business Travel (for breakdown see table below)	3		14.177	0.013	0.125
All SECR Mandatory Scopes including Homeworking Total		387,779.33	89.748		

Business Travel 2022 Emissions Scope 3 Breakdown

Increased since 2021 following the end of COVID restrictions on Travel.

Distance Travelled	Emissions Source - Environmental Aspects Scope 3 Business Travel	Scope	GHG Emissions (tCO2e)	Intensity Ration of t CO2e/ £100,000 Revenue	Intensity Ratio Energy Consumption of t CO2e /employee
17,425.93	Average Unknown car	3	Zero	Zero	Zero
431.30	Battery Electric Vehicle	3	0.0029	0.0000	0.000026
360.00	Coach	3	0.0098	0.0000	0.000087
54,676.00	Air Short Haul	3	8.3944	0.0078	0.074287
13,958.00	Air Long Haul	3	2.5629	0.0024	0.022681
1,083.40	Taxi	3	0.1612	0.0001	0.001427
2,008.80	Train	3	0.0713	0.0001	0.000631
15.44	Underground	3	0.0004	0.0000	0.000004
89,958.87	Totals	3	11.2029	0.0104	0.099143

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Energy Efficiency Measures

The following measures were implemented during this reporting period.

Energy efficiency action and objectives 2022

The principal measures taken for the purpose of increasing the businesses' energy efficiency in the relevant financial year are set out within this document.

We have listed our principal actions that have had a direct impact on the energy efficiency of our Braintree operations. We have compared our previous and current business premises reductions in Energy and GHG Emissions 2022 against the previous year.

Our resulting energy saving from actions reported have therefore be reported in this SECR reporting year 2022.

2022 Improvements achieved Scope 1 and Scope 2

Energy usage/ SECR GHG Emissions reduction of Annual Savings of 1083.229 kwh/Employee

Equating to an tCO₂e Annual Savings 2022 19.793 tCO₂e from the previous year.

Scope 1 and 2 savings have been achieved by:

- Zero use of Natural Gas in 2022

GHG Emissions (tCO ₂ e)	2022 GHG Emissions (tCO ₂ e)	2021 GHG Emissions (tCO ₂ e)	Annual Savings (tCo ₂ e)
Total for Scope 1 SECR	3.453	4.402	0.949
Total for Scope 2 SECR	55.837	74.680	18.843
Total	59.290	79.082	19.792

Scope 1 and Scope 2 Improvements

- Scope 1 Direct 2020 - Gas use equated to a GHG Emissions of 3.7894 tCO₂e Emissions from Natural Gas (Heating) Use.
- Scope 1 GHG Emissions tCO₂e building on the 2021 savings by not using Natural Gas to heat the premises of 2.2493 tCO₂e has been further saving in 2022 of Scope 1 0.949 tCO₂e Therefore a total saving over two years of 3.1983 tCO₂e.
- We are able to report a saving when expressed as the intensity ratio of kWh per employee; a reduction of 495.36 kWh per employee
- However this reflects a real term increase of Scope 2 Electricity Use kWh increased by 1% 2022 compared to the previous year from 351,717 kWh to 355,169.20 kWh
- An intensity ratio metric of 0.064 when expressed as Intensity Ratio of t CO₂e/£100,000 Revenue.

Scope 2 Improvements and Opportunities

Electricity use in 2022 increased when compared to 2021, from 351,717.10 kWh to 355,169.20 kWh (Braintree Only).

An increase of electricity usage in this SECR reporting year of 3,452.10 kWh in 2022 compared to the previous year.

We continued to benefit from following measures in 2022.

Lighting – We have installed in all areas LED luminaires.

Lighting – We have installed in all areas Passive Infra-Red detectors.

Electricity Use - Electric Mechanical Handling Fork Trucks, Flexi Trucks, Pallet Trucks are all using an Optimised re-charging system "Smart Chargers" that only charge plant batteries when needed.

Electricity Use - Our operational test racks have been redesigned since we relocated the Braintree Facility such that by design we have reduced by 50 % the meterage per test rack, thus reducing the potential draw of electricity use.

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Scopes 1,2 and 3 Objective 2022 – Reduction of Intensity Ratios

As per the following tables we will continue to maximise operational efficiency, measured in the intensity ratios of “per employee” and “Per £100,000 of revenue.

Savings 2022 Energy Use SCOPE 1 Comparing 2020, 2021 and 2022 and Objectives for further savings in 2023

Scope 1	Energy Consumption kWh			Energy Use Savings kWh		Energy Use Savings Year on Year		Intensity Ratio Energy Consumption of kWh / employee		
	2020	2021	2022	2020-2021	2021-2022	2020-2021	2021-2022	2020	2021	2022
Determined via billing records								Employees 79	Employees 97	Employees 111
Natural Gas Heating	20,018	11,662	ZERO	12,430	7,588	62%	100%	253.4	78.2	ZERO
Forklift Fuel	21,208	12,992	14,848	17,134	8,214	39%	14%	268.4	133.9	133.8
Totals	41,226	24,654	14,848	29,564	15,802	72%	40%	521.8	212.1	133.8

Savings 2022 Green House Gas tCO2e SCOPE 1 Comparing 2020, 2021 and 2022 and Objectives for further savings in 2023

Scope 1	GHG Emissions			GHG Savings Change Year on Year		Intensity Ratio Energy / Revenue		
	tCO2e			tCO2e	%	tCO2e/ £100,000 Revenue		
	2020	2021	2022	2020-2021	2021-2022	2020	2021	2022
Heating Natural Gas	3.79	1.54	ZERO	2.25	59%	0.0029	0.0010	ZERO
Forklift Fuel	4,549.28	4,073.86	3,453.18	475.42	10%	3.4425	2.6654	3.1937
Direct Use Totals	4,553.07	4,075.40	3,453.18	477.67	15%	3.4454	2.6664	3.1937

Review of Objectives that were set for the SECR reporting 2022

Achievement of the 2022 Objective to reduce Scope 1 Energy Consumption can be demonstrated the above table demonstrates and as described below.

This has been achieved since 2021 No Longer Using Natural Gas

Reducing overall Propane Use as a Fuel for the Forklift, whilst a slight increase in quantity of Propane use as a fuel is evident pro rata when applying the intensity ratio of employees efficiencies can be demonstrated when looking at kWh per employee i.e. in 2022 there was a significant reduction, as per the previous year.

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Overall, Savings Scope 1 in Gas (Natural and Propane)

- Reduction in Natural Gas Use from 20,018 kWh in 2020 to ZERO in 2022!
- The 2022 target of reducing Scope 1 Objectives by 9,625 kWh in 2022 has been exceeded with a total saving of 9,805.7 kWh in 2022.
- Energy Use Savings Year on Year 2021/2022 = 7,587.8 kWh
- Since 2020 Reduction in Green House Gas Emissions Natural Gas reduction, halved in the previous year (2021) in 2022 Cut to Zero tCO₂e.
- Forklift Fuel (Propane) whilst a slight usage increase 2021 – 2022; a reduction can be demonstrated in the Intensity Metrics of per employee and £ turnover.
- Total Scope 1 Savings Year on Year 2020/2021 = 72%
- Total Scope 1 Savings Year on Year 2021/2022 = 40%

	GHG Emissions		
	tCO ₂ e		
Scope 1	2020	2021	2022
Heating Natural Gas	3.79	1.54	ZERO

	GHG Emissions		
	tCO ₂ e		
Scope 1	2020	2021	2022
Forklift Fuel	4,549.28	4,073.86	3,453.18
Direct Use Totals	4,553.07	4,075.40	3,453.18

This Reduction in Natural Gas Energy Use and expressed as the Intensity Ratio metrics Energy Consumption of kWh / employee and tCO₂e/ £100,000 Revenue.

	2020	2021	2022
Employees	79	97	111
Intensity Ratio Energy Consumption of kWh / employee	253.39	78.23	ZERO

	tCO ₂ e/ £100,000 Revenue		
	2020	2021	2022
Heating Natural Gas	0.0029	0.0010	ZERO
Forklift Fuel	3.4425	2.6654	3.1937
Direct Use Totals	3.4454	2.6664	3.1937

External verification

As part of our ISO14001 environmental management of significant aspects, we are subject to third party external verification annually by a UKAS certification body.

Statement of disclosure to auditor

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

GLOBAL RESALE, LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Matters of strategic importance

Future developments and financial risk analysis are not shown within the Directors' Report as they are instead included within the Strategic Report on page 1 to 3 under S414c(11) of the Companies Act 2006.

Engagement with suppliers, customers and others in a business relationship

The above information is included in the s172 section of the Strategic Report.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 1 to 3. The directors have considered the latest guidance on going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Post reporting date events

Subsequent to the reporting date, the Company has entered into a charge with the Foxway Group bankers, as part of security arrangements for the group facilities.

On behalf of the board

C Farrell

Chris Farrell (Aug 7, 2023, 12:45pm)
C Farrell

Director

07 Aug 2023

Date:

GLOBAL RESALE, LTD

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RESALE, LTD

Opinion

We have audited the financial statements of Global Resale, Ltd (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our 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 our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RESALE, LTD (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the 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:

- 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 11, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL RESALE, LTD (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting correspondence with local tax authorities where relevant.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to enquire of management whether the company is in compliance with those laws and regulations and completed searches for any reportable health and safety incidents in the public domain.

The audit engagement team identified the risk of management override of controls and revenue cut off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and the review of the cut off of a sample of revenue transactions around the year end date.

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.

Kerry Norman

Kerry Norman (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
Priory Place
New London Road
Chelmsford
CM2 0PP

.....
7th August 2023

GLOBAL RESALE, LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	109,837,281	152,843,950
Cost of sales		(96,055,297)	(140,582,645)
Gross profit		13,781,984	12,261,305
Administrative expenses		(9,180,320)	(8,711,837)
Other operating income		-	11,152
Exceptional items - administrative expenses	4	(3,417,244)	(1,571,232)
Operating profit	8	1,184,420	1,989,388
Interest payable and similar expenses	10	(55,738)	(17,194)
Profit before taxation		1,128,682	1,972,194
Tax on profit	11	(121,254)	(522,455)
Profit for the financial year		1,007,428	1,449,739

GLOBAL RESALE, LTD

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		218,378		1,260
Tangible assets	13		1,217,481		1,345,556
			<u>1,435,859</u>		<u>1,346,816</u>
Current assets					
Stocks	15	11,850,391		9,210,822	
Debtors	16	5,797,009		6,321,447	
Cash at bank and in hand		6,659,224		10,434,063	
		<u>24,306,624</u>		<u>25,966,332</u>	
Creditors: amounts falling due within one year	17	(13,918,636)		(16,991,647)	
Net current assets			<u>10,387,988</u>		<u>8,974,685</u>
Total assets less current liabilities			<u>11,823,847</u>		<u>10,321,501</u>
Provisions for liabilities	18		(107,688)		(88,483)
Net assets			<u><u>11,716,159</u></u>		<u><u>10,233,018</u></u>
Capital and reserves					
Called up share capital	20		69		69
Capital contribution reserves	22		475,713		468,789
Profit and loss reserves	22		11,240,377		9,764,160
Total equity			<u><u>11,716,159</u></u>		<u><u>10,233,018</u></u>

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

07 Aug 2023

C Farrell

Chris Farrell (Aug 7, 2023, 12:45pm)

C Farrell

Director

GLOBAL RESALE, LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital contribution	Capital contribution reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2021	69	479,469	8,176,865	8,656,403
Year ended 31 December 2021:				
Profit and total comprehensive income for the year	-	-	1,449,739	1,449,739
Share based payments	-	126,876	-	126,876
Transfer in respect of deferred taxation	-	(137,556)	137,556	-
Balance at 31 December 2021	69	468,789	9,764,160	10,233,018
Year ended 31 December 2022:				
Profit and total comprehensive income for the year	-	-	1,007,428	1,007,428
Share based payments	-	475,713	-	475,713
Transfer in respect of previous share based payment scheme on sale of the business	-	(468,789)	468,789	-
Balance at 31 December 2022	69	475,713	11,240,377	11,716,159

GLOBAL RESALE, LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	23	3,710,833		12,087,445	
Interest paid		(55,738)		(17,194)	
Income taxes paid		(185,075)		(1,761,659)	
Net cash inflow from operating activities		3,470,020		10,308,592	
Investing activities					
Purchase of intangible assets		(271,676)		-	
Purchase of tangible fixed assets		(74,691)		(207,654)	
Proceeds on disposal of tangible fixed assets		-		30,000	
Purchase of subsidiaries		-		(82,199)	
Net cash used in investing activities		(346,367)		(259,853)	
Financing activities					
Repayment of intercompany loan		(6,898,492)		-	
Net cash used in financing activities		(6,898,492)		-	
Net (decrease)/increase in cash and cash equivalents		(3,774,839)		10,048,739	
Cash and cash equivalents at beginning of year		10,434,063		385,324	
Cash and cash equivalents at end of year		6,659,224		10,434,063	

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Global Resale, Ltd is a private company limited by shares domiciled and incorporated in England and Wales. The registered office and principal place of business is 4 Bradbury Park, Bradbury Drive, Braintree, Essex, CM7 2DH.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group. Global Resale Ltd is a wholly owned subsidiary of Foxway AB, which in turn is wholly owned by Foxway Group AB. Global Resale Ltd is included within the consolidated financial statements of Foxway Group AB, a certified translation of which is filed at Companies House alongside these financial statements.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 1 to 3. The directors have considered the latest guidance on going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover is recognised when risks and rewards are transferred to the customer, which is generally on despatch (or customer collection).

Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer software	3-5 years straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Plant and equipment	2 to 5 years straight line
Furniture and fittings	5 years straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other debtors and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities and equity

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors (including accruals), and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using a discounted cashflow method leading to an equity valuation. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. Where shares are issued directly without a vesting period or conditions, the expense is recognised immediately in full. A corresponding adjustment is made to equity. Where share based payments are made to the employee of a subsidiary undertaking, the fair value is recognised by that entity in profit and loss with a corresponding adjustment to equity, and the parent entity recognises the fair value as an increase to investments in subsidiaries and to equity.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following key judgements:

- Determining whether there are indicators of impairment of the company's inventory. Factors taken into consideration in reaching such a decision include the maintenance of stock values at the lower of cost and net realisable value, taking into account the current, and future anticipated, rate of sale and current sales price.
- Arriving at the fair value of the share based payments issued to employees. This includes consideration of an appropriate method to arrive at this value.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 £	2021 £
Turnover analysed by class of business		
Sales of goods	109,004,361	152,281,383
Sales of services	832,920	562,567
	<u>109,837,281</u>	<u>152,843,950</u>
	2022 £	2021 £
Other revenue		
Grants received	-	11,152
	<u>-</u>	<u>11,152</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	19,743,373	33,927,314
Rest of Europe	25,056,990	40,225,733
Rest of World	65,036,918	78,690,903
	<u>109,837,281</u>	<u>152,843,950</u>

Included in grants received is furlough income of £11,152 in the prior year.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Exceptional items

	2022	2021
	£	£
Expenditure		
Impairment of fixed asset investments	-	1,571,232
Acquisition warranty insurance premium and underwriter's fees	1,918,000	-
Tax liabilities associated with historical US Group share scheme model	676,500	-
Legal and professional fees	822,744	-
	<u>3,417,244</u>	<u>1,571,232</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Employees	<u>111</u>	<u>97</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	5,754,516	5,252,072
Social security costs	663,102	589,345
Pension costs	92,347	85,707
Share based payment charge	482,996	95,411
	<u>6,992,961</u>	<u>6,022,535</u>

6 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	424,886	415,973
Company pension contributions to defined contribution schemes	5,600	5,600
	<u>430,486</u>	<u>421,573</u>

The number of directors for whom retirement benefits accrued under defined contribution schemes amounted to 1 (2021 - 1).

The directors also benefitted from share based payments to the value of £174,415 (2021: £Nil).

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Directors' remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	424,886	415,973
Company pension contributions to defined contribution schemes	5,600	5,600
	<u> </u>	<u> </u>

The share based payments disclosed above related in full to the highest paid director.

7 Share-based payment transactions

Liabilities and expenses

During the year, the company recognised a total share-based payment expense of £Nil (2021: £95,411) which related to equity settled share based payment transactions. The option charge was calculated via a discounted cashflow method leading to an equity valuation.

The previous share schemes related exclusively to shares in the parent company, Global Resale Holdings LLC, which were issued to the employees of the various group companies. The group had four share option plans in place for employees. The charge to the statement of comprehensive income for Global Resale, Ltd was determined by ascertaining which employees were employed by the company and identifying the element of the charge relating to those persons.

Vesting of 20% of the share options for each employee occurs on each of the first four anniversaries of the grant, and the final 20% vests on sale of the group. There are various hurdles attached to the various classes of share option, being a return multiple of 1.0 to 4.0 as set out in the option holder agreements. Options do not lapse, and are forfeited upon termination of employment. All options are equity settled.

During the year, the group recognised Nil (2021: 256,310) C1 share options at an average exercise price of £Nil (2021: £Nil), Nil (2021: Nil) C2 share options at an average exercise price of £Nil (2021: £Nil), Nil (2021: £Nil) C3 share options at an average exercise price of Nil (2021: £Nil) and Nil (2021: 268,966) C4 share options at an average exercise price of £Nil (2021: £Nil). During the year 7,423,484 (2021: Nil) share options lapsed. At the year end there was a total of Nil (2021: 7,423,484) share options still in existence at an average exercise price of £0.12 (2021: £0.12). All share options in place lapsed at the date of sale of the business by Global Resale LLC, with relevant hurdles not met.

The new share scheme relates to shares in the parent company, Foxway Group AB, which are issued to the employees of the various group companies. The charge to the statement of comprehensive income for Global Resale, Ltd is determined by ascertaining which employees are employed by the company and identifying the element of the charge relating to those persons.

During the year, the group issued 4,500,000 (2021: Nil) hurdle shares with a fair value of 1.35 SEK (2021: Nil SEK) to employees of Global Resale Limited. There are no vesting conditions attached and as such the full fair value of £482,996 (2021: £Nil) is recognised in the year. The fair value was calculated using a discounted cashflow method, taking into account the likelihood of the relevant hurdle requirements being met by the group.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences	278,063	731,643
Government grants	-	(11,152)
Depreciation of owned tangible fixed assets	202,766	210,300
(Profit)/loss on disposal of tangible fixed assets	-	46,148
Amortisation of intangible assets	54,558	563
Share-based payments	482,996	95,411
Operating lease charges	447,467	441,798
	<u> </u>	<u> </u>

9 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company (including additional work included within note 4)	126,000	80,400
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	5,300	9,600
All other non-audit services	8,465	18,225
	<u> </u>	<u> </u>
	13,765	27,825
	<u> </u>	<u> </u>

10 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	55,280	5,172
Interest payable to group undertakings	458	12,022
	<u> </u>	<u> </u>
	55,738	17,194
	<u> </u>	<u> </u>

11 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	113,849	433,972
Adjustments in respect of prior periods	(11,800)	-
	<u> </u>	<u> </u>
Total current tax	102,049	433,972
	<u> </u>	<u> </u>

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Taxation (Continued)

Deferred tax

Origination and reversal of timing differences	(1,339)	(19,575)
Adjustment in respect of prior periods	20,544	108,058
Total deferred tax	19,205	88,483
Total tax charge	121,254	522,455

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,128,682	1,972,194
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	214,450	374,717
Tax effect of expenses that are not deductible in determining taxable profit	76,567	50,991
Adjustments in respect of prior years	8,744	108,058
Effect of change in corporation tax rate	(321)	21,236
Group relief	(291,306)	(319,396)
Fixed asset differences	7,194	(11,685)
Share based payments	105,926	-
Impairment of subsidiary undertaking	-	298,534
Taxation charge for the year	121,254	522,455

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Intangible fixed assets

	Computer software £
Cost	
At 1 January 2022	2,750
Additions	271,676
	<hr/>
At 31 December 2022	274,426
	<hr/>
Amortisation and impairment	
At 1 January 2022	1,490
Amortisation charged for the year	54,558
	<hr/>
At 31 December 2022	56,048
	<hr/>
Carrying amount	
At 31 December 2022	218,378
	<hr/> <hr/>
At 31 December 2021	1,260
	<hr/> <hr/>

The amortisation charge for the year are recognised within administrative expenses.

13 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Furniture and fittings £	Total £
Cost				
At 1 January 2022	1,284,630	294,618	133,806	1,713,054
Additions	67,640	4,886	2,165	74,691
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,352,270	299,504	135,971	1,787,745
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment				
At 1 January 2022	161,036	131,670	74,792	367,498
Depreciation charged in the year	136,621	50,810	15,335	202,766
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	297,657	182,480	90,127	570,264
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At 31 December 2022	1,054,613	117,024	45,844	1,217,481
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2021	1,123,594	162,948	59,014	1,345,556
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14 Fixed asset investments

	2022 £	2021 £
Investments in subsidiaries	-	-
	<hr/> <hr/>	<hr/> <hr/>

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2022	1,571,232
Disposals	(1,571,232)
At 31 December 2022	-
Impairment	
At 1 January 2022	1,571,232
Disposals	(1,571,232)
At 31 December 2022	-
Carrying amount	
At 31 December 2022	-
At 31 December 2021	-

During the year, the company disposed of its investment in CFA Holdings Limited for consideration of £1.

15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	11,850,391	9,210,822

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	3,376,792	3,031,629
Corporation tax recoverable	484,054	401,028
Amounts owed by group undertakings	13,913	508,953
Other debtors	383,372	1,136,815
Prepayments and accrued income	1,538,878	1,243,022
	5,797,009	6,321,447

Included in debtors are rent deposits of £663,884 (2021: £663,884) that are due in over one year.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	8,446,267	2,630,482
Amounts owed to group undertakings	1,183,289	7,159,917
Taxation and social security	214,958	208,184
Other creditors	7,924	20,953
Accruals and deferred income	4,066,198	6,972,111
	<u>13,918,636</u>	<u>16,991,647</u>

18 Provisions for liabilities

	Notes	2022 £	2021 £
Deferred tax liabilities	19	107,688	88,483
		<u>107,688</u>	<u>88,483</u>

19 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	234,900	234,188
Short term timing differences	(127,212)	(145,705)
	<u>107,688</u>	<u>88,483</u>

	2022 £
Movements in the year:	
Liability at 1 January 2022	88,483
Charge to profit or loss	19,205
	<u>107,688</u>

20 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of \$1 each	100	100	69	69
	<u>100</u>	<u>100</u>	<u>69</u>	<u>69</u>

The company has one class of ordinary shares which carry no right to fixed income and carry one vote each.

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

21 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	92,347	85,707

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions totaling £18,328 (2021: £16,965) were payable to the fund at the year end and are included in creditors.

22 Reserves

Profit and loss reserves

The profit and loss accounts reserve represents the cumulative profit and loss net of distributions to owners.

Capital contributions reserves

Capital contributions represent the cumulative share based payment expense which is settled in equity issued by the ultimate parent company. Further detail on the accounting treatment is provided in notes 1 and 7.

23 Cash generated from operations

	2022	2021
	£	£
Profit for the year after tax	1,007,428	1,449,739
Adjustments for:		
Taxation charged	121,254	522,455
Finance costs	55,738	17,194
(Gain)/loss on disposal of tangible fixed assets	-	46,148
Amortisation and impairment of intangible assets	54,558	563
Depreciation and impairment of tangible fixed assets	202,766	210,300
Equity settled share based payment expense	482,996	95,411
Impairment of fixed asset investments	-	1,571,232
Movements in working capital:		
(Increase)/decrease in stocks	(2,639,569)	1,891,203
Decrease in debtors	607,464	4,676,225
Increase in creditors	3,818,198	1,606,975
Cash generated from operations	3,710,833	12,087,445

24 Analysis of changes in net funds

	1 January 2022	Cash flows	Market value movements	31 December 2022
	£	£	£	£
Cash at bank and in hand	10,434,063	(3,774,839)	-	6,659,224

GLOBAL RESALE, LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

25 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	605,503	561,324
Between one and five years	2,367,928	2,203,803
In over five years	1,599,946	2,001,250
	<u>4,573,377</u>	<u>4,766,377</u>

26 Events after the reporting date

Subsequent to the reporting date, the Company has entered into a charge with the Foxway Group bankers, as part of security arrangements for the group facilities.

27 Ultimate controlling party

On 26 November, the company was sold to Foxway AB.

The previous immediate parent undertaking was Global Resale LLC. The ultimate parent company was Global Resale Holdings, LLC.

The new immediate parent undertaking is Foxway AB. The new ultimate parent company is Foxway Group AB, which is the parent undertaking the largest and smallest group of undertakings for which group accounts are drawn up of which the company is a member. The address of Foxway Group AB is Grusasvagen 7, 351 45 Vaxjo, Sverige.

There is deemed to be no ultimate controlling party.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, which includes directors, is as follows.

	2022 £	2021 £
Aggregate compensation	<u>1,365,016</u>	<u>1,447,192</u>

All share based payments as disclosed in note 7 relate to key management personnel.