

REGISTERED NUMBER: 03855411 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
LANDMARK GLOBAL (UK) LIMITED**

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LANDMARK GLOBAL (UK) LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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LANDMARK GLOBAL (UK) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

DIRECTORS:

M D Halleux
F Gosiau

REGISTERED OFFICE:

Unit 3
Heathrow Logistics Park
Bedfont Road
Feltham
Middlesex
TW14 8EE

REGISTERED NUMBER:

03855411 (England and Wales)

AUDITORS:

Haines Watts
Chartered Accountants and Statutory Auditors
The Lightbox
87 Castle Street
Reading
Berkshire
RG1 7SN

LANDMARK GLOBAL (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

REVIEW OF BUSINESS

2022 was a transition year for Landmark Global (UK) Limited with the company relocating to a larger warehousing facility. This enabled the company to form a solid foundation in which it can continue to support the growth of existing customers whilst increasing capacity to onboard new customers as well and giving them the opportunity to experience the excellent end to end service that Landmark Global (UK) Limited provides.

Revenue declined by 6.3% and the gross margin was also squeezed from 14.3% in 2021 to 10.1%. This was driven by intense competition within the market following a decline in volumes as the covid pandemic reached a conclusion and due to the rapid collapse of Sterling across the year which was partially due to the political evolution within the UK.

The Company continues to see growth in its international tracked parcel distribution services and a decline in the traditional international untracked mail services, which is a consistent pattern seen across the industry. The market remains highly competitive, so the Company has continued to focus on customer service, but also long-term sustainability as key differentiators.

The current outlook for 2023 continues to be challenging, but the company is introducing some exciting new initiatives that are expected to generate significant volume growth.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is exposed to an element of currency risk. However, the Company has assessed these risks and taken appropriate action to mitigate them.

In addition to the above, there is some exposure to credit risk, and in this regard, the Company carries out appropriate credit checks on potential customers before sales are made and continually monitors and investigates any aged debts.

LANDMARK GLOBAL (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

SECTION 172(1) STATEMENT

The Board of Directors of Landmark Global (UK) Ltd consider, both individually and together, that they have acted in the way 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, having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006 in the decisions taken during the year ended 31 December 2022.

Landmark Global (UK) Ltd is a wholly owned subsidiary of bPost NV. The bpost group continue to apply the group's strategy of increasing focus on logistics services provided in e-commerce, whilst aligning on a socially, ecologically and economically sustainable growth strategy.

In deriving this strategy, the Board considered the interests and the impact on all stakeholders:

Shareholders

Our shareholder wants Landmark Global (UK) Ltd to focus on the strategic aims of the Group, maximising our returns in a responsible way.

Customers

Our customers want an improved customer service experience through more frequent communication and reliable and timely deliveries at affordable prices to assist them in continuing to expand their own brands and businesses.

Employees

Landmark Global (UK) Ltd is an inclusive company offering employees the opportunity to develop. Employees want the company to provide security and to be kept informed on key strategic changes to the business, particularly those that affect them and their teams directly.

Suppliers

Our suppliers want to assist the Company with its expansion plans and service improvements whilst being mindful of the potential impact on their own revenue and margins.

Communities

The bpost group is committed to taking urgent action to combat climate change and operate in a more environmentally friendly way. The aim is to become a sustainability leader by investing in the right 'green' technologies under the Group's capital allocation plan.

Government and regulators

The Government and regulators want Landmark Global (UK) Ltd to comply with laws and regulations and operate in an ethical way.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company regards revenue, gross profit and EBIT as their key performance indicators.

ON BEHALF OF THE BOARD:

Marjorie
Halleux

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Marjorie Halleux
Date: 2023.09.27
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.....
M D Halleux - Director

Date:

LANDMARK GLOBAL (UK) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The company is a UK based mail, parcels and transport company providing services to the e-commerce and postal wholesale markets of the UK. The company also acts as an inbound and outbound gateway for other entities of bPost group around the world.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2022.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

M D Halleux
F Gosiau

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

LANDMARK GLOBAL (UK) LIMITED

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

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Marjorie
Halleux

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Marjorie Halleux
Date: 2023.09.27
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M D Halleux - Director

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LANDMARK GLOBAL (UK) LIMITED

Opinion

We have audited the financial statements of Landmark Global (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 International Financial Reporting Standards (IFRSs) as adopted by the UK.

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 loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LANDMARK GLOBAL (UK) LIMITED

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 Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LANDMARK GLOBAL (UK) LIMITED

Auditors' 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 a Report of the Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates. We determined that the following laws and regulations were most significant: IFRS - the International Financial Reporting Standards and relevant tax compliance regulations in the UK .

We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where management considered there was susceptibility to fraud. Audit procedures performed by the audit team included:

- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries, with a focus on entries made with unusual accounting combinations;
- Confirming with management whether they have knowledge of any actual, suspected or illegal fraud;
- Evaluating whether there was evidence of bias by management that represents a risk of material misstatement due to fraud.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance with all laws and regulations.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LANDMARK GLOBAL (UK) LIMITED**

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 a Report of the Auditors 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.

Haines Watts.

Mark Newbold FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants and Statutory Auditors
The Lightbox
87 Castle Street
Reading
Berkshire
RG1 7SN

Date: *27/9/2023*

LANDMARK GLOBAL (UK) LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
CONTINUING OPERATIONS			
Revenue	4	49,848,965	53,206,105
Cost of sales		(44,799,086)	(45,595,340)
GROSS PROFIT		5,049,879	7,610,765
Other operating income	5	543,103	-
Administrative expenses		(8,083,902)	(6,383,230)
OPERATING (LOSS)/PROFIT		(2,490,920)	1,227,535
Finance costs	7	(369,055)	(17,975)
(LOSS)/PROFIT BEFORE INCOME TAX 8		(2,859,975)	1,209,560
Income tax	10	(642,130)	228,000
(LOSS)/PROFIT FOR THE YEAR		(3,502,105)	1,437,560
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Share capital reduction		35,048,959	-
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		35,048,959	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		31,546,854	1,437,560

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED (REGISTERED NUMBER: 03855411)

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	2022 £	2021 £
ASSETS			
NON-CURRENT ASSETS			
Goodwill	11	-	-
Owned			
Intangible assets	12	29,833	25,900
Property, plant and equipment	13	2,454,948	214,844
Right-of-use			
Property, plant and equipment	13, 21	9,830,782	241,475
Investments	14	543,103	-
Deferred tax	23	-	228,000
		<u>12,858,666</u>	<u>710,219</u>
CURRENT ASSETS			
Trade and other receivables	15	10,531,696	9,747,263
Cash and cash equivalents	16	2,757,924	5,603,656
		<u>13,289,620</u>	<u>15,350,919</u>
TOTAL ASSETS		<u>26,148,286</u>	<u>16,061,138</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	17	2,000,000	37,048,959
Retained earnings	18	(3,383,178)	(34,930,032)
TOTAL EQUITY		<u>(1,383,178)</u>	<u>2,118,927</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	20	10,175,151	-
Deferred tax	23	414,130	-
		<u>10,589,281</u>	<u>-</u>
CURRENT LIABILITIES			
Trade and other payables	19	16,772,787	13,660,093
Financial liabilities - borrowings			
Interest bearing loans and borrowings	20	169,396	282,118
		<u>16,942,183</u>	<u>13,942,211</u>
TOTAL LIABILITIES		<u>27,531,464</u>	<u>13,942,211</u>
TOTAL EQUITY AND LIABILITIES		<u>26,148,286</u>	<u>16,061,138</u>

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

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED (REGISTERED NUMBER: 03855411)

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2022

Marjorie
Halleux

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Marjorie Halleux
Date: 2023.09.27
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M D Halleux - Director

Filip Gosiau

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Filip Gosiau
Date: 2023.09.27
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F Gosiau - Director

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED

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

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	37,048,959	(36,367,592)	681,367
Changes in equity			
Total comprehensive income	-	1,437,560	1,437,560
Balance at 31 December 2021	<u>37,048,959</u>	<u>(34,930,032)</u>	<u>2,118,927</u>
Changes in equity			
Reduction in share capital	(35,048,959)	-	(35,048,959)
Total comprehensive income	-	31,546,854	31,546,854
Balance at 31 December 2022	<u>2,000,000</u>	<u>(3,383,178)</u>	<u>(1,383,178)</u>

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	268,768	3,046,726
Lease interest paid		(369,055)	(17,975)
Net cash from operating activities		<u>(100,287)</u>	<u>3,028,751</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(17,000)	(9,500)
Purchase of tangible fixed assets		(2,435,932)	(43,274)
Sale of tangible fixed assets		-	695
Net cash from investing activities		<u>(2,452,932)</u>	<u>(52,079)</u>
Cash flows from financing activities			
Payment of lease liabilities		(292,513)	(462,193)
Net cash from financing activities		<u>(292,513)</u>	<u>(462,193)</u>
(Decrease)/increase in cash and cash equivalents		<u>(2,845,732)</u>	<u>2,514,479</u>
Cash and cash equivalents at beginning of year	2	5,603,656	3,089,177
Cash and cash equivalents at end of year	2	<u><u>2,757,924</u></u>	<u><u>5,603,656</u></u>

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022****1. RECONCILIATION OF (LOSS)/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	2022	2021
	£	£
(Loss)/profit before income tax	(2,859,975)	1,209,560
Depreciation charges	962,326	526,381
Loss on disposal of fixed assets	12,204	-
Write back of investment impairment	(543,103)	-
Finance costs	369,055	17,975
	<u>(2,059,493)</u>	<u>1,753,916</u>
Increase in trade and other receivables	(784,433)	(1,314,616)
Increase in trade and other payables	3,112,694	2,607,426
	<u>268,768</u>	<u>3,046,726</u>
Cash generated from operations	268,768	3,046,726

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	<u>2,757,924</u>	<u>5,603,656</u>

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	<u>5,603,656</u>	<u>3,089,177</u>

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED

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

1. STATUTORY INFORMATION

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

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

2. ACCOUNTING POLICIES

Basis of preparation

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

This is the first accounting period in which the company has applied IFRS, having previously applied FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". According to the requirement in IFRS 1 to provide a reconciliation of differences between amounts shown under IFRS and amounts reported under previous UK GAAP are detailed in the "Reconciliation of equity" note on page 35-37.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the revaluation of the assets and liabilities of the Company held in non-functional currencies.

New standards and interpretations not yet adopted

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted do not have a significant impact on the Company's financial results or position.

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- IFRS 17 'Insurance Contracts'
- Amendments to IFRS 17 'Insurance Contracts' (Amendments to IFRS 17 and IFRS 4)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12)
- Disclosure of Accounting Policies (Amendments to IAS 1)
- Definition of Accounting Estimates (Amendments to IAS 8)

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods

LANDMARK GLOBAL (UK) LIMITED

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

2. ACCOUNTING POLICIES - continued

Preparation of consolidated financial statements

The financial statements contain information about Landmark Global (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400A of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, bPost NV, Centre Boulevard Anspach 1/1, 1000 Brussels.

Going concern

At year end the Company had net liabilities and the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In particular the directors have considered the Company's forecasts and projections.

Post year end, the Company received a significant dividend which has recapitalised the business.

The company has the continued financial support from their parent company bPost NV for at least 18 months from the date of signing the financial statements.

Revenue recognition

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 the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Cash and cash equivalents

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

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

LANDMARK GLOBAL (UK) LIMITED

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

2. ACCOUNTING POLICIES - continued

Goodwill

Goodwill recognised represents the excess of the fair value of the purchase consideration over the fair values to the Company's interest in the identifiable net assets, liabilities and contingent liabilities acquired. If the fair values of identifiable assets, liabilities and contingent liabilities cannot be measured reliably, the value is incorporated within Goodwill.

Goodwill is recognised at cost.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

Property, plant and equipment

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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

- S/Term Leasehold Property - 10 years
- Plant & machinery - 5 years
- Computer equipment - 5 years

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.

Impairment of property, plant & equipment and intangible assets

At each reporting end date, the Company reviews the carrying amounts of its property, plant and equipment 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.

LANDMARK GLOBAL (UK) LIMITED

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

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured initially at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are recognised in the Company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value,

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade and other receivables and cash and bank balances. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

LANDMARK GLOBAL (UK) LIMITED

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

2. ACCOUNTING POLICIES - continued

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the 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

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

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 lives, which is usually 5 years.

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.

Foreign currencies

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 spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary 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'.

LANDMARK GLOBAL (UK) LIMITED

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

2. ACCOUNTING POLICIES - continued

Leases

Assets held under finance leases and hire purchase contracts are capitalised in the statement of financial position and depreciated over their expected useful lives. The amount initially recognised as an asset is the lower of the fair value of the leased asset and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease. The capital element reduces the balance owed to the lessor.

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimated value of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in; future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight line basis over the lease term.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

2. ACCOUNTING POLICIES - continued

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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.

Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying its accounting policies, the Company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented. On an ongoing basis, the Company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. The following paragraphs detail the estimates and judgements the Company believes to have the most significant impact on the annual results under IFRS.

Property, plant and equipment

The estimated useful economic lives of property, plant and equipment are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates to calculate depreciation, that charge is adjusted prospectively. The Company is required to evaluate the carrying values of the property, plant and equipment for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements concerning the cash flows, growth rates and discount rates of the cash generating units under review.

Provision for bad and doubtful debts

At each reporting date, the Company evaluates the recoverability of trade receivables and record allowances for doubtful receivables based on experience. These allowances are based on, amongst other things, a consideration of actual collection history. The actual level of receivables collected may differ from the estimated levels of recovery, which could impact operating results positively or negatively.

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****4. REVENUE****Revenue**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2022 £	2021 £
United Kingdom	46,476,595	49,668,644
Europe	1,449,364	1,887,862
Rest of world	1,923,006	1,649,599
	<u>49,848,965</u>	<u>53,206,105</u>

5. OTHER OPERATING INCOME

	2022 £	2021 £
Reversal impairment of investments	<u>543,103</u>	<u>-</u>

6. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	4,016,595	4,137,976
Social security costs	330,278	282,358
Other pension costs	154,650	134,555
	<u>4,501,523</u>	<u>4,554,889</u>

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

	2022	2021
Management and administration	29	25
Operational and warehouse	58	59
	<u>87</u>	<u>84</u>

	2022 £	2021 £
Directors' remuneration	<u>-</u>	<u>-</u>

7. NET FINANCE COSTS

	2022 £	2021 £
Finance costs:		
Leasing	<u>369,055</u>	<u>17,975</u>

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****8. (LOSS)/PROFIT BEFORE INCOME TAX**

The loss before Income tax (2021 - profit before income tax) is stated after charging:

	2022	2021
	£	£
Leases	229,480	300,486
Depreciation - owned assets	183,623	117,972
Depreciation - assets on hire purchase or finance leases	524,160	392,975
Loss on disposal of fixed assets	12,204	-
Development costs amortisation	13,067	15,434
Foreign exchange differences	326,251	25,465
Reversal of impairment	(543,103)	-

9. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	20,500	11,125
Other non- audit services	9,450	3,450

10. INCOME TAX**Analysis of tax expense/(income)**

	2022	2021
	£	£
Deferred tax	642,130	(228,000)
Total tax expense/(income) in statement of profit or loss and other comprehensive income	642,130	(228,000)

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****10. INCOME TAX - continued****Factors affecting the tax expense**

The tax assessed for the year is higher (2021 - lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
(Loss)/profit before income tax	<u>(2,859,975)</u>	<u>1,209,560</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(543,395)	229,816
Effects of:		
Deferred tax movements	642,130	(228,000)
Capital allowances in excess of depreciation	(315,742)	9,111
Expenses not deductible for tax purposes	(46,089)	8,037
Impairment of investments reversal	(103,190)	-
(Utilisation)/ increase in tax losses	1,016,138	(246,964)
IFRS transition adjustments	(7,722)	-
Tax expense/(income)	<u>642,130</u>	<u>(228,000)</u>

The Company has carried forward tax losses of £7,258,733 to utilise against future trading profits, the deferred tax asset of £1,814,683 has not been recognised.

11. GOODWILL

	£
COST	
At 1 January 2022	
and 31 December 2022	<u>1</u>
AMORTISATION	
At 1 January 2022	
and 31 December 2022	<u>1</u>
NET BOOK VALUE	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

LANDMARK GLOBAL (UK) LIMITED

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

12. INTANGIBLE ASSETS

	Development costs £
COST	
At 1 January 2022	111,670
Additions	17,000
At 31 December 2022	<u>128,670</u>
AMORTISATION	
At 1 January 2022	85,770
Amortisation for year	13,067
At 31 December 2022	<u>98,837</u>
NET BOOK VALUE	
At 31 December 2022	<u>29,833</u>
At 31 December 2021	<u>25,900</u>

13. PROPERTY, PLANT AND EQUIPMENT

	Short leasehold £	Plant and machinery £	ROU Asset £	Computer equipment £	Totals £
COST					
At 1 January 2022	325,713	478,088	634,450	366,292	1,804,543
Additions	1,635,032	751,266	10,354,942	49,633	12,790,873
Disposals	(213,091)	(95,171)	(634,450)	(47,608)	(990,320)
At 31 December 2022	<u>1,747,654</u>	<u>1,134,183</u>	<u>10,354,942</u>	<u>368,317</u>	<u>13,605,096</u>
DEPRECIATION					
At 1 January 2022	287,763	405,923	392,975	261,563	1,348,224
Charge for year	92,846	49,859	765,635	40,918	949,258
Eliminated on disposal	(212,866)	(90,953)	(634,450)	(39,847)	(978,116)
At 31 December 2022	<u>167,743</u>	<u>364,829</u>	<u>524,160</u>	<u>262,634</u>	<u>1,319,366</u>
NET BOOK VALUE					
At 31 December 2022	<u>1,579,911</u>	<u>769,354</u>	<u>9,830,782</u>	<u>105,683</u>	<u>12,285,730</u>
At 31 December 2021	<u>37,950</u>	<u>72,165</u>	<u>241,475</u>	<u>104,729</u>	<u>456,319</u>

LANDMARK GLOBAL (UK) LIMITED

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

14. INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 December 2022	<u>543,103</u>
PROVISIONS	
At 1 January 2022	543,103
Provision written back	<u>(543,103)</u>
At 31 December 2022	<u>-</u>
NET BOOK VALUE	
At 31 December 2022	<u><u>543,103</u></u>
At 31 December 2021	<u><u>-</u></u>

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

Bpost Hong Kong Limited

Registered office: Hong Kong

Nature of business: Service Company

	% holding 100.00	2022 £	2021 £
Class of shares:			
Ordinary			
Aggregate capital and reserves		7,219,271	5,963,951
Profit for the year		<u>1,255,320</u>	<u>2,595,635</u>

15. TRADE AND OTHER RECEIVABLES

	2022 £	2021 £
Current:		
Trade debtors	8,097,494	8,304,528
Amounts owed by group undertakings	711,597	565,175
VAT	757,828	121,963
Prepayments and accrued income	964,777	755,597
	<u>10,531,696</u>	<u>9,747,263</u>

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****16. CASH AND CASH EQUIVALENTS**

	2022	2021
	£	£
Bank accounts	<u>2,757,924</u>	<u>5,603,656</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
2,000,000	Ordinary	£1.00	2,000,000	34,247,599
NIL	Ordinary	€0.10	-	2,801,360
			<u>2,000,000</u>	<u>37,048,959</u>

During the year, the Company transferred paid-up share capital totalling £35,048,959 to retained earnings via a capital reduction.

18. RESERVES

	Retained earnings £
At 1 January 2022	(34,930,032)
Deficit for the year	(3,502,105)
Capital reduction	<u>35,048,959</u>
At 31 December 2022	<u>(3,383,178)</u>

19. TRADE AND OTHER PAYABLES

	2022	2021
	£	£
Current:		
Trade creditors	4,104,415	3,199,742
Amounts owed to group undertakings	6,689,323	5,170,217
Social security and other taxes	97,468	100,989
Other creditors	27,900	2,729
Accruals and deferred income	5,853,681	5,186,416
	<u>16,772,787</u>	<u>13,660,093</u>

LANDMARK GLOBAL (UK) LIMITED

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

20. FINANCIAL LIABILITIES - BORROWINGS

	2022 £	2021 £
Current:		
Leases (see note 21)	<u>169,396</u>	<u>282,118</u>
Non-current:		
Leases (see note 21)	<u>10,175,151</u>	<u>-</u>
Terms and debt repayment schedule		
	1 year or less £	1-2 years £
	2-5 years £	More than 5 years £
	Totals £	
Leases	<u>169,396</u>	<u>837,252</u>
	<u>3,143,854</u>	<u>6,194,045</u>
	<u>10,344,547</u>	

21. LEASING

Right-of-use assets

Property, plant and equipment

	2022 £	2021 £
COST		
At 1 January 2022	634,450	634,450
Additions	10,354,942	-
Disposals	(634,450)	-
	<u>10,354,942</u>	<u>634,450</u>
DEPRECIATION		
At 1 January 2022	392,975	-
Charge for year	765,635	392,975
Eliminated on disposal	(634,450)	-
	<u>524,160</u>	<u>392,975</u>
NET BOOK VALUE	<u>9,830,782</u>	<u>241,475</u>
Other leases		
	2022 £	2021 £
Short-term leases	<u>229,480</u>	<u>300,486</u>

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****21. LEASING - continued****Lease liabilities**

Minimum lease payments fall due as follows:

	2022 £	2021 £
Gross obligations repayable:		
Within one year	907,874	285,917
Between one and five years	6,354,007	-
In more than five years	7,203,244	-
	<u>14,465,125</u>	<u>285,917</u>
Finance charges repayable:		
Within one year	738,478	3,799
Between one and five years	2,372,901	-
In more than five years	1,009,199	-
	<u>4,120,578</u>	<u>3,799</u>
Net obligations repayable:		
Within one year	169,396	282,118
Between one and five years	3,981,106	-
In more than five years	6,194,045	-
	<u>10,344,547</u>	<u>282,118</u>

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****22. FINANCIAL INSTRUMENTS**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	2022 £	2021 £
<u>Financial assets at amortised costs</u>		
Financial assets at amortised cost	9,456,052	9,418,561
Cash and cash equivalents	2,757,924	5,603,656
	<u>12,213,975</u>	<u>15,022,218</u>
	2022 £	2021 £
<u>Liabilities at amortised cost</u>		
Trade and other payables	16,844,715	13,559,103
Borrowings	10,344,547	282,118
	<u>27,189,262</u>	<u>13,841,221</u>

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and amounts due to and from related parties approximate their fair values because these are short term in nature. Such items have been classified as under amortised cost in the above table.

Measurement of fair values

The fair value of financial assets and financial liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Financial liabilities at amortised cost approximate their carrying amounts either due to their short-term maturities or because they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.
- The fair value of unquoted debt securities is determined by reference to portfolio statements provided by third party fund managers. The appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs used in the valuations by management.
- Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity risk
- Market risk
- Currency risk

Risk management framework

Credit risk

Financial risk management:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The carrying amount of financial assets represents the maximum credit risk exposure at the reporting date. Trade receivables and unbilled revenue, if any are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors.

Trade receivables and loans:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from external customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of IFRS9, the Company uses an expected credit loss model to assess the impairment loss or gain. The Company has used a simplified approach for its trade receivables and other receivables to compute loss allowance. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivables.

The Company holds cash and bank balances of £2,758K at 31 December 2022 (2021: £5,604K). The Company holds cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Liquidity risk

Responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

LANDMARK GLOBAL (UK) LIMITED

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

Market risk

The Company is exposed primarily to the financial risks of changes in foreign current exchange rates.

There has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

Financial risk management:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that can affect the Company's income or the value in its holdings of financial instruments

Foreign currency risk:

The Company's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments:

Currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Company in the current reporting period and in future years. The Company operates in several countries and subsidiary companies maintain their books and records in their respective functional currencies.

The carrying amounts of the company's foreign currency dominated monetary assets and liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2022	2021	2022	2021
	£	£	£	£
US Dollar	-	-	421,049	553,888
Canadian Dollar	14,039	13,345	678,822	615,094
Euro	1,333,049	1,619,020	6,545,831	5,227,507
	1,347,088	1,632,365	7,645,702	6,396,489

23. DEFERRED TAX

	2022	2021
	£	£
Balance at 1 January	(228,000)	-
Credit to profit and loss in the year	642,130	(228,000)
Balance at 31 December	414,130	(228,000)

24. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme for employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounts to £154,650 (2021 - £134,555). There were contributions totalling £Nil outstanding at the balance sheet date (2021 - £22,972).

LANDMARK GLOBAL (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****25. RELATED PARTY DISCLOSURES**

The company made sales and purchases to the following group entities. All transactions are made on an arms length basis.

	Sales		Purchases and Interco Recharges	
	2022	2021	2022	2021
	£	£	£	£
Landmark Global Inc	1,922,993	1,625,765	880,634	2,423,531
Bpost International NV - EUR	645,504	574,983	15,348,016	30,006,801
Bpost International NV	137,463	18,703	-	-
Landmark Trade Services UK	8,224	25,908	388,672	296,835
Landmark Trade Services (Canada)	-	-	6,414,718	5,791,172
Radial BE	1,104	14	-	-
Radial NL	1,022	5,839	-	-
Radial Europe - Commerce Ltd	692	2,986	-	9,233
Radial Poland	(713)	16,596	496	775
Radial Inc	-	-	5,677	-

At the balance sheet date, the following amounts were due from/to group entities.

	Debtors		Creditors	
	2022	2021	2022	2021
	£	£	£	£
Landmark Global Inc	422,791	269,761	221,132	431,117
Bpost International NV - EUR	111,835	108,868	5,836,938	4,350,362
Bpost International NV	176,314	94,128	-	-
Landmark Trade Services UK	628	81,822	36,886	(28,487)
Landmark Trade Services (Canada)	-	-	594,367	411,585
Bpost Hong Kong Ltd	-	10,567.43	-	-
Landmark Trade Services (Netherlands)	-	-	-	5,650

26. EVENTS AFTER THE REPORTING PERIOD

On 12 May 2023, the Company received a dividend of £4,121,950 from bPost Hong Kong Limited.

27. ULTIMATE CONTROLLING PARTY

The Company's ultimate parent undertaking and controlling party is bPost NV, a company incorporated in Belgium. The financial statements of bPost NV can be obtained from Centre Boulevard Anspach 1/1, 1000 Brussels.

LANDMARK GLOBAL (UK) LIMITED

RECONCILIATION OF EQUITY

1 JANUARY 2021

(DATE OF TRANSITION TO IFRSS)

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	31,834	-	31,834
Property, plant and equipment	290,237	634,450	924,687
	<u>322,071</u>	<u>634,450</u>	<u>956,521</u>
CURRENT ASSETS			
Trade and other receivables	7,652,737	95,002	7,747,739
Cash and cash equivalents	3,089,177	-	3,089,177
Prepayments	684,908	-	684,908
	<u>11,426,822</u>	<u>95,002</u>	<u>11,521,824</u>
TOTAL ASSETS	<u>11,748,893</u>	<u>729,452</u>	<u>12,478,345</u>
SHAREHOLDERS' EQUITY			
Called up share capital	37,048,959	-	37,048,959
Retained earnings	(36,352,733)	(14,859)	(36,367,592)
TOTAL EQUITY	<u>696,226</u>	<u>(14,859)</u>	<u>681,367</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Contract liabilities	-	359,297	359,297
CURRENT LIABILITIES			
Trade and other payables	11,052,667	-	11,052,667
Contract liabilities	-	385,014	385,014
TOTAL LIABILITIES	<u>11,052,667</u>	<u>744,311</u>	<u>11,796,978</u>
TOTAL EQUITY AND LIABILITIES	<u>11,748,893</u>	<u>729,452</u>	<u>12,478,345</u>

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED

RECONCILIATION OF EQUITY - continued
31 DECEMBER 2021

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	25,900	-	25,900
Property, plant and equipment	214,844	241,475	456,319
Deferred tax	228,000	-	228,000
	<u>468,744</u>	<u>241,475</u>	<u>710,219</u>
CURRENT ASSETS			
Trade and other receivables	9,747,263	-	9,747,263
Cash and cash equivalents	5,603,656	-	5,603,656
	<u>15,350,919</u>	<u>-</u>	<u>15,350,919</u>
TOTAL ASSETS	<u>15,819,663</u>	<u>241,475</u>	<u>16,061,138</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	37,048,959	-	37,048,959
Retained earnings	(34,889,389)	(40,643)	(34,930,032)
TOTAL EQUITY	<u>2,159,570</u>	<u>(40,643)</u>	<u>2,118,927</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13,660,093	-	13,660,093
Financial liabilities - borrowings	-	282,118	282,118
	<u>13,660,093</u>	<u>282,118</u>	<u>13,942,211</u>
TOTAL LIABILITIES	<u>13,660,093</u>	<u>282,118</u>	<u>13,942,211</u>
TOTAL EQUITY AND LIABILITIES	<u>15,819,663</u>	<u>241,475</u>	<u>16,061,138</u>

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED**RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	FRS 102	Effect of	IFRSs
	£	transition	£
		to IFRSs	
		£	
Revenue	53,206,105	-	53,206,105
Cost of sales	(45,595,340)	-	(45,595,340)
GROSS PROFIT	7,610,765	-	7,610,765
Administrative expenses	(6,375,421)	(7,809)	(6,383,230)
Finance costs	-	(17,975)	(17,975)
PROFIT BEFORE TAX	1,235,344	(25,784)	1,209,560
Income tax	228,000	-	228,000
PROFIT FOR THE YEAR	1,463,344	(25,784)	1,437,560

The notes form part of these financial statements

LANDMARK GLOBAL (UK) LIMITED**DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
REVENUE		
Sales	49,848,965	53,206,105
	<u>49,848,965</u>	<u>53,206,105</u>
COST OF SALES		
Direct costs	43,224,488	44,185,484
Wages	1,437,264	1,296,812
Social security	137,334	113,044
	<u>44,799,086</u>	<u>45,595,340</u>
OTHER OPERATING INCOME		
Reversal impairment of investments	543,103	-
	<u>543,103</u>	<u>-</u>

This page does not form part of the statutory financial statements

LANDMARK GLOBAL (UK) LIMITED**DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
ADMINISTRATIVE EXPENSES		
Establishment costs		
Leases	229,480	300,486
Rates and water	314,662	143,640
Insurance	124,514	54,530
Light and heat	64,078	63,741
Administrative expenses		
Wages	2,579,331	2,841,164
Social security	192,944	169,314
Pensions	154,650	134,555
Telephone	38,562	36,214
Post and stationery	26,939	71,286
Advertising	2,719	97
Travelling	60,715	26,122
Repairs and renewals	165,967	169,763
Cleaning	23,387	30,079
Staff training	93,086	48,053
Computer costs	194,698	135,161
General office expenses	14,809	9,854
Consultancy	56,818	95,624
Staff welfare	12,046	13,607
Accountancy	11,239	8,545
Subscriptions	11,722	7,895
Service charge - interco	1,857,567	1,146,596
Security and screening	133,619	50,723
Auditors' remuneration	20,500	11,125
Auditors' remuneration for non audit work	9,450	3,450
Foreign exchange losses	326,251	25,465
Amortisation of intangible fixed assets	13,067	15,434
Depreciation of tangible fixed assets	949,259	510,935
Profit/loss on sale of tangible fixed assets	12,204	-
Admin extra 1		
Entertainment	35,035	47,354
Bad debts	280,774	103,016
Premises expenses	64,471	94,871
Finance costs		
Bank charges	9,339	14,531
	<u>8,083,902</u>	<u>6,383,230</u>
FINANCE COSTS		
Leasing	369,055	17,975
	<u>369,055</u>	<u>17,975</u>

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