

Registered number: 13651162

**ORVEON GLOBAL PARENT LTD.**

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



# **ORVEON GLOBAL PARENT LTD.**

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# **ORVEON GLOBAL PARENT LTD.**

## **COMPANY INFORMATION**

### **Directors**

C J Coombe  
J I Whittaker  
J A Nuccio

### **Company secretary**

Trustmoore UK Officer Ltd

### **Registered office**

C/O Trustmoore (UK) Ltd  
Central House 20 Central Avenue  
St Andrews Business Park  
Norwich  
NR7 0HR

### **Statutory auditor**

Deloitte LLP  
1 New Street Square  
London  
EC4A 3HQ

# ORVEON GLOBAL PARENT LTD.

## STRATEGIC REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2022

The directors present the Strategic Report of Orveon Global Parent Ltd. (the "Company") together with its subsidiaries (the "Group") for the period ended 31 December 2022.

These are the first financial statements prepared by the Group and as such, no comparative period is presented.

#### Business review, development and performance during the period

The Company was incorporated on 29 September 2021 and it is therefore its first period of trading.

Orveon is a collective of premium and prestige brands with the vision of becoming the sustainable face care expert. The Group's core values are solidarity, stark honesty and benevolent activism. Innovation is a key pillar of the Group's strategy: partnering with the best external players to make a difference. Providing not just Product, but Service and Experience, leading the transition from Beauty to Wellness and Health, behind natural and biomimetic molecules, fully leveraging the skinification of Make-up.

The Group recorded an operating loss for the period of \$197,427,453. This was the first period of operation of the Group and directors were focused on activities relating to fully standing Orveon up independently, exiting various Transition Agreements with the Seller.

#### Principal risks and uncertainties

The ongoing success of the Group is dependent on continuing to grow on a profitable basis, maintaining the strength of the brand and customer relationships within the assigned markets as well as new markets.

#### Key performance indicators ("KPIs")

The Group uses a number of key financial performance indicators in assessing the performance. The key financial performance indicators used by the company are as follows:

	2022 \$'000	Definition, method of calculation and analysis
Turnover	457,141	Turnover value year on year
Gross Margin	60%	This is the ratio of gross profit to turnover expressed as a percentage
Liquidity ratio	143%	This is the liquidity ratio measuring the Group's ability to pay off its current liabilities using its current assets
Net profit	(215,044)	Net profit for the period

#### Section 172(1) statement

The directors delegate day to day management and decision making to its senior management team, and the Board of the operating entities. Significant decisions are made in conjunction with the shareholders to ensure alignment with the long term vision for the Group.

The Group was founded on the guiding principle to change beauty for the better and is committed to its core values of uncompromising ethics, integrity, fairness, and diversity. Our leadership is committed to serve the Orveon ecosystem, driven by our purpose and values to change beauty for the better (people and planet) as a sustainable face care expert collective.

**ORVEON GLOBAL PARENT LTD.**  
**STRATEGIC REPORT (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**Section 172(1) statement (continued)**

Our people are essential to our success, future growth, and our aim to build leading positions in our long-term markets. We continue to invest substantial time and effort to employ, train, develop and retain employees who are passionate about our business and have up-to-date knowledge and world class expertise in our key functional areas. We believe how we do things is as important as what we do. We're guided by three values: *solidarity, stark honesty, and benevolent activism*. *Our people helped develop these values, and we live them every day.* The Group is deeply committed to building a workplace and global community where inclusion is not only valued but prioritised. We strive to build and nurture a culture where a focus on diversity, equity, and inclusion is instinctive. Our deep sense of passion and pride in what we do, both as individuals and as a collective, unifies our shared commitment to "changing beauty for the better".

The Group values its relationships with its suppliers, the communities we touch, respect for people, working to create a more sustainable world and healthy environment, and strive to achieve the success of our respective businesses while operating at the highest level of ethical standards in compliance with the law. We require our suppliers to comply with our published Supplier Code of Conduct.

By order of the board:

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**J A Nuccio**  
**Director**

**Date:** 8th February 2024

# **ORVEON GLOBAL PARENT LTD.**

## **DIRECTORS' REPORT**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

The directors present their annual report and the audited financial statements of Orveon Global Parent Ltd. (the "Company") together with its subsidiaries (the "Group") for the 16 months period ended 31 December 2022.

#### **Principal activities**

The principal activity of the Company in the period is to act as an investment holding company.

The Company was incorporated on 29 September 2021 and this is the first period for which financial statements have been prepared.

#### **Results and dividends**

The loss for the period, after taxation amounted to \$215,044,294.

The directors do not recommend a final dividend and no interim dividend was paid during the period.

#### **Directors**

The directors who served during the period and up to the date of signing the financial statements, unless otherwise stated, were:

C J Coombe	(appointed 29 September 2021)
J I Whittaker	(appointed 19 November 2021)
J A Nuccio	(appointed 19 November 2021)

#### **Qualifying third party indemnity provisions**

Qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) were in force for the benefit of the directors during the period as well as at the date of approval of financial statements.

#### **Going concern**

After making due enquiries the directors of the Group have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future; at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Group's cash flow forecasts can be heavily sensitised before any issues with liquidity would be incurred. Additionally, in February 2023 the Company entered into a \$125 million Asset Backed Lending Facility. Further equity injections post year end have been received as detailed in note 25 to the financial statements. As of the date of these financial statements, availability liquidity was in excess of \$30,000,000.

#### **Future developments**

The Group will continue to trade in its existing markets and will look for, and take advantage of, all opportunities to increase its turnover and profitability.

# **ORVEON GLOBAL PARENT LTD.**

## **DIRECTORS' REPORT (continued)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **Financial risk management**

The Group has adopted risk management policies that seek to mitigate the financial risks as follows:

##### ***Price risk***

Price and supply of key materials used in manufacture of our products are primarily managed on a group basis. The cost of our products can have a direct impact on our margins and our ability to maintain our competitive position. In order to mitigate this risk, we try to manage cost by using multiple vendors and to pass these increases to our customers and consumers, where the competitive positioning makes the increase possible.

##### ***Credit risk***

Credit risk is managed through credit or background checks on new customers and use of pre determined credit limits. Ongoing reviews are performed on existing customers, primarily focused on regularly reviewing receivables amounts and ageing.

##### ***Liquidity risk***

Liquidity risk is managed on a group-wide basis by the central treasury department who manage the cash flows, liquidity needs and sources of funding across the group as a whole.

##### ***Cash flow risk***

Cash forecasts are reviewed regularly and working capital management is a focus for the group.

##### ***Foreign exchange risk***

The Group's activities expose it to the financial risk of changes in foreign currency exchange rates, primarily with the USD. These risks are managed on a group level central treasury department.

#### **Streamlined energy and carbon reporting ('SECR')**

The Company's carbon emissions are below the reporting threshold of 40,000 kWh per period. The Company has also taken the option to exclude subsidiaries which are not required to report individually in their standalone financial statements.

As a result, there are no entities in scope of those consolidated financial statements required to produce energy and carbon information and the Group has not produced non-financial information in relation to the SECR requirements.

#### **Disclosure of information to auditor**

The directors who held office at the date of approval of the directors' report confirm that, so far as they are each 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 to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Independent auditors**

Deloitte LLP was appointed as auditor of the Company in accordance with section 485 of the Companies Act 2006.

**ORVEON GLOBAL PARENT LTD.**  
**DIRECTORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**Existence of branches outside of the United Kingdom**

The Group has overseas operations in the United States, Japan and France, through which some of the Group's activities are operated.

**Post balance sheet events**

On 17 March 2023, 14,627 A ordinary shares were issued at \$0.00002 par value per share for a premium of £20,478,431.


On 27 April 2023, 11,754 A ordinary shares were issued at \$0.00002 par value per share for a premium of £16,456,042.

On 08 June 2023, 14,286 A ordinary shares were issued at \$0.00002 par value per share for a premium of £20,000,000.

On 11 August 2023, 21,429 A ordinary shares were issued at \$0.00002 par value per share for a premium of £1,400.

There have been no other significant post balance sheet events affecting the Group since the period end which require disclosure in or amendment to the financial statements.

This report was approved by the board on 8th February 2024 and signed on its behalf by:

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**J A Nuccio**  
**Director**



## **ORVEON GLOBAL PARENT LTD.**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES OF ORVEON GLOBAL PARENT LTD.**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulation.

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 Accounting Standards, and applicable law (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, 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 Group and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonable open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The directors are responsible for the maintenance and integrity of the Company's website.

# **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORVEON GLOBAL PARENT LTD.**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Orveon Global Parent Ltd. (the 'parent company') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated statement of other comprehensive income;
- the consolidated and parent company balance sheet;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flows; and
- the related notes 1 to 25.

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).

### **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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 group's and parent 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.

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORVEON GLOBAL PARENT LTD. (continued)**

### **Conclusions relating to going concern (continued)**

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

### **Auditor's responsibilities for the audit of the financial statements**

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORVEON GLOBAL PARENT LTD. (continued)**

### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included environmental regulations, health and safety legislation and GDPR.

We discussed among the audit engagement team, including significant component audit teams regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- **Purchase Price allocation:** There is a risk that purchase price allocation could be calculated inappropriately which could result in incorrect accounting for the acquisition that arose in the period. We have assessed the design and implementation testing on the key controls management have in place to address the risk as well as the experts that they engaged to support with the calculation. Substantive testing procedures have been designed to address this risk and includes performing recalculation of the model used and benchmarking the suitability of the assumptions. We have also verified the consideration to the funds flow and the SPA.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORVEON GLOBAL PARENT LTD. (continued)**

### **Report on other legal and regulatory requirements**

#### **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 period 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.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

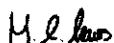
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors'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

We have nothing to report in respect of these matters.

#### **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.

DocuSigned by:



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Mark Lewis FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditors  
Leeds, United Kingdom  
8th February 2024

**ORVEON GLOBAL PARENT LTD.**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

		<b>16 month period ended 31 December 2022</b>
	<b>Note</b>	<b>\$'000</b>
<b>Revenue</b>	4	457,141
Cost of sales		(180,853)
<b>Gross profit</b>		<b>276,288</b>
Administrative expenses		(473,715)
<b>Operating loss</b>	5	<b>(197,427)</b>
Interest payable and similar charges	9	(17,189)
<b>Loss before tax</b>		<b>(214,616)</b>
Tax on loss	10	(428)
<b>Loss for the financial period</b>		<b>(215,044)</b>

All amounts relate to continuing activities.

The loss for the period is fully attributable to the equity holders of the Parent Company.

The notes on pages 18 to 34 are an integral part of these consolidated financial statements.

**ORVEON GLOBAL PARENT LTD.**  
**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Note	16 month period ended 31 December 2022 \$'000
<b>Loss for the financial period</b>		<b>(215,044)</b>
<b><i>Other comprehensive expense:</i></b>		
Currency translation adjustment		(2,357)
<b>Other comprehensive expense, net of tax</b>		<b>(2,357)</b>
<b>Total comprehensive expense</b>		<b>(217,401)</b>

The notes on pages 18 to 34 are an integral part of these consolidated financial statements.

**ORVEON GLOBAL PARENT LTD.**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

REGISTERED NUMBER: 13651162

	Note	2022 \$'000
<b>Fixed assets</b>		
Intangible assets	11	282,624
Tangible assets	12	38,506
		<b>321,130</b>
<b>Current assets</b>		
Stock	14	107,848
Debtors: amounts falling due after more than one year	15	64,974
Debtors: amounts falling due within one year	15	78,992
Cash at bank and in hand		69,654
		<b>321,468</b>
Creditors: amounts falling due within one year	16	(225,361)
<b>Net current assets</b>		<b>96,107</b>
<b>Total assets less current liabilities</b>		<b>417,237</b>
Creditors: amounts falling due after more than one year	17	(249,153)
Deferred tax liability	18	–
<b>Net assets</b>		<b>168,084</b>
<b>Capital and reserves</b>		
Called up share capital	19	–
Share premium	20	385,485
Foreign currency translation reserve	20	(2,357)
Profit and loss account	20	(215,044)
<b>Equity shareholders' funds</b>		<b>168,084</b>

The consolidated financial statements on pages 12 to 34 were approved by the board of directors on and were signed on its behalf by:

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**J A Nuccio****Director**

The notes on pages 18 to 34 are an integral part of these financial statements.




**ORVEON GLOBAL PARENT LTD.**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

REGISTERED NUMBER: : 13651162

	Note	2022 \$'000
<b>Fixed assets</b>		
Investments	13	361,578
		<b>361,578</b>
<b>Current assets</b>		
Stock	14	—
Debtors: amounts falling due within one year	15	62,836
Cash at bank and in hand		23,747
		<b>86,583</b>
Creditors: amounts falling due within one year	16	(62,841)
<b>Net current assets</b>		<b>23,742</b>
<b>Total assets less current liabilities</b>		<b>385,320</b>
<b>Net assets</b>		<b>385,320</b>
<b>Capital and reserves</b>		
Called up share capital	19	—
Share premium	20	385,485
Profit and loss account	20	(165)
<b>Equity shareholders' funds</b>		<b>385,320</b>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its separate Statement of profit and loss in these financial statements. The loss after tax of the Company for the period was \$165,000.

The consolidated financial statements on pages 12 to 34 were approved by the board of directors on and were signed on its behalf by:

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**J A Nuccio**

**Director**

The notes on pages 18 to 34 are an integral part of these financial statements.

**ORVEON GLOBAL PARENT LTD.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Called up share capital \$'000	Share premium \$'000	Foreign currency translation reserve \$'000	Profit and loss account \$'000	Total \$'000
At 29 September 2021 (on incorporation)	–	–	–	–	–
Loss for the financial period	–	–	–	(215,044)	(215,044)
Translation exchange differences	–	–	(2,357)	–	(2,357)
<b>Total comprehensive expense for the financial period</b>	–	–	(2,357)	(215,044)	(217,401)
Shares issued in the period	–	385,485	–	–	385,485
<b>At 31 December 2022</b>	–	<b>385,485</b>	<b>(2,357)</b>	<b>(215,044)</b>	<b>168,084</b>

The notes on pages 18 to 34 are an integral part of these financial statements.

**ORVEON GLOBAL PARENT LTD.**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Called up share capital \$'000	Share premium \$'000	Profit and loss account \$'000	Total \$'000
At 29 September 2021 (on incorporation)	–	–	–	–
Loss for the financial period	–	–	(165)	(165)
<b>Total comprehensive expense for the financial period</b>	–	–	(165)	(165)
Shares issued during the period	–	385,485	–	385,485
<b>At 31 December 2022</b>	–	<b>385,485</b>	<b>(165)</b>	<b>385,320</b>

The notes on pages 18 to 34 are an integral part of these financial statements.

**ORVEON GLOBAL PARENT LTD.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	<b>2022</b>
	<b>\$'000</b>
<b>Cash flows from operating activities</b>	
Operating loss for the financial period	(197,427)
<b>Adjustments for:</b>	
Depreciation and amortisation	55,204
Increase in stock	(24,100)
Increase in debtors	(76,778)
Increase in creditors	217,800
Other non-cash expenses	1,555
<b>Net cash used in operating activities</b>	<b>(23,746)</b>
<b>Cash flow from investing activities</b>	
Purchase of fixed assets	(17,800)
<b>Net cash used in investing activities</b>	<b>(17,800)</b>
<b>Cash flow from financing activities</b>	
Capital contributions from parent	105,800
Proceeds from loans	5,400
Interest paid	–
<b>Net cash generated from financing activities</b>	<b>111,200</b>
<b>Net increase in cash and cash equivalents</b>	<b>69,654</b>
Cash and cash equivalents at the beginning of the financial period	–
<b>Cash and cash equivalents at the end of the financial period</b>	<b>69,654</b>

The notes on pages 18 to 34 are an integral part of these financial statements.

# **ORVEON GLOBAL PARENT LTD.**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **1 General information**

The principal activity of the Company in the period is to act as an investment holding company.

Orveon Global Parent Ltd. ("the Company") is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is C/O Trustmoore (UK) Ltd, Central House 20 Central Avenue, St Andrews Business Park, Norwich, NR7 0HR.

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements are presented in US dollars and rounded to the nearest thousand US dollars (\$'000).

These financial statements are prepared on a going concern basis, under the historical cost convention. The policies have been applied to the period presented.

#### **2.2 Going concern**

After making due enquiries the directors of the Group have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future; at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Group's cash flow forecasts can be heavily sensitised before any issues with liquidity would be incurred. Additionally, in February 2023 the Company entered into a \$125 million Asset Backed Lending Facility. Further equity injections post year end have been received as detailed in note 25 to the financial statements. As of the date of these financial statements, availability liquidity was in excess of \$30,000,000.

#### **2.3 Principles of consolidation**

The Group financial statements incorporate the financial statements of the Company and entities controlled by the Company (and its subsidiaries) made up to 31 December each year.

Control is achieved where the Company has power over the investee: exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns.

The acquisition of subsidiaries is accounted for using the acquisition method. On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values on the date of acquisition. The interest of non-controlling shareholders is stated at the non-controlling

# **ORVEON GLOBAL PARENT LTD.**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **2.3 Principles of consolidation (continued)**

shareholders proportion of the fair values of the identifiable assets, liabilities and contingent liabilities recognised. Consideration payable on acquisition is measured at fair value.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. Intercompany transactions and balances between group entities are eliminated on consolidation.

#### **2.4 Turnover**

Turnover is recognised in the amount that reflects the consideration that the Group expects that it will be entitled to in exchange for transferring goods to its customers. Net sales are comprised of the transaction price from sales of products less expected allowances, including allowances for advertising, damages, promotions, discounts, and return rights. These allowances are estimated based on agreed-upon terms and the Group's historical experience and are recorded as a reduction to sales and accounts receivable in the same period the related sales are recorded.

Turnover is recognised to the extent that it is probable that the economic benefit will flow to the Group and the turnover can be reliably measured.

#### **2.5 Pensions**

##### **Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss 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 Group in independently administered funds.

#### **2.7 Interest payable and similar charges**

Interest payable presented in profit or loss includes interest on financial liabilities at amortised cost on an effective interest rate basis.

#### **2.8 Foreign currency translation**

##### **Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in 'US Dollars' (\$), which is also the Group's functional currency. The functional currency reflects the current and prospective substance of the underlying transactions and circumstances of the Group.

# **ORVEON GLOBAL PARENT LTD.**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **2.8 Foreign currency translation (continued)**

##### **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. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Exchange gains and losses are recognised in profit or loss.

#### **2.9 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

##### **i. Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

##### **ii. Deferred tax**

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities, using tax rates that are expected to apply when the temporary differences reverse, based on rates enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related deferred tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

## ORVEON GLOBAL PARENT LTD.

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE PERIOD ENDED 31 DECEMBER 2022

##### 2.10 Intangible assets

###### *Computer software*

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3 years.

The amortisation expense is recognised within profit or loss within administrative expenses.

###### *Goodwill and other intangibles*

Goodwill and other intangibles are amortised over their useful life. When management is unable to reliably determine the useful life of an intangible asset, the amortisation is recognised over 10 years.

Amortisation is provided on the following basis:

Goodwill	- 10 years straight-line
Brand name	- 10 years straight-line
Customer relationships	- 10 years straight-line

# **ORVEON GLOBAL PARENT LTD.**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **2.11 Tangible 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.

At each reporting date the Group 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.

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 & Leasehold Improvements	- 5 years straight-line
Furniture & Fixtures	- 5 years straight-line
Computer Equipment	- 3 - 5 years straight-line
Stands & Counters	- 5 years 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 profit or loss.

#### **2.12 Assets under the course of construction**

Assets under course of construction relate to items that are fixed assets in nature but are not yet complete. These costs are held in the balance sheet but are not depreciated. Once all the costs relating to a particular asset have been incurred and the asset is in use the asset is transferred to the relevant section within tangible fixed assets and depreciation is then applied.

#### **2.13 Asset impairment**

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the group would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.



## **ORVEON GLOBAL PARENT LTD.**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

##### **2.14 Stocks**

Stock is stated at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. Cost is determined using the weighted average cost method. In the case of finished goods and work in progress, cost comprises the actual cost of raw materials and direct labour and an appropriate proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

##### **2.15 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.

##### **2.16 Financial instruments**

The Group has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

###### **i. Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

# **ORVEON GLOBAL PARENT LTD.**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **2.16 Financial instruments (continued)**

##### **ii. Financial liabilities**

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

Basic debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### **iii. Offsetting**

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

#### **2.17 Called up share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **3 Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### ***(a) Critical judgements in applying the Group's accounting policies***

No critical judgements have been made in applying the Group's accounting policies.

##### ***(b) Critical accounting estimates and assumptions***

###### ***Deferred consideration and fair value of Seller Note***

The consideration transferred includes considerations arrangements with certain dependencies on future events, primarily relating to the future value of the business. The deferred consideration includes a deferred note payable (the "Seller Note") which is recognised within creditors: amounts falling due after more than one year (see note 17). The value of the Sellers Note was based on significant level 3 inputs not observable in the market. The estimation approach used a Monte Carlo simulation in an option pricing framework where a range of scenarios were simulated, and key assumptions included forecasted business performance, enterprise volatility and the correlation between net sales and enterprise value.

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**4 Turnover**

The analysis by geographical area of the Group's turnover is set out below:

	16 month period ended 31 December 2022 \$'000
North America	326,259
Rest of the world	130,882
	<b>457,141</b>

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

	16 month period ended 31 December 2022 \$'000
Sales of goods	457,141

**5 Operating loss**

The operating loss recognised after charging:

	16 month period ended 31 December 2022 \$'000
Depreciation of tangible fixed assets	19,032
Amortisation of intangible assets	36,172
Difference on foreign exchange	2,373
Loss on sale of tangible assets	342
Impairment of trade receivables	733
Impairment of inventory	13,900
Operating leases	10,457

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**6 Auditors' remuneration**

	16 month period ended 31 December 2022 \$'000
Fees payable to the Company's auditors for the audit of the Consolidated and Company's financial statements	115
<b><i>Fees payable to the Company's auditor and its associates for other services:</i></b>	
Fees payable to the Company's auditors for the audit of the Company's subsidiary undertakings	810
	<b>925</b>

**7 Employee information**

The average monthly number of persons (including executive directors) employed by the Group during the period was:

	16 month period ended 31 December 2022 Number
Administration and central functions	359
Stores and distribution	349
	<b>708</b>

	16 month period ended 31 December 2022 \$'000
<b>Staff costs</b>	
Wages and salaries	102,167
Social security costs	1,422
Other pension costs	—
	<b>103,589</b>

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**8 Directors' emoluments**

	16 month period ended 31 December 2022 \$'000
Directors' emoluments	129
Company contributions to defined contribution schemes	–
	<b>129</b>

During the period, two directors were remunerated by the Company. No retirement benefits were accruing to directors in respect of defined contribution schemes.

The directors of the Parent Company are also considered to be the key management personnel of the Group.

**9 Interest payable and similar charges**

	16 month period ended 31 December 2022 \$'000
Interest payable on loans	17,189
	<b>17,189</b>

**10 Taxation**

***(a) Analysis of charge in the period***

	16 month period ended 31 December 2022 \$'000
<b>Current tax:</b>	
UK corporation tax on loss for the period	636
<b>Current tax charge</b>	<b>636</b>
<b>Deferred tax:</b>	
Origination and reversal of timing differences	(208)
<b>Deferred tax (credit)/charge</b>	<b>(208)</b>
<b>Tax on loss</b>	<b>428</b>

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**10 Taxation (continued)**

***(b) Factors affecting the tax charge for the period***

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	<b>16 month period ended 31 December 2022 \$'000</b>
Loss before tax	(214,616)
Loss before tax multiplied by UK weighted average rate of tax of 19%	(40,777)
<b><i>Effects of:</i></b>	
Tax rate changes	(10)
Non-deductible expenses	2,432
Effect of overseas tax rate	(4,089)
Deferred tax not recognised	42,872
<b>Total tax charge</b>	<b>428</b>

***(c) Tax rate changes***

On 24 May 2021, changes to the UK corporation tax rates were enacted with an increase to the corporation tax rate to 25% with effect from 1 April 2023.

There are no deferred tax assets recognised at 31 December 2022. A deferred tax asset has not been recognised in respect of timing differences relating to tax losses and short-term timing differences as there is insufficient evidence that the asset will be recovered.

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**11 Intangible assets**

	<b>Goodwill</b>	<b>Brand name</b>	<b>Customer relationships</b>	<b>Software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>					
At 29 September 2021 (on incorporation)	–	–	–	–	–
Additions	3,000	271,000	31,000	13,796	<b>318,796</b>
<b>At 31 December 2022</b>	<b>3,000</b>	<b>271,000</b>	<b>31,000</b>	<b>13,796</b>	<b>318,796</b>
<b>Accumulated amortisation</b>					
At 29 September 2021 (on incorporation)	–	–	–	–	–
Amortisation charge	325	29,358	1,679	4,810	<b>36,172</b>
<b>At 31 December 2022</b>	<b>325</b>	<b>29,358</b>	<b>1,679</b>	<b>4,810</b>	<b>36,172</b>
<b>Net book value</b>					
<b>At 31 December 2022</b>	<b>2,675</b>	<b>241,642</b>	<b>29,321</b>	<b>8,986</b>	<b>282,624</b>

The amortisation charge is included within administrative expenses.

**12 Tangible assets**

<b>Group</b>	<b>Buildings &amp; Leasehold</b>	<b>Furniture &amp; Fixtures</b>	<b>Computer Equipment</b>	<b>Stand &amp; counters</b>	<b>Assets under construction</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>						
At 29 September 2021 (on incorporation)	–	–	–	–	–	–
Additions	2,552	2,213	1,789	48,759	2,225	<b>57,538</b>
<b>At 31 December 2022</b>	<b>2,552</b>	<b>2,213</b>	<b>1,789</b>	<b>48,759</b>	<b>2,225</b>	<b>57,538</b>
<b>Accumulated depreciation</b>						
At 29 September 2021 (on incorporation)	–	–	–	–	–	–
Depreciation charge	1,830	1,604	820	14,778	–	<b>19,032</b>
<b>At 31 December 2022</b>	<b>1,830</b>	<b>1,604</b>	<b>820</b>	<b>14,778</b>	<b>–</b>	<b>19,032</b>
<b>Net book value</b>						
<b>At 31 December 2022</b>	<b>722</b>	<b>609</b>	<b>969</b>	<b>33,981</b>	<b>2,225</b>	<b>38,506</b>

The depreciation charge is included within administrative expenses.

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**13 Investments**

**Company**

	Investments in subsidiaries \$'000	Long term loans to subsidiaries \$'000	Total \$'000
<b>Cost</b>			
At 29 September 2021 (on incorporation)	–	–	–
Additions	346,578	15,000	361,578
<b>At 31 December 2022</b>	<b>346,578</b>	<b>15,000</b>	<b>361,578</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>346,578</b>	<b>15,000</b>	<b>361,578</b>

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Country of incorporation	Holding
Orveon Global Newco Ltd.	C/O Trustmoore (Uk) Ltd, Central House 20 Central Avenue, St Andrews Business Park, Norwich, England, NR7 0HR	Holding company	United Kingdom	100%

**Indirect subsidiaries**

Name	Country of incorporation	Principal activity	Class of shares	Holding
Orveon Global Holdings Ltd.	United Kingdom	Holding company	Ordinary	100%
Orveon Global Intermediate Ltd.	United Kingdom	Holding company	Ordinary	100%
Orveon Global Ltd.	United Kingdom	Limited risk distributor	Ordinary	100%
Buxom US Buyer LLC	USA	Trading company	Ordinary	100%
Laura Mercier US Buyer LLC	USA	Trading company	Ordinary	100%
Orveon Global Japan KK	Japan	Limited risk distributor	Ordinary	100%
Orveon Global US LLC	USA	Trading company	Ordinary	100%

The below UK subsidiaries have sought and received a parental guarantee from Orveon Global Parent Ltd. under section 479A of the Companies Act 2006 which has allowed them to be exempt from filing audited financial statements. Their unaudited financial statements will be filed on Companies House in the course of 2024.

Orveon Global Ltd. registered under company number 13618162  
Orveon Global Holdings Ltd. registered under company number 13540732  
Orveon Global Intermediate Ltd. registered under company number 13651085  
Orveon Global Newco Ltd. registered under company number 13651260



**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**14 Stocks**

	2022 \$'000
Finished goods	107,848
	107,848

During the period, impairment in relation to stock of £13,900,000 has been recognised through profit or loss.

There is no significant difference between the replacement cost of raw materials and consumables and their carrying amounts.

**15 Debtors**

	Group 2022 \$'000	Company 2022 \$'000
<b>Amounts falling due after more than one year</b>		
Amounts owed by related parties	64,974	–
	64,974	–
<b>Amounts falling due within one year</b>		
Trade debtors	71,250	–
Amounts owed by group undertakings	–	62,836
Other debtors	2,362	–
Prepayments and accrued income	5,172	–
Deferred tax asset	208	–
	78,992	62,836

Amounts owed by group undertakings and related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**16 Creditors: amounts falling due within one year**

	Group 2022 \$'000	Company 2022 \$'000
Trade creditors	82,304	–
Amounts owed to group undertakings	–	62,836
Finance leases	–	–
Corporation tax	636	–
Other creditors	33,367	3
Accruals and deferred income	109,054	2
	225,361	62,841

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**17 Creditors: amounts falling due after more than one year**

	<b>2022</b>
	<b>\$'000</b>
Other loans	239,623
Other creditors	9,530
	<b>249,153</b>

Other loans relate to sellers note repayable in 2028. The loan is unsecured and bears interest at 4.50% to 7.75%. Other creditors relates primarily to obligations relating to Finance Leases.

**18 Deferred taxation**

**Group**

	<b>2022</b>
	<b>\$'000</b>
At beginning of the period	–
Credited to profit or loss	(208)
Charged to other comprehensive income	–
At the end of the period	<b>(208)</b>

The provision of deferred taxation is made up as follows:

	<b>2022</b>
	<b>\$'000</b>
Fixed asset timing differences	5,602
Losses carried forward	(5,649)
Other timing differences	(161)
	<b>(208)</b>

The Group has an unrecognised deferred tax asset in respect of losses that are unlikely to be utilised in future periods (see note 10).

**19 Called up share capital**

	<b>2022</b>
	<b>\$'000</b>
<b>Allotted and fully paid</b>	
387,546 Ordinary A shares of \$0.00002 each	–
1 Ordinary B shares of \$1 each	–
	<b>–</b>

Only the A Ordinary shares confer voting rights and right to attend general meetings of the Company. Dividends may be declared on any class of shares without providing a compensatory dividend to the holders of other classes of shares.

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**20 Reserves**

**Share premium account**

The share premium account represents the amount subscribed for share capital in excess of the nominal value.

**Profit and loss account**

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

**Foreign currency translation reserve**

The foreign currency exchange reserve comprises all foreign currency differences arising from the translation of financial items from their functional currency into the presentation currency of the Group.

**21 Related party transactions**

The consolidated financial statements include transactions carried out between the Company, its subsidiaries and its parent; as well as fellow subsidiaries and associates of parents considered to be related parties. The directors consider that there are no main transactions to disclose with these related parties.

**22 Capital and other commitments**

At 31 December 2022 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b>
	<b>\$'000</b>
Less than 1 year	<b>6,100</b>
2-5 years	<b>21,200</b>
More than 5 years	<b>1,000</b>
	<b>28,300</b>

**ORVEON GLOBAL PARENT LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

**23 Business combinations**

On 6 December 2021, the Group closed the acquisition of the Laura Mercier, bareMinerals and Buxom trade names and related assets in return for shares issued to the ultimate parent company of \$214 million. The breakdown of acquired assets and liabilities is as follows:

	<b>2022</b>
	<b>\$'000</b>
Brand names	<b>271,000</b>
Customer relationships	<b>31,000</b>
Stock	<b>73,000</b>
Tangible assets	<b>47,000</b>
Other assets and liabilities, net	<b>13,000</b>
Goodwill	<b>3,000</b>
Loans	<b>(224,000)</b>
<b>Net consideration</b>	<b>214,000</b>

**24 Controlling party**

The immediate parent company, ultimate parent company and controlling party is Orveon Management Global LLC. The registered address is The Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, DE 19801.

**25 Post balance sheet events**

On 17 March 2023, 14,627 A ordinary shares were issued at \$0.00002 par value per share for a premium of £20,478,431.

On 27 April 2023, 11,754 A ordinary shares were issued at \$0.00002 par value per share for a premium of £16,456,042.

On 08 June 2023, 14,286 A ordinary shares were issued at \$0.00002 par value per share for a premium of £20,000,000.

On 11 August 2023, 21,429 A ordinary shares were issued at \$0.00002 par value per share for a premium of £1,400.

There have been no other significant post balance sheet events affecting the Group since the period end which require disclosure in or amendment to the financial statements.