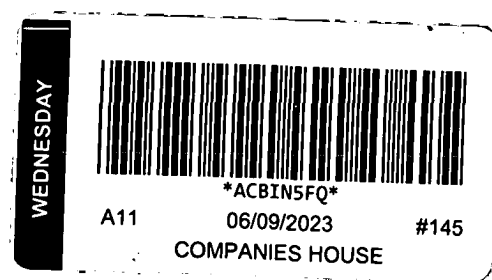


Registered number: 02560438

AAMP GLOBAL LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



AAMP GLOBAL LIMITED

COMPANY INFORMATION

Directors	D M Tolson S Verano J S Bell
Company secretary	Oakwood Corporate Secretary Limited
Registered number	02560438
Registered office	25B Woolmer Way Bordon Hampshire GU35 9QE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Southampton Science Park Chilworth Southampton SO16 7QJ
Bankers	Lloyds Bank Plc The Atrium Davidson House Forbury Square Reading RG1 3EU

AAMP GLOBAL LIMITED

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AAMP GLOBAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report for the year ended 31 December 2022.

Introduction

The Company is a wholly owned subsidiary of Audax AAMP Holdings Inc.

The principal activity of the Company is the design, manufacture and distribution of electrical equipment which include connectivity solutions and audio visual, communications, entertainment, and in-vehicle safety products.

The Company goes to market through two business units, being Commercial and Aftermarket, each of these units has dedicated sales and product teams, supported by a business wide infrastructure covering finance, operations, procurement, and marketing.

Business review

The results for the period and the financial position of the Company were considered to be satisfactory by the directors, with the Company experiencing strong demand from its commercial business unit across the period, but more challenging trading conditions in the aftermarket business, particularly in the second half of the year as the global economy began to slow and inflationary pressures took a stronger foothold. The Company continued to experience supply chain pressures for some products, resulting in increased landed product costs which had a negative impact on gross margins. However, shipping rates from the Far East began falling as the year progressed, ending the year at levels consistent with pre-pandemic rates. This helped to offset product cost price increases caused by the strengthening of the US dollar against GBP from around \$1.37=£1 in January to around \$1.20 in December.

Following the hive-up of Connects2 Limited at the end of December 2020, the balance sheet of Connects2 Limited was restructured in December 2022, resulting in a dividend payment to the Company of £9,045,967 (presented as part of £10,513,639 Income from fixed assets investments in the statement of comprehensive income) and an impairment charge of £4,763,304 on the Company's investment in Connects2 Limited.

Key performance indicators

The Company uses a variety of KPIs to monitor the business. These KPIs include the monitoring of sales, margins, debtors, stock and cash generation.

Full year sales in 2022 were broadly in line with the prior year, with lower sales of consumer products being offset by higher sales into our commercial channels.

The gross profit margin in the year was 34% (2021: 36%). Whilst the Company strives to improve gross margins through its sales and product strategy, factors such as sales channel mix, customer mix and product mix, along with exchange rate movements all contribute to variances to the prior year's performance.

Administration costs reduced by 5% to £5.4m.

Operating Profit, EBITDA and Cash generation were all in line with the directors' expectations.

Other key performance indicators

The Company is committed to providing first class customer service and has a number of targets which it measures against in order to ensure its objectives are realised.

Non-financial KPI's include customer satisfaction targets, stock availability targets, shipments dispatched targets and product return rates.

AAMP GLOBAL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Development and performance

The Company continues to invest in research and development. This has resulted in the launch of new products and the improvement of existing products and product ranges during the year. The directors regard investment in research and development as necessary for continuing success of the Company and consequently envisage continued on-going evaluation and engagement in projects of a technical nature.

Principal risks and uncertainties

As with all businesses, there are a range of risks and uncertainties that have the potential to disrupt the operations of the business. These include product failure, loss of key personnel, customer reliance, competitive market pricing and technology change. However, it is considered that these risks and uncertainties are manageable in the short to medium term. The key risks with a capability to impact the business in a material manner in the near term are:

Market risk

Competitive pressure in the UK, Europe and the rest of the world is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages risk by providing added value services to its customers, continually updating and developing its range of products, having fast response times not only in supplying products but in handling all customer queries and by maintaining strong relationships with customers.

Supply chain and currency risk

The Company makes purchases in US dollars and is therefore exposed to the movement in the Dollar to the Pound exchange rate. Where appropriate the Company takes out forward foreign exchange contracts to mitigate the effects of this risk. The Company also makes sales in US dollars to further mitigate exchange risk. The Company mitigates the risk of supply chain disruption by diversifying manufacture over a number of manufacturing locations and sites.

Outlook

The financial year has started broadly in line with our expectations and with the worst of COVID-19 pandemic now behind us, the business is focused on growing sales in our core markets and channels, with particular attention on our audio brands and the agriculture and construction markets, where the Company has experienced solid growth during the last few years. We will continue to evolve our product offering to remain relevant to the changing vehicle technology platforms, working closely with our customers to provide the best in class solutions and products.

There is no doubt that 2023 will be a challenging year as we navigate through the worst cost of living crisis in a generation, however, the business is well positioned to address threats and capitalise on opportunities as they arise.

This report was approved by the board on 22/5/2023

and signed on its behalf.

Don Tolson

D M Tolson
Director

AAMP GLOBAL LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Results and dividends

The profit for the year, after taxation, amounted to £9,087,621 (2021: £3,934,162).

A dividend of £13,642,006 was paid in the year (2021: £Nil).

Directors

The directors who served during the year were:

D M Tolson
S Verano
J S Bell

Directors' responsibilities statement

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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AAMP GLOBAL LIMITED

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

Financial risk management policies and objectives

The Company has exposure to four main areas of risk – foreign exchange currency exposure, interest rate risk, liquidity risk and customer credit exposure

Foreign exchange risk

The Company is exposed to currency exchange risk due to a significant proportion of its receivables and operating expenses being denominated in non-sterling currencies, this risk is mitigated by the use of forward foreign exchange contracts.

Interest rate risk

The Company is exposed to interest rate risk on its loans. The calculation of interest is based upon the Bank of England base rate.

Liquidity risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through operating cashflows.

Customer credit exposure

The Company may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The Company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships.

Going concern

In drawing a conclusion on the Company's ability to continue as a going concern, the directors have assessed the financial and operational impacts and risks of the following areas:

- the current war in Ukraine;
- global recession and inflationary cost pressure;
- availability of working capital and cash.

War in Ukraine

The war in Ukraine has had a small, but direct impact on the Company, with sales in 2021 of less than £20,000. The Company has very little business activity in the surrounding areas and therefore the directors do not anticipate a material impact to the Company's sales. The rising costs of energy has also caused a negative impact on the Company, although there has not been a material impact.

Recessionary pressures and inflation

The Company experienced a softening in demand in some of its markets during the second half of 2022, as the global economy began to slow due to increasing energy costs, higher food prices and increases in interest rates. This softening was exacerbated as some of the Company's customers turned their attention to reducing their inventory levels. However, by the end of the year customer orders started returning to more normal levels and this has continued into the start of 2023. Global shipping costs continued to reduce throughout 2022 as have cost increase pressure from the Company's supply chain. In preparing financial forecasts for 2023 the Company has factored into its projection's inflationary increases in staffing and utility (gas and electric) costs.

Working Capital and Cash

The monthly financial forecasts prepared by the directors through to June 2024 show an adequate cash position, such that the Company can meet its financial liabilities as they fall due.

Furthermore, the directors have satisfied themselves that its US parent's forecasts demonstrate compliance with its banking covenants, which are measured at US level, throughout the review period.

The directors have stress tested the projections at group (consolidated at US) level, by modelling a 10% decline in the sales forecasts across the review period, along with cost mitigation and working capital reductions. Despite the cumulative impact of these reductions, the group at US level is still in compliance with its covenants.

AAMP GLOBAL LIMITED

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

On this basis the directors have a reasonable expectation the Company will have adequate financial resources to continue in operation for the foreseeable future and therefore it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Future developments

New Products - The Company seeks to introduce new products on a regular basis to ensure that it provides appropriate solutions to its customers reflecting the most up to date technology in the markets that it operates, often being first to market with new products.

Organic growth - The Company continues to seek growth opportunities organically in its current sales channels with the introduction of new products, as well as expanding its global distribution base by acquiring new customers.

Acquisitions - The Company continues to look for strategic add-on acquisitions that will help expand its technology and geography, whilst adding positive EBITDA and cashflows.

Research and development activities

The Company invest in activities which qualify as Research and Development expenditure resulting in a tax credit in the year recognised against the expenditure to which it relates. Total expenditure in the year amounted to £577,504 (2021: £648,397).

Qualifying third party indemnity provisions

The Company purchased and throughout the year maintained appropriate insurance cover in respect of directors' and officers' liabilities.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22/5/2023

and signed on its behalf.

Don Tolson

D M Tolson
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED

Opinion

We have audited the financial statements of AAMP Global Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as impact of conflict between Russia and Ukraine and cost of living crisis including inflation, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED (CONTINUED)

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 AAMP GLOBAL LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the Directors' responsibilities statement as set out on page 3, 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The engagement team's understanding of the legal and regulatory framework and which laws and regulations the engagement team identified as being significant in the context of the entity.

The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, to understand these:

- We enquired of management, and those charged with governance, concerning the Company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- We identified whether there is a culture of honesty and ethical behaviour and whether there is a strong emphasis of prevention and deterrence of fraud.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 102 and the Companies Act 2006).
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED (CONTINUED)

The engagement team's assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - journal entries, with a focus on material manual journals, including those with unusual account combinations
 - potential management bias in determining significant judgements and estimates including:
 - stock provision
 - bad debt provision
 - budgets and forecasts for going concern considerations
 - useful lives of intangible assets and property, plant and equipment
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - identifying unusual or high risk journals to investigate and verify;
 - vouching the occurrence of revenue to supporting evidence;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement items.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

The engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the entity operates; and
 - understanding of the legal and regulatory requirements specific to the entity.

Matters about non-compliance with laws and regulations and fraud that were communicated with the engagement team

- We did not identify any matters relating to non-compliance with laws and regulation and fraud.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

Grant Thornton UK LLP

Norman Armstrong BSc FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Southampton
Date: 22/5/2023

AAMP GLOBAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	29,172,638	29,383,076
Cost of sales		(19,316,128)	(18,816,679)
Gross profit		9,856,510	10,566,397
Administrative expenses		(5,388,193)	(5,652,497)
Operating profit	5	4,468,317	4,913,900
Income from fixed assets investments	9	10,513,639	-
Amounts written off investments	14	(4,763,304)	-
Interest receivable and similar income		-	885
Interest payable and expenses	10	(229,549)	(266,874)
Profit before tax		9,989,103	4,647,911
Tax on profit	11	(901,482)	(713,749)
Profit for the financial year		9,087,621	3,934,162
Other comprehensive income for the year			
Total comprehensive income for the year		9,087,621	3,934,162

There were no recognised gains and losses for 2022 or 2021 other than those included in the Statement of comprehensive income.

The notes on pages 15 to 36 form part of these financial statements.

AAMP GLOBAL LIMITED
REGISTERED NUMBER:02560438

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	4,632,445	5,273,141
Tangible assets	13	478,267	495,984
Investments	14	91,784	4,855,088
		<u>5,202,496</u>	<u>10,624,213</u>
Current assets			
Stocks	15	8,672,163	10,830,222
Debtors	16	6,531,007	11,009,918
Cash at bank and in hand	17	1,526,056	1,609,869
		<u>16,729,226</u>	<u>23,450,009</u>
Creditors: amounts falling due within one year	18	<u>(10,224,399)</u>	<u>(16,267,827)</u>
Net current assets		<u>6,504,827</u>	<u>7,182,182</u>
Total assets less current liabilities		<u>11,707,323</u>	<u>17,806,395</u>
Creditors: amounts falling due after more than one year	19	(5,026,496)	(6,619,565)
Provisions for liabilities			
Deferred tax	21	(168,423)	(120,041)
		<u>(168,423)</u>	<u>(120,041)</u>
Net assets		<u>6,512,404</u>	<u>11,066,789</u>
Capital and reserves			
Called up share capital	23	2,980	2,980
Profit and loss account	22	6,509,424	11,063,809
		<u>6,512,404</u>	<u>11,066,789</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22/5/2023

Don Tolson

D M Tolson
 Director

The notes on pages 15 to 36 form part of these financial statements.

AAMP GLOBAL LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	2,980	11,063,809	11,066,789
Comprehensive income for the year			
Profit for the year	-	9,087,621	9,087,621
Dividends: Equity capital	-	(13,642,006)	(13,642,006)
At 31 December 2022	2,980	6,509,424	6,512,404

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	2,980	7,129,647	7,132,627
Comprehensive income for the year			
Profit for the year	-	3,934,162	3,934,162
At 31 December 2021	2,980	11,063,809	11,066,789

The notes on pages 15 to 36 form part of these financial statements.

AAMP GLOBAL LIMITED

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

1. General information

AAMP Global Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at 25B Woolmer Way, Bordon, Hampshire, GU35 9QE.

The Company's principal activity is the design, manufacture and distribution of electrical equipment which include connectivity solutions and audio visual, communications, entertainment, and in-vehicle safety products.

2. Accounting policies**2.1 Company information and basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AAMP Armour Group Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.3 Going concern**

In drawing a conclusion on the Company's ability to continue as a going concern, the directors have assessed the financial and operational impacts and risks of the following areas:

- the current war in Ukraine;
- global recession and inflationary cost pressure;
- availability of working capital and cash.

War in Ukraine

The war in Ukraine has had a small, but direct impact on the Company, with sales in 2021 of less than £20,000. The Company has very little business activity in the surrounding areas and therefore the directors do not anticipate a material impact to the Company's sales. The rising costs of energy has also caused a negative impact on the Company, although there has not been a material impact.

Recessionary pressures and inflation

The Company experienced a softening in demand in some of its markets during the second half of 2022, as the global economy began to slow due to increasing energy costs, higher food prices and increases in interest rates. This softening was exacerbated as some of the Company's customers turned their attention to reducing their inventory levels. However, by the end of the year customer orders started returning to more normal levels and this has continued into the start of 2023. Global shipping costs continued to reduce throughout 2022 as have cost increase pressure from the Company's supply chain. In preparing financial forecasts for 2023 the Company has factored into its projection's inflationary increases in staffing and utility (gas and electric) costs.

Working Capital and Cash

The monthly financial forecasts prepared by the directors through to June 2024 show an adequate cash position, such that the Company can meet its financial liabilities as they fall due.

Furthermore, the directors have satisfied themselves that its US parent's forecasts demonstrate compliance with its banking covenants, which are measured at US level, throughout the review period.

The directors have stress tested the projections by modelling a 10% decline in the sales forecasts across the review period, along with cost mitigation and working capital reductions and despite the cumulative impact of these reductions, the group is still in compliance with its covenants.

On this basis the directors have a reasonable expectation the Company will have adequate financial resources to continue in operation for the foreseeable future and therefore it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as fair value of the consideration received or receivable, including discounts, rebates, excluding value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Intangible assets**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	3 years
Goodwill	-	10 - 20 years
Other intangible fixed assets	-	3 - 5 years

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.6 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Buildings and improvements	- 10 - 20% straight line
Plant and machinery	- 20 - 33% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings	- 20 - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.8 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each Balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cashflows (CGU's). Non-financial assets that have been previously impaired are reviewed at each Statement of financial position date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have been decreased.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.10 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the average cost basis. Work in progress and finished goods include labour and attributable overheads.

At each Balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of comprehensive income.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.13 Financial instruments (continued)**

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of comprehensive income in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.15 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the monthly HMRC exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2.16 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.18 Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.19 Interest income

Interest income is recognised in profit or loss using the effective interest method.

AAMP GLOBAL LIMITED

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

2. Accounting policies (continued)**2.20 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance sheet date.

2.21 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic life.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

AAMP GLOBAL LIMITED

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

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

(a) Impairment of goodwill and other intangible assets

Intangible assets are tested for impairment when indication of impairment exists. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows, including capitalised R&D projects. There was deemed to be no impairment during the year.

(b) Capitalisation of product development projects

The Company capitalises product development costs as intangible assets, where the economic gain of the development is expected to be realised in future years. The Company makes estimates in both the value and duration of expected future revenue streams in order to determine the carrying value of the intangible asset. Changes to estimates can result in significant variations in the carrying value and amounts charged to the Statement of Income and Retained Earnings.

(c) Impairment of investments

Investments are tested for impairment when indication of impairment exists. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. At the year end, the directors have determined the investment in Connect2 Limited was fully impaired which can be seen in note 14.

(d) Useful lives of intangible assets and tangible fixed assets

Intangible assets and tangible fixed assets are amortised or depreciated over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the Statement of Income and Retained Earnings. The current estimated useful lives of intangible assets and tangible fixed assets can be found in note 2.5 and 2.6, respectively.

(e) Inventories

The Company reviews the net realisable value of and demand for inventory on a regular basis and particularly at the year-end to provide assurance that it is stated at the lower of cost and net realisable value. Factors that could impact estimated demand and selling prices include the timing and success of future technological innovations, competitor activities, supplier prices and economic trends.

(f) Debtors

The Company makes judgements as to its ability to collect outstanding receivables and provides allowances for the portion of receivables when collection becomes doubtful. Provisions are made based on a specific review of significant outstanding invoices. For those invoices not specifically reviewed, provisions are recorded at differing percentages, based on the age of the receivable. In determining these percentages, the Company analyses its historical collection experience. Since the Company cannot predict with certainty future changes in the financial stability of its customers, additional provisions for doubtful accounts may be needed and the future results of operations could be affected. Further details can be found in note 16.

(g) Judgements used in forecasting

The directors have used a degree of judgement in forecasting results based on actual and expected performance to date. This has been reviewed in more detail in the strategic report and going concern note 2.3 of these financial statements.

AAMP GLOBAL LIMITED

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

3. Judgements in applying accounting policies (continued)**(h) Provisions**
Bad debt provision

The Company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors management considers factors including the current credit rating of the debtor, the aging profile of debtors, whether covered by insurance and historical experience. The bad debt provision at the end of the accounting period was £123,396 (2021: £190,826).

Stock provision

The Company monitors the value of stock lines regularly to ensure stock is recorded and the lower of cost and net realisable value. Where this is not the case a provision is made to write down the value of stock to the correct level. The condition of stock and current market conditions are also taken into account when making stock provisions. The stock provision at the end of the accounting period was £1,453,596 (2021: £959,826).

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	2021
	£	£
Sale of goods	29,172,638	29,383,076
	<u><u>29,172,638</u></u>	<u><u>29,383,076</u></u>

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	13,839,194	14,084,768
Rest of Europe	8,185,016	9,405,004
Rest of the world	7,148,428	5,893,304
	<u><u>29,172,638</u></u>	<u><u>29,383,076</u></u>

AAMP GLOBAL LIMITED

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

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Research & development charged as an expense	577,504	648,397
Depreciation of tangible fixed assets	237,466	299,549
Amortisation of intangible assets, including goodwill	978,505	1,069,671
Exchange differences	(217,917)	423,913
Operating lease rentals	405,263	404,330
Gain on sale of fixed assets	(8,580)	-
Amounts written off investments	4,763,304	-
Intercompany waiver	(514)	-
	<u>5,965,035</u>	<u>2,845,860</u>

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditors and its associates for the audit of the Company's annual accounts	68,250	46,500
	<u>68,250</u>	<u>46,500</u>

	2022 £	2021 £
Fees payable to the Company's auditors and its associates in respect of:		
Accounts preparation	11,750	1,150
Other services relating to taxation	11,330	10,000
	<u>23,080</u>	<u>11,150</u>

AAMP GLOBAL LIMITED

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

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022	2021
	£	£
Wages and salaries	3,753,113	3,882,988
Social security costs	376,562	345,737
Cost of defined contribution scheme	165,152	148,847
	4,294,827	4,377,572

The average monthly number of employees, including the directors, during the year was as follows:

	2022	2021
	No.	No.
Manufacturing	20	23
Selling and distribution	42	40
Administration	48	46
	110	109

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	332,696	457,555
Company contributions to defined contribution pension schemes	37,077	32,134
	369,773	489,689

During the year retirement benefits were accruing to 2 directors (2021: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £196,797 (2021: £261,029).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £14,500 (2021: £14,417).

AAMP GLOBAL LIMITED

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

9. Income from investments

	2022 £	2021 £
Dividends received from unlisted investments	10,513,639	-

10. Interest payable and similar expenses

	2022 £	2021 £
Loans from group undertakings	226,976	228,355
Other interest payable	2,573	38,519
	229,549	266,874

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	853,100	741,719
Total current tax	853,100	741,719
Deferred tax		
Origination and reversal of timing differences	34,756	(27,970)
Adjustments in respect of prior periods	10,976	-
Changes to tax rates	2,650	-
Total deferred tax	48,382	(27,970)
Taxation on profit on ordinary activities	901,482	713,749

AAMP GLOBAL LIMITED

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

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021: *lower than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>9,989,103</u>	<u>4,647,911</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	1,897,930	883,103
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	900,182	2,977
Research and development expenditure credits	(42,460)	(1)
Research and development expenditure charge	8,067	7,614
Remeasurement of deferred tax for changes in tax rates	10,976	28,810
Fixed asset differences	124,431	125,992
Deferred tax not recognised	-	(52,557)
Group income	(1,997,591)	-
Group relief surrendered/(claimed)	-	(219,724)
Adjustments to tax charge in respect of prior period	(2,703)	(61,133)
Adjustments to tax charge in respect of previous periods - deferred tax	2,650	-
Other tax adjustments, reliefs and transfers	-	(1,332)
Total tax charge for the year	<u><u>901,482</u></u>	<u><u>713,749</u></u>

Factors that may affect future tax charges

An increase in the UK Corporation tax rate from 19% to 25% (effective from 1 April 2023) has been substantively enacted. This will impact the company's future tax charge and deferred tax charge accordingly.

AAMP GLOBAL LIMITED

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

12. Intangible assets

	Software £	Development £	Goodwill £	Total £
Cost				
At 1 January 2022	150,580	1,561,818	8,131,610	9,844,008
Additions	-	337,809	-	337,809
Disposals	-	(43,139)	-	(43,139)
At 31 December 2022	150,580	1,856,488	8,131,610	10,138,678
Amortisation				
At 1 January 2022	140,898	856,960	3,573,009	4,570,867
Charge for the year on owned assets	5,955	273,082	699,468	978,505
On disposals	-	(43,139)	-	(43,139)
At 31 December 2022	146,853	1,086,903	4,272,477	5,506,233
Net book value				
At 31 December 2022	3,727	769,585	3,859,133	4,632,445
At 31 December 2021	9,682	704,858	4,558,601	5,273,141

AAMP GLOBAL LIMITED

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

13. Tangible fixed assets

	Buildings and improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	184,598	1,606,836	81,970	581,169	2,454,573
Additions	71,917	133,726	-	26,835	232,478
Disposals	-	-	(33,089)	-	(33,089)
Adjustment	-	-	-	(2,745)	(2,745)
At 31 December 2022	256,515	1,740,562	48,881	605,259	2,651,217
Depreciation					
At 1 January 2022	49,226	1,403,675	42,052	463,636	1,958,589
Charge for the year on owned assets	23,254	144,200	10,527	59,485	237,466
Disposals	-	-	(20,360)	-	(20,360)
Adjustment	-	-	-	(2,745)	(2,745)
At 31 December 2022	72,480	1,547,875	32,219	520,376	2,172,950
Net book value					
At 31 December 2022	184,035	192,687	16,662	84,883	478,267
At 31 December 2021	135,372	203,161	39,918	117,533	495,984

AAMP GLOBAL LIMITED

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

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	4,855,088
Impairment	(4,763,304)
At 31 December 2022	91,784

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Armour Nordic AB	Brodalsvägen 1 B 433 38 Partille	Sales of goods	Ordinary	100%
Armour Nordic AS	Brodalsvägen 1 B 433 38 Partille	Sales of goods	Ordinary	100%
Continental Technologies & Investments Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
Autoleads Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
AutoDAB Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
Connects2 Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%

During the year, AAMP Global Limited fully impaired its £4,763,304 investment in Connects2 Limited. Control of this entity remains unchanged.

Following the hive-up of Connects2 Limited at the end of December 2020, the balance sheet of Connects2 Limited was restructured in December 2022, resulting in a dividend payment to the Company of £10,513,639 and an impairment charge of £4,763,304 on the Company's investment in Connects2 Limited.

AAMP GLOBAL LIMITED

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

15. Stocks

	2022 £	2021 £
Raw materials and consumables	1,312,865	1,628,000
Work in progress	2,703	3,855
Finished goods and goods for resale	7,356,595	9,198,367
	<u>8,672,163</u>	<u>10,830,222</u>

A stock provision was recognised at the year end for £1,453,596 (2021: £959,826).

An impairment loss of £758,685 (2021: £234,682) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

16. Debtors

	2022 £	2021 £
Trade debtors	5,316,611	5,708,493
Amounts owed by group undertakings	810,839	4,769,551
Other debtors	184,906	281,565
Prepayments and accrued income	218,651	250,309
	<u>6,531,007</u>	<u>11,009,918</u>

Amounts owed by group undertakings include a loan to AAMP of Florida Inc of £Nil (2021: £476,654).

Interest has been charged at a rate of Bank of England Base rate plus 2.5% per annum.

Trade debtors include a bad debt provision of £123,396 (2021: £190,826).

17. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>1,526,056</u>	<u>1,609,869</u>

AAMP GLOBAL LIMITED

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

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,249,553	3,337,357
Amounts owed to group undertakings	6,424,270	10,619,946
Corporation tax	226,423	73,323
Other taxation and social security	253,763	692,237
Other creditors	562,866	568,098
Accruals and deferred income	507,524	976,866
	<u>10,224,399</u>	<u>16,267,827</u>

Amounts owed to group undertakings are unsecured, interest free and repayable upon demand.

19. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Intercompany loans	<u>5,026,496</u>	<u>6,619,565</u>

20. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due after more than 5 years		
Intercompany loans	<u>5,026,496</u>	<u>6,619,565</u>

Intercompany Loans comprises an unsecured loan from AAMP Armour Group Limited.

The full amount is repayable June 2030 with no fixed repayments due before this time. Interest is being charged at a rate of Bank of England Base rate plus 2.5% per annum.

AAMP GLOBAL LIMITED

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

21. Deferred taxation

	2022 £	2021 £
At beginning of year	(120,041)	(148,011)
Utilised in year	(48,382)	27,970
At end of year	(168,423)	(120,041)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(209,435)	(187,465)
Other timing differences	28,367	30,163
Losses and other deductions	12,645	37,261
	(168,423)	(120,041)

22. Reserves**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

23. Share capital

	2022 £	2021 £
Shares classified as equity		
Authorised		
5,000 (2021: 5,000) Ordinary shares of £1 each	5,000	5,000
Allotted, called up and fully paid		
2,980 (2021: 2,980) Ordinary shares of £1 each	2,980	2,980

Share capital represents the nominal value of shares that have been issued.

All shares issued are non-redeemable and rank equally in terms of voting rights (one vote per share) and rights to participate in all approved dividend distributions.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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24. Capital commitments

The Company had no capital commitments at 31 December 2022 (2021: £Nil).

25. Pension commitments

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £163,674 (2021: £148,847). Contributions totalling £9,317 (2021: £8,960) were payable to the fund at the Balance sheet date and are included in creditors.

26. Contingent liabilities

The Company is a party to the US Group's funding and credit facilities, under which there are cross guarantees and debentures over the assets of the Company. At the 31 December 2022 the Company had guaranteed the borrowings of certain group companies which amounted to £145,114,439 (31 December 2021: £112,624,598).

27. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Land and buildings		
Within 1 year	340,210	338,300
Between 2 - 5 years	310,993	651,204
	<u>651,203</u>	<u>989,504</u>
	2022 £	2021 £
Other		
Not later than 1 year	59,510	73,392
Between 2 - 5 years	35,714	101,771
	<u>95,224</u>	<u>175,163</u>

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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28. Related party transactions

The Company has taken advantage of the exemption not to disclose transactions with members of the group headed by AAMP Armour Group Limited on the grounds that 100% of the voting rights in the Company are controlled within that Group and the Company is included in the consolidated financial statements.

There were sales of £16,280 (2021: £30,283) and purchases of £234,075 (2021: £87,092) with AAMP of Florida.

29. Controlling party

The Company's immediate parent and smallest group of undertakings in which consolidated accounts are prepared is AAMP Armour Group Limited, a company incorporated in the United Kingdom. It's registered office is 25B Woolmer Way, Bordon, Hampshire, GU35 9QE. A copy of the parent company accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

AAMP Armour Group Limited is a wholly owned subsidiary of Audax AAMP Holdings Inc., who's ultimate controlling party is Halifax Capital Partners IV, L.P.

The largest group of undertakings in which consolidated accounts are prepared is Halifax AAMP Group LLC. It's registered office address is Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808.

The Company's ultimate controlling party is Halifax Capital Partners IV, L.P. a company incorporated in the United States, by virtue of its 100% holding in the share capital of AAMP Armour Group Limited.