



Company number: 03526640

Annual Report 2025

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2025 Financial Highlights

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2025 Financial Highlights

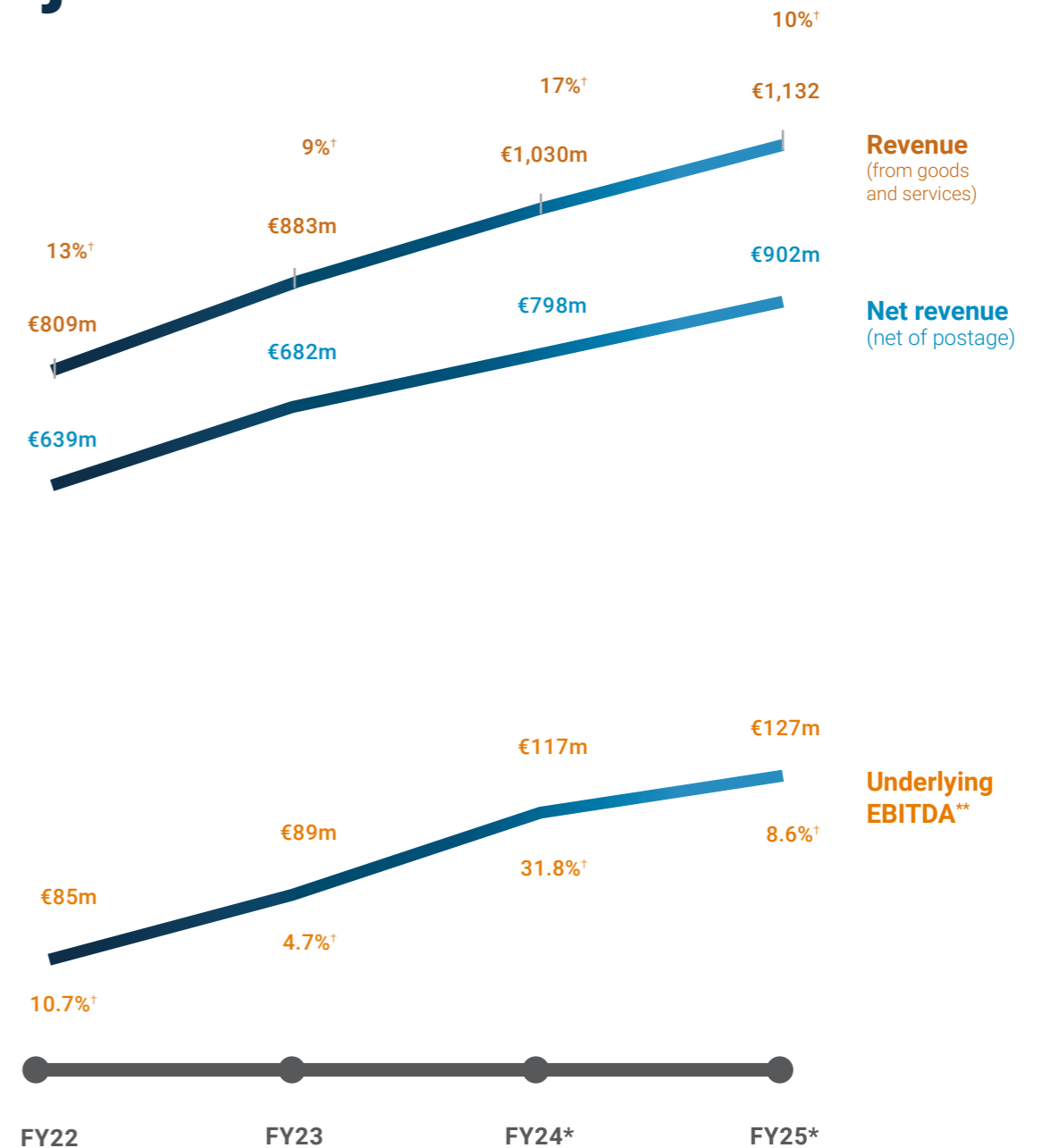


LOCATIONS

Australia | Austria | Belgium | China | Czech Republic | France | Germany | Greece | Hong Kong | Hungary
 India | Ireland | Italy | Luxembourg | Netherlands | Poland | Portugal | Romania | Slovakia | Spain | Sweden
 Switzerland | Turkey | United Arab Emirates | United Kingdom | United States of America

* Average headcount in FY25 after excluding headcount related to held for sale assets.
 ** Underlying EBITDA is defined in Note 2 on page 157.

PCC Global Plc (Paragon) continues to deliver strong growth in line with our strategic objectives



* Actual figures reported
 ** Underlying EBITDA is defined in Note 2 on page 157.
 † Annual Growth Rate



**Chair's
Statement**

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Patrick Crean
Non-Executive Chairman
PCC Global plc (Paragon)

“Another year of strong growth and strategic development”

Chair’s Statement

Introduction

I am pleased to introduce the 2025 Annual Report. This year, we have delivered positive growth once again, achieving a sustainable underlying profit while consolidating the strategic changes implemented in the previous year.

I would like to thank our clients who during the year have continued to demonstrate their trust by partnering with us to meet the challenges they face as they grow and transform their businesses. We are immensely proud of our client base which continues to grow year on year.

Our talented teams are focused on delivering organic expansion, and the execution of our strategy, strengthening pipelines across both enterprise and mid-market segments throughout our global footprint. Our governance and leadership structure continues to provide the stability and agility required to capitalise on future growth opportunities.

By concentrating on our core business lines and building specialised expertise, we are enhancing the value we create for our people, clients and wider stakeholders. This commitment is reflected in our vision and mission, which emphasise the growth of expertise and the meaningful impact it delivers for our clients.

Our experienced management team continues to implement the group’s strategy in a disciplined and well-controlled manner. As a result, we are strongly positioned for strategic growth through targeted acquisitions. This will enable us to continue to expand geographically while acquiring new capabilities and scale in high-potential markets.

In spite of the current global uncertainties, we remain very optimistic about the opportunities we have for significant organic growth through our existing teams who operate around the world.

Strategy

We remain relentless in our client focus, building and keeping their trust as we execute our refreshed strategy. I am proud to see the positive trend in our growth - 12% CAGR in underlying EBITDA over the last 3 years – reflecting the strength of our business model, the resilience of our people and the trust placed in us by our clients. Having separated our legacy print manufacturing division from the business services divisions, our focus now turns to the next stage of our development: achieving a revenue goal of €2bn.

Growth of this scale brings with it challenges and added complexity, but under the guidance of our experienced executives, I have great confidence that we will succeed in achieving our vision of becoming a world leading business services provider.

Our ability to grow with our clients by partnering to meet their customer engagement and transformation challenges is greater than ever. Our refreshed strategy reaffirms our commitment to putting customer needs at the core of everything we do.

Our strategy is designed not only to drive financial performance but also to deliver long-term value for all our stakeholders. This means continuing to invest in innovation, strengthening client relationships, building scalable platforms and embedding sustainability and responsible business practices into everything we do.

Executing strategy at this level requires more than ambition. It demands effective governance, careful allocation of resources and the ability to respond to a fast-changing environment. The Board has effectively applied its governance framework to enable the oversight, guidance and investment support needed to underpin delivery. With these foundations in place, I am confident that Paragon is well positioned to reach its next milestone while strengthening its reputation as a global leader in business services.

Performance

Paragon has delivered another year of robust financial performance, delivering growth that outperforms the market in all of its key verticals. Continued operational and cost discipline enabled us to control outgoings while driving increased productivity. Whilst we have returned a net loss for the year, I’m pleased that through the strong underlying EBITDA performance of €127m and strong cash generation, we have demonstrated our ability to grow in a sustainable manner. This has allowed us to continue to invest in new technology, the development of our people, and the improvement of our working environments - a positive sign for the future.

People

I am incredibly grateful to our people for their continued dedication and commitment to our business. The continuous development of our people, teams and leaders is fundamental to the future development of Paragon.

Strong governance and effective leadership remain central to Paragon’s success. As Chairman, I have the privilege of seeing first-hand how our board, executive team and regional leaders are working together to bring clarity, stability and direction across a business that operates on a truly global scale. Balancing that global reach with the distinct cultures, regulations and expectations of each region is not straightforward, but I am proud of the progress we have made in uniting our people under a shared vision while respecting and drawing strength from local expertise.

This year we welcomed four acquisitions into the Paragon family, bringing with them new people, new expertise and new opportunities. Successfully integrating these businesses while sustaining our culture is a demanding task, and I am grateful to our leadership teams for the diligence and care with which they have approached it. These new colleagues add to the breadth of talent across the group and strengthen the foundations for future growth.

The board continues to play an active role in overseeing the structures that support our people strategy – from succession planning and leadership development to inclusion and wellbeing. We remain committed to developing the next generation of leaders and ensuring that the frameworks in place truly enable our people to thrive.

I would like to thank our clients, our people and our regional stakeholders for their continued trust and support. They allow us not only to deliver strong performance but also to develop as an organisation with the right governance, leadership and culture to succeed over the long term.

ESG

Our ESG strategy and objectives are a key consideration of the board and are overseen operationally by our Audit and Risk Committee. This ensures that progress is subject to the same level of rigour and oversight as any other area of strategic importance.

Working in partnership, our Group ESG Director and CFO provide leadership, analysis and assurance, cementing ESG into our enterprise risk framework and long-term planning. This gives us consistency in the way we measure, report and act, while still allowing our regions the flexibility to focus on priorities most relevant to their markets.

I am particularly encouraged by the launch of our first group-wide Carbon Net Zero target – a milestone that reflects both ambition and responsibility. We are working towards a 50% reduction in Scope 1 and 2 emissions by 2032, against our 2021/22 baseline, and a 90% reduction by 2040. Alongside this, we are engaging our supply chain, which represents over 90% of our footprint, with the goal of 90% of our spend coming from suppliers with their own Carbon Net Zero targets by 2032.

Sustainability is not a separate strand of activity but the lens through which we must view the long-term success of our business. Profitability and responsibility are not opposing forces; they are interdependent. I take great pride in the progress made this year, and in the commitment shown across Paragon to grow as a business that is not only successful, but responsible.

Patrick Crean

Non-Executive Chairman | PCC Global plc (Paragon)
1 October 2025



**Statement
from our CEO**

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Introduction

Paragon has delivered sustainable growth despite economic and market pressures. This success reflects the strength of our strategy, with our vision and mission serving as the strategic compass for the business.

I am deeply grateful for the partnership of our clients and the dedication of our people across our global business. Working together we have built the resilient relationship needed to allow us to innovate with confidence, combining local expertise with global reach to deliver measurable value.

Our financial performance demonstrates the effectiveness of our strategy, the quality of our partnerships and our commitment to creating long-term value for our people, our clients and all stakeholders. While we have successfully embedded our strategy across the business, we recognise the need to continually embrace change and anticipate the evolving needs of our customers.

This year we have invested in the creation of new technology, including the development of powerful AI tools to support the transformation of processes and to drive efficiency for our

clients. We will continue on this path in the future, innovating within a rigorous governance framework.

Looking ahead, our heightened focus is on delivering scalable business services propositions. These will further strengthen our position as a trusted and innovative partner in all our markets and in particular in growing markets.

Our progress has been underpinned by a renewed emphasis on brand, culture and efficiency – foundations that support sustainable growth and enhance our ability to develop clear propositions in each of our business lines. This in turn enables us to access new markets, drive organic growth and continue the momentum we have built this year.

I would like to thank the board and my leadership team for their clear and collaborative guidance, and our people for their continued commitment and energy. Together, we have strengthened Paragon's market position and I am confident that we are poised for another successful year ahead.

Jeremy Walters
Chief Executive Officer
Paragon

Strategy

This year, we launched our refreshed strategy, Constellation, redefining our vision and mission to provide alignment across the organisation and a clear sense of purpose and direction.

Paragon's ambitious vision is to become a world leading business services company specialising in services which deliver business growth, customer engagement, business transformation and efficiency.

Our mission is to help our clients strengthen their brands and drive revenue growth by creating profitable, lasting connections with their customers, and to help them reduce their costs, risks and complexity by expertly outsourcing or reengineering their key business processes.

To achieve this, we are focusing on two strategic propositions – brand services and outsourced services – delivered through five specialist business lines. Organic growth will be driven by taking our world-class local capabilities into global markets. At the same time, we have refocused our digital teams to ensure that digital expertise is delivered by all five business lines, as integral parts of the service, enhancing the value we bring to our customers.

We have already taken decisive steps to align our organisation with this strategy. This has included holding certain assets for sale, assets that represent the legacy part of our business,

as well as investing in our primary growth business lines – Marketing Services and Fulfilment Solutions. In Customer Communications Management, our priority is to build upon our leading position in every market where we operate, while in Business Process Services we will grow the complementary relationships that exist across Paragon to accelerate growth.

Our evolution from a regionally organised business to one centred on brand services and outsourced services with targeted strategies is progressing at pace. To reflect this, we now report revenue by business line – providing not only a clearer view of future reporting structures but also a transparent picture of how our organisation is developing.

Each business line has the autonomy required to execute its go-to-market strategy, while being supported by the Paragon leadership team through effective governance, direction and access to the full depth of our technology, innovation, expertise and knowledge. This balance of autonomy, governance and support is central to ensuring the success of Constellation and to delivering on our long-term ambitions.

Our refreshed strategy has been well received by our clients, our people and our broader stakeholders, it provides clarity, recognises the benefits of specialisation and aligns us to an ambitious vision.

	FY 2025 ACTUALS (€m)	FY 2024 ACTUALS (€m)
Customer Communications	404.0	434.9
Business Processes	183.0	169.6
Outsourced Services	587.0	604.5
Marketing Services	401.0	307.8
Fulfilment	72.0	59.8
Brand Services	473.0	367.6
Intra/inter elmins	(157.8)	(173.9)
Net Revenue	902.2	798.2
Postage Revenue	229.7	232.1
Total Gross Revenue	1,131.9	1,030.3

Performance

The past year has been a successful period for Paragon, as we continue to strengthen our position in core markets. Our EBITDA of £111.4m and free cash flow improvement of 31% reflect our ongoing financial resilience, and they are in line with our targets. Despite a challenging economic environment, we have maintained positive momentum and delivered sustainable growth while ensuring financial discipline.

Key strategic investments have played a crucial role in this success. We have continued to consolidate and restructure the

business, optimising operations to drive efficiency and enhance service delivery. Meanwhile, our investment in technology, particularly in AI development and platform standardisation, is already supporting our long-term growth strategy.

Additionally key elements of previous acquisitions continue to deliver value, with strong performance in the UK and global contributions through the Brand Services business lines. We closed our year with a strengthened financial position and a clear path for further growth, ready to capitalise on new opportunities in the months and years ahead.

Acquisition Growth

With our renewed emphasis on organic growth, this year's acquisitions were carefully chosen to strengthen our leadership in core markets and expand our capabilities in new areas.

In both the UK and Germany, we consolidated our market positions, while in France we extended our service offering to capture emerging opportunities. In the CCM market, our acquisition of Munich-based Computershare Communication Services underlined our commitment to growth and our determination to take a leading position in this strategically important territory.

In the UK, the acquisition of Service Graphics further enhanced our brand activation capabilities, adding specialist expertise in vertical markets and strengthening our wide-format production capacity.

In France, we broadened our BPS capability with the acquisitions of V8Te, a secure SaaS voting solution and e-VELOP, a digital registered mail and document services platform.

Together, these businesses expand our voting services and digital communication capabilities, allowing us to serve clients with greater breadth and sophistication. With a clear acquisition strategy now established, our focus remains on targeted, strategic opportunities that add scale, geographical reach and capability. At the same time, we will retain the flexibility to pursue opportunistic transactions where they align with our long-term objectives and create value in today's volatile market.

Organic Growth

With a clear focus on two strategic propositions, Brand Services and Outsourced Services, we were able to effectively harness the power of specialisation to accelerate our organic growth plans. Both local and global clients responded well to our clearer value propositions and rewarded this clarity with a series of contract extensions and retentions to form a solid foundation for new name business wins to add to our revenues.

We were able to move up the value chain with our Outsourced Services clients, securing digital and technology based contract wins with several long standing financial services clients that moved our revenue streams from variable output based models into fixed and professional service fees. This is a promising path to sustained growth from our extensive regulated client base.

in Brand Services we gained new name business wins that will have a real impact in the coming years, on top of that we successfully cross sold services including digital display and brand activations into capitalise clients, demonstrating the elasticity of our relationship across our propositions. With a highly scalable global model and an increasingly diverse set of marketing and fulfilment services on offer we were able to win on multiple levels; securing local budgets for brand activations from global and national brands as well as a securing global contracts spanning nearly every continent.

People

At Paragon, our people – and the support of their families – are central to the way we operate and the results we deliver. I want to thank everyone for their dedication and commitment over the past year. I have been encouraged to see our teams working closely together, combining the scale of a global organisation with the local expertise and strengths of each of our specialists. This balance of global reach and local insight allows us to deliver consistently strong results for our clients.

We are continuing to strengthen connections between leadership and colleagues across Europe. By increasing visibility, opening new channels of communication and encouraging collaboration across regions, we are building a more joined-up organisation where people at every level feel part of our shared ambition and success.

We are also embedding the frameworks and behaviours that underpin a high-performing culture. Employee engagement in Western Europe rose by five points in just one year, demonstrating the impact of investment in leadership and communication. Through our apprenticeship programme, we supported over 100 apprentices across 28 courses, achieving a 100% retention rate.

We also continued to develop our leadership teams and I was proud to appoint Mieke Marsman as CEO of our newly formed Central Europe region which integrated both her existing BENE region and the DACH & CE region. Guilhem Boucon also extended his role, becoming Group Executive for the Brand Services business lines where he has made a great start to our strategy execution.

Equally, we remain committed to building an inclusive and supportive culture. From employee-led networks to wellbeing programmes and leadership development, we are creating the conditions for people to feel valued, empowered and able to thrive.

Looking ahead, we will continue to focus on leadership capability, workforce planning and cultural development. I have a simple view: it is not how we see our business that attracts and retains the best people, but how our people and potential employees see us. By continuing to invest in our people, we are building a truly global, high-performing organisation where everyone can thrive and deliver lasting success.

ESG

Sustainability continues to be a strategic priority for Paragon – not just as a regulatory requirement, but as a responsibility to our clients, our people and society. At Paragon we also believe that sustainability should become an integral part of our business, becoming a key aspect of our daily operations and embedded into all of our roles.

Over the past year we have taken significant steps to strengthen our governance and set a clearer path forward, moving from regional to group-level accountability and introducing our first group-wide Carbon Net Zero targets, aligned with the Science Based Targets initiative.

This transition gives us the framework to measure consistently, act decisively and hold ourselves accountable at the highest level. Already, we have reduced emissions by 20% in Scope 1 and 33% in Scope 2 against our 2021/22 baseline, while achieving an 89% recycling rate across our sites and maintaining zero waste to landfill. At the same time, 42% of our supply chain spend now comes from partners with a Carbon Net Zero target in place, showing how our influence extends well beyond our own operations.

We also recognise that sustainability is broader than carbon. Across more than 20 sites, we now have biodiversity risk assessments in place, with local projects underway to enhance nature and biodiversity. We are engaging clients through product carbon calculations that already cover 28% of our revenue, and we are benchmarking our diverse supplier spend to ensure equal access to opportunities across our value chain.

I want to thank our Group ESG Director and the ESG teams across each of our regions for their dedication and leadership throughout the year. I have also been impressed by the commitment and engagement shown by the wider business, they have become an extension of the ESG team and have been key to the delivery of our continuously improving ESG results. Their expertise and commitment are driving real progress, and their work gives me confidence in the future we are building together.

As we look ahead, we will continue to strengthen governance, deepen accountability, and invest in programmes that not only reduce risk but also create long-term value for our business, our stakeholders and the communities we serve.

Jeremy Walters

Chief Executive Officer | Paragon

1 October 2025



**Paragon
Financial
Overview**



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Martin Edstrom
Chief Financial Officer
Paragon

PCC Global Plc Group

Financial Overview

Key Highlights of the Year

The financial year ending in June 2025 (FY25) was another financially successful year for Paragon. We achieved revenue growth of 9.9% from FY24, whilst improving the underlying EBITDA by €9.9m in the same period.

We improved our cash generation for the year, with operating inflows more than doubling to €91.8m from €39.7m and free cash flow growing to €106.7m from €81.7m the previous year.

It is particularly pleasing that we grew revenue and improved EBITDA and cash flow while only increasing our net borrowings by €7.4m over FY25 to €359.7m at June 2025.

Financial Overview

The results quoted in the commentary are extracted from the financial statements presented in this annual report. As the commentary is presented in million Euros, there are minor rounding differences in the additions and subtractions of reported amounts. Each amount is based on its source amount presented in Euro thousands in the financial statements.

Income statement highlights	FY 2025 (€m)	FY 2024 (€m)
From underlying items		
Revenue from sale of goods and services	1,131.9	1,030.3
Operating costs	1,005.0	913.3
Underlying EBITDA¹	126.9	117.0
Depreciation and amortisation	68.6	62.8
Corporate charges	11.5	11.6
EBIT/Operating profit	46.8	42.6
Finance cost net of income	37.0	30.6
Share of equity accounted investments	-	0.4
Profit before tax non-underlying items	9.8	12.4
Income tax credit	1.4	4.8
Profit for the year from underlying items	11.2	17.2
Analysis of loss for the year (continuing and discontinued operations)		
From underlying items	11.2	17.2
From non-underlying items	(32.8)	(72.2)
Loss for the year	(21.6)	(55.0)
Cash and net borrowing highlights		
Operating inflows	91.8	39.7
Free cashflow	106.7	81.7
Cash and cash equivalents	131.5	156.1
Net borrowings	359.7	352.3

1. Underlying EBITDA is defined in Note 2 on page 157.

Financial Overview (cont'd)

The key performance indicators in the above table include Alternative Performance Measures (APM), such as underlying figures, and Generally Accepted Accounting Principles (GAAP) measures, as explained at the end of this statement. Non-underlying items are defined in note 2 on page 150.

Revenue from sale of goods and services from continuing operations increased by €101.6m, a 9.9% increase from €1,030.3m in the financial year ended 30 June 2024 (FY24) to €1,131.9m in the financial year ended 30 June 2025 (FY25). €14.6m (FY24 - €125.1m) was partly contributed by in-year acquisitions. Costs before depreciation and amortisation increased by €91.7m, an increase of 10.0%, from €913.3m in FY24 to €1,050.0m in FY25, as follows:

Costs before depreciation and amortisation highlights	FY ended 2025 (€M)	% of revenue in FY 2025	FY ended 2024 (€M)	% of revenue in FY 2024
From continuing operations				
Revenue from sale of goods and services	1,131.9	100%	1,030.3	100%
Material costs	559.5	49.4%	506.0	49.1%
Payroll costs	337.6	29.8%	298.6	29.0%
Other operating costs	107.9	9.5%	108.7	10.6%
Costs before depreciation and corporate charges	1,005.0	88.7%	913.3	88.7%

Costs before depreciation and amortisation, corporate charges, and non-underlying items in FY25 expressed as a percentage of revenue, as displayed in the above table, were 88.7% compared with 88.7% in FY24. The EBITDA margin of 11.2% in both financial years are in line with the expected EBITDA margins of the group.

For payroll costs, our average monthly number of people employed (excluding businesses held for sale) was 6,185 in FY25, including 4,900 production people and 1,285 indirect colleagues, compared with 5,763 people (excluding businesses held for sale) in FY24, including 4,569 production people and 1,194 indirect employees.

The group's underlying EBITDA¹ from continuing operations excluding corporate charges increased by €9.9m from €117.0m in FY24 to €126.9m in FY25. The positive movement in underlying EBITDA is mainly driven by an increase in revenue.

As a result of the above revenue and cost developments, the operating profit before non-underlying items from continuing operations increased by €4.2m, from an underlying operating profit of €42.6m in FY24 to €46.8m in FY25.

Net finance costs increased by €6.4m, from €30.6m in FY24 to €37.0m in FY25. The increase in net finance costs was mainly due to the €3.6m increase in revolving credit facilities interest, from €4.0m in FY24 to €7.6m in FY25. The increase was mainly due to the utilisation of revolving credit facilities of €130.0m, which increased finance cost as a result.

After finance costs and income taxation, the underlying profit for the year before non-underlying items from continuing operations was €11.2m (FY24: €17.2m).

¹ Underlying EBITDA is defined in Note 2 on page 157.

Region reporting summary

	FY 2025 (€m)	FY 2024 (€m)	Change from PY%
From continuing operations			
Revenue			
UKIL	581.6	546.4	6.4%
Western Europe	148.9	146.4	1.7%
DACH & CEE	153.4	166.7	(8.0)%
BENE	66.7	71.1	(6.2)%
BD	178.0	90.9	95.8%
Related party	3.3	8.7	(62.1)%
Rental income	-	0.1	(100.0)%
Total group	1,131.9	1,030.3	9.9%
Underlying EBITDA			
UKIL	83.6	79.0	5.8%
Western Europe	22.0	18.7	17.6%
DACH & CEE	8.9	10.5	(15.2)%
BENE	7.6	7.9	(3.8)%
BD	11.0	5.9	86.4%
Corporate and other entities	(6.2)	(5.0)	24.0%
Total group	126.9	117.0	8.5%

Revenue across all regions (Except from DACH & CEE and BENE) increased YoY in FY25 mainly due to strong pricing growth and new customers. In addition, BD was acquired during FY24, on 28 December 2023, and FY25 is the first year which the full financial year impact was included.

Underlying EBITDA increased in UKIL, Western Europe and BD due to higher gross profit margin, restructuring and optimising the cost structure of the business. DACH & CEE and BeNe saw declines in revenue and EBITDA due to one off impacts on the business.

Non-underlying items

The group has adopted an accounting policy and Income Statement format that seeks to highlight significant items of income and expense within the group results for the year. The directors believe that this presentation provides a more useful analysis, especially in light of its very acquisitive strategic trend.

Such items may include significant restructuring and integration costs, profits or losses on disposal or termination of operations or significant contracts, litigation costs and settlements, profit or loss on disposal of investments, discontinued operations, significant impairment of assets and acquisition related profits or losses and subsidiary acquisition costs. Non-underlying items are defined and disclosed in note 6 on page 163 of the financial statements.



Non-underlying items that arose are as follows	FY 2025 (€m)	FY 2024 (€m)
Redundancy and related charges	5.8	39.7
Costs of industrial relocation, restructuring and consolidation	4.0	3.1
Acquisition costs	0.2	2.1
Other	5.5	2.8
Gain on acquisition	-	(10.2)
Non-underlying net expenses impacting EBITDA	15.5	37.5
Corporate charges	1.5	0.6
Loss on asset disposals	3.3	0.6
Non-underlying net expenses	20.3	38.7
Discontinued operations	12.5	33.1
Income tax charge	-	0.4
Total non-underlying items	32.8	72.2

The non-underlying expenses net of gains and after taxation decreased by €39.4m from a net expense of €72.2m in FY24 to a net expense of €32.8m in FY25, reflecting the below non-recurring (see note 6 for further information) expense and gains. The directors use judgement in assessing these particular items, which, by virtue of their scale and nature, are disclosed in the Income Statement and in the notes to the financial statements as non-underlying items. The non-underlying expenses/(gains) in FY25 and FY24 were as follows:

- Redundancy and related charges which include redundancy, payroll and related charges that arise from the closure of locations and the reduction of staff resources at various locations. Payroll costs of the redundant roles are included from the point of acquisition or from the start of the financial year in which the restructuring programme takes place, including those costs which are associated with the delivery of customer contracts during this transition or integration period – €5.8m (FY24: €39.7m).
- Costs of industrial relocation, restructuring and consolidation includes the charges, other than redundancy, payroll and related charges, arising from the closure of locations, relocation of activities between sites and new activity start-up losses – €4.0m (FY24: €3.1m).
- Gains on acquisition related to bargain purchases arise for acquired companies when the sum of the fair values of the assets and liabilities recognised at their fair value at the acquisition date in accordance with IFRS 3 is greater than the purchase consideration payable for the acquisition. The gain on acquisition related to bargain purchases – €nil (FY24: €10.2m).
- Discontinued operations are reported when a component of the group has been disposed of, or when a sale is highly probable, and its operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the group and is classified as held for sale or has been disposed of. Discontinued operations

are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations – loss of €12.5m (FY24: €33.1m).

- Loss on asset disposals – €3.3m (FY24: €0.6m).
- The income tax charge related to the above expenses – €nil (FY24: €0.4m).

As a result of the above revenue and cost developments, the loss for FY25 (continuing and discontinued operations) was €21.6m (FY24: €55.0m)

Cash flow and financing review

The group's operating cash inflows increased by €52.1m, from €39.7m in FY24 to €91.8m in FY25.

The group's cash generated from operations (Free cash flow), including working capital movements, was €106.7m (FY24: €81.7m). The increase in free cash flow was mainly due to a significantly smaller loss before tax.

Our net cash used in investing activities during the year was €79.8m (FY24: €84.2m). €12.4m was invested in property, plant and equipment (FY24: €10.7m) and €18.7m was invested in intangible assets (FY24: €26.4m) and €1.4m cash invested in acquisition of subsidiaries (FY24: cash acquired in acquisition of subsidiaries €43.0m). We also spent €28.4m on acquiring a business from related parties (FY24: acquired asset from related parties of €5.7m). We have a repayment of restructuring and onerous contract provision of €19.8m (FY24: €1.5m). €0.7m was received from the disposal of tangible assets (FY24: €nil). A dividend of €0.2m (FY24: €0.1m) was received from a joint venture.

In FY25, we repaid €59.9m (FY24: €107.9m) of our borrowings of which €30.7m (FY24: €31.0m) were repayments of the capital element of lease liabilities and repaid €6.7m (FY24: €52.0m) of the bonds. The total repayment of borrowings to both third party and related parties were €22.5m (FY24: €24.9m)

The net proceeds from borrowings during the year was €38.4m (FY24: €141.3m).

There were no dividends declared or paid in FY25 or FY24.

Net current liabilities have improved to €165.8m (FY24: liabilities of €172.6m) at year-end. This was achieved by better working capital management.

The group has the financial capability to support its ambitious organic and M&A development strategies.

During FY25, €130.0m (FY24: €93.0m) has been drawn from the revolving credit facility. The repayment date of the €89m bond notes, with an original repayment date on 6 April 2025, have been extended. On 4 April 2025, €5m was repaid. The remaining €84m will be repaid in three instalments of €10m on 6 October 2025, €15m on 6 January 2026, and the remaining €59m on 6 April 2026.

Cash balance and net borrowings

The group's cash balance decreased from €156.1m in FY24 to €131.5m in FY25, a €24.6m decrease.

Net borrowings at the end of FY25 were €359.7m (FY24: €352.3m). The unfavourable movement in net borrowings was mainly due to the increase in drawn revolving credit facilities of €37.0m, invoice discounting of €5.3m and the reduction in cash of €24.6m, partially offset by a reduce in bank borrowings of €43.1m (among which €24.1m is related to discontinued operations) and a reduction in lease liabilities €10.7m (among which €6.0m is related to discontinued operations).

Financial and operational discipline

We continue to manage the group according to robust operational and financial disciplines and apply this approach as we acquire and integrate businesses. We prepare and execute detailed post-acquisition plans to extract operational and procurement synergies identified during comprehensive due diligence processes. Continuous improvement programmes are operated across Paragon, driving operational efficiency. All the group's companies operate with the discipline of monthly management reporting and performance and outlook reviews, with specific focus on sales development and pipeline, cost control management, cash flow forecasting, and working capital management. Our capital expenditure planning is based on strict return on investment parameters.

¹ Underlying EBITDA is defined in Note 2 on page 157.

² EBITDA is defined in Note 2 on page 157.

Use of Alternative Performance Measures (APMs) – underlying and proforma figures

Due to the group's continuous acquisition strategy, the directors consider the use of APMs such as underlying and proforma figures to be fundamental to an understanding of the group's performance.

These APMs have been prepared to facilitate understanding of the group performance and position. Naturally they reflect the circumstances of the group, which can differ from other companies.

These APMs should be read in conjunction with GAAP measures and are not intended to be a replacement of GAAP measures.

Due to the group's continuous acquisition strategy, it would be incomplete to focus exclusively on APMs or company statutory performance. APMs are used to supplement GAAP measures and satisfy banks' and bondholder investors' comprehension of the business by offering a more complete reading of its normalised performance.

These are defined in note 2 of the financial statements, as well as being highlighted in the Consolidated Income Statement of the financial statements.

Although the Consolidated Statement of Financial Position includes the impact of recent acquisitions, the Consolidated Income Statement does not include a full 12 months of trading from acquisitions made during the financial year. So, we use an APM with a 12-month proforma Income Statement to enable a comparison of annual performance to be made. The group's strategy on market consolidation inevitably leads to considerable restructuring and integration costs. This includes a mix of one-off gains and charges that are non-recurring in nature.

These are considered to be non-underlying due to their nature, size or incidence. These are included in the APM non-underlying items and are summarised in Note 6 of the financial statements. APMs such as Underlying EBITDA² and EBITDA¹, are stated after adjusting for non-underlying items to assist with understanding of performance. We use this APM to enable a comparison of performance between years once these one-off items have been taken into account.

Martin Edstrom

Chief Financial Officer | Paragon

1 October 2025



**Divisional
Business
Reviews**

5



Clem Garvey | Chief Operating Officer - Paragon

UNITED KINGDOM, IRELAND AND LUXEMBOURG

Overview

As I complete my first year as Paragon COO and CEO of the UKIL region, I am grateful to my colleagues for the warm welcome and expert support I've received. It's been a fast-paced and rewarding year – one in which I've had the opportunity to better understand our businesses, our clients and our people, and to see first-hand the capability and commitment that exists across Paragon.

UKIL continues to be our largest and most diverse region, and we maintain a strong leadership position in both Brand and Outsourcing Services, underpinned by our business lines, Customer Communications Management and Marketing Services. Our presence in Business Process Services is growing, and Fulfilment Solutions has been a particular area of focus – one where we see clear potential and have already started to gain traction.

While some of our more established business lines continue to feel the effects of a challenging market, our refreshed strategy is helping us to focus on the areas where we can grow sustainably and profitably. We are investing in the right capabilities for our businesses, and the early signs are encouraging. Several of our developing business lines are already showing positive momentum, with strong client engagement and commercial progress.

Looking ahead, I'm excited by the opportunities we have to continue evolving the region. We are building something ambitious, shaped by data, creativity and operational excellence, and I'm confident that – working together with our colleagues from across the Group – the UKIL region will continue to play a key role in driving success for Paragon.

Organic Growth

After a period of consolidation, it's been encouraging to see a return to positive organic growth across many of our business lines. This progress reflects a more stable foundation, a clearer strategic focus and the impact of a more energised and better-aligned sales operation.

We've been particularly pleased to see growth from a number of long-standing key clients – including Royal Mail, Goldman Sachs, HSBC, Legal & General and Northern Trust – as well as healthy development of new business. Some of our key client partnerships expanded to include OnePlatform, our proprietary customer communications orchestration platform, proving that our ambitions to move up the value chain are more than achievable. These wins not only contribute to short-term performance – they also demonstrate our ability to remain relevant and competitive in evolving markets.

A major development during the year was the acquisition of Service Graphics, which has expanded both our client base and our service offering. This strategic acquisition is particularly valuable in enhancing our Marketing Services proposition, helping us to consolidate and elevate this business line globally. By integrating Service Graphics' capabilities, we are better equipped to deliver a more consistent and comprehensive service to clients across sectors and geographies.

We remain focused on driving organic growth through targeted investment, sharper positioning and a commitment to specialisation in our business lines. While our ambition for our Marketing Services business line is global, the UK is currently its key market for growth and innovation. The strength of our performance here will underpin the broader expansion of our capabilities.

Looking ahead, we will continue to be agile and ready to respond to market shifts, unlocking new opportunities and growing in the areas where we can offer the greatest value to our clients.



Technology Overview

Our commitment to technology remains central to our ability to solve complex client challenges and deliver better experiences for their customers. We continue to invest in scalable, sustainable solutions that power transformation across the business services we deliver.

This year marked a major milestone in our technology strategy with the launch of Paragon South Asia Services in India – a dedicated global technology hub that reflects our commitment to innovation, excellence and international growth. India is recognised as a global centre for IT talent, and our investment there gives us access to outstanding capability, increased capacity and round-the-clock support for our global clients. It also serves as an R&D and technology incubator for our next-generation solutions – accelerating innovation across the group and enabling faster, more cost-efficient development of our proprietary platforms.

We have also continued to build on our two key technologies, OnePlatform® and Smart_Cloud, which are core to our ability to drive digitisation at scale.

OnePlatform®

OnePlatform continues to be our flagship solution for customer communications, offering clients a way to deliver personalised communications across multiple physical and digital channels, at any time and in any language. The platform has expanded significantly this year, with new deployments for clients including Northern Trust, RSA, and NatWest – reinforcing its status as a mission-critical tool for both UK and global clients.

By consolidating multiple systems into a single, configurable solution, OnePlatform helps clients modernise without the disruption of wholesale system replacement. Its flexibility and proven integration with legacy technologies make it the smart choice for organisations seeking speed, control and resilience in the management of their customer communications in a regulated environment.

Smart_Cloud

Smart Cloud has evolved in step with the growth of our Marketing Services business line, which is now led and delivered globally. The platform combines best-in-class marketing workflow, production, and procurement capabilities into a seamless solution that enables clients to outsource with confidence and maintain full visibility and control.

This year, we have continued to invest in Smart_Cloud's development – enhancing integration, adding new features, and onboarding new clients. With a newly elevated global team supporting its evolution, Smart_Cloud is now better placed than ever to support marketing operations for multinational brands looking for consistency, efficiency and speed to market.

Looking Forward

Our immediate focus is on driving organic growth. We're starting from a position of real strength, with a clearly defined strategy and a refreshed operating model. This year has seen a renewed sense of purpose and greater specialism across our sales teams, and we're confident this will lead to strong growth, both in our existing clientele and in new logos, across all business lines in the year ahead.

In the medium term, we're focused on unlocking greater value through deeper integration and targeted expansion. In our Marketing Services business line, we will elevate existing UK opportunities and client relationships to a global scale, supported by greater structural alignment between Lead Supply, Brand Deployment and Fulfilment activities and enhanced capability across regions.

In Fulfilment Solutions, we plan to accelerate growth by bringing in co-manufacturing and co-packing expertise from across the organisation – increasing the value we deliver in the UK and opening up new areas of service expansion.

Within Customer Communications Management, we will continue to move up the value chain, using OnePlatform and our broader digital transformation expertise to engage in longer-term, more strategic contracts with our clients. Business Process Services will focus on converting opportunities within our established CCM client base, where we see substantial potential for future growth.

Our Workplace Solutions business line will continue to build its pipeline in B2B and B2C markets, with plans to extend its global reach through strategic partnerships and deeper client engagement.

We are confident that this combination of sharper focus, improved capability and connected thinking across regions and business lines will position us well to grow sustainably and deliver more value to our clients over the long term.





Guilhem Boucon | CEO - Paragon Western Europe

WESTERN EUROPE

Overview

Over the past year, we have taken decisive strategic actions to adapt to shifting market dynamics while positioning our business lines for long-term, sustainable growth.

In Print Solutions, we continued to strengthen our leadership in traditional administrative and secure documents, while accelerating our transition towards higher-value and more sustainable solutions and services. We increased our focus and revenue in growth segments such as labelling, secondary packaging and print-on-demand, realigning our industrial footprint with client demand and sustainability goals. As part of this transition, the Ney site was closed, and operations were consolidated across our remaining production facilities to enhance efficiency and responsiveness.

In Direct Marketing, we adjusted our production footprint to match the changing demands of our market. The Janzé site was closed, and all employees were offered equivalent roles at the Maure facility within the same region, ensuring a responsible and locally coherent transition. At the same time, more than 30 operators from northern France were redeployed into roles within our rapidly expanding Fulfilment operations – a clear example of how we proactively manage synergies across business lines.

Our Fulfilment business delivered double-digit growth in both revenue and profitability, driven by long-term client partnerships, new business wins and the delivery of our automation roadmap.

In Business Process Services (BPS) and Customer Communications Management (CCM), we made significant investments in high-value digital assets, including the launch of our proprietary PDP platform, and the acquisitions of V8Te (a secure SaaS voting solution) and e-VELOP, a digital registered mail and document services platform. These initiatives are reshaping our offering and enabling us to respond to new client needs with agility and innovation, which you can read more about in the Technology section.

Our Marketing Services business line also secured major multi-year contracts with new clients, further validating the strength of its proposition.

Building on the governance restructuring executed last year, we successfully realigned our legal entities by Business Line – through three carve-outs and one merger – enabling each unit to pursue its strategic goals with full autonomy.

To support our clients with greater agility and impact, we strengthened our commercial capacity by recruiting new talent across all business lines, particularly in sales. Staying true to our people-first values, we launched a new management development program and, for the second year in a row, hosted a celebratory event to recognise team achievements and reinforce the unity between Western Europe and its Business Lines.

Organic Growth

This year was marked by strategic wins and operational achievements that reinforced our market position and opened new paths for sustainable growth.

In Fulfilment, we successfully won back a former key client, securing a €4 million annual contract – a strong testament to the trust placed in our ability to deliver tailored, reliable and innovative solutions that meet evolving client needs. To support our rapid growth, we opened a third Fulfilment facility in northern France, located in Illy. This expansion was prompted by the increasing demand from our existing client base, enabling us to act as an end-to-end outsourced supply chain (contract manufacturing) provider, and also from short-term peak demand management or accelerated product launches, where our teams step in to bridge gaps before our clients' internal operations can scale up. This confirms our strategic positioning as both a trusted long-term partner and an agile business enabler.

We also deepened our presence in the pensions and insurance sectors, reinforcing our role as a long-term trusted partner. Elsewhere, we continued to win major public sector contracts in both printing and voting services, particularly through our Business Process Services (BPS) activities, underlining our expertise and leadership in highly regulated environments.

Our Marketing Services business line entered a new phase of commercial momentum, already bearing fruit with several new client acquisitions at the end of the year – a positive sign of future expansion and market relevance. We also began to expand our offering by integrating capabilities inherited from Communis, enabling us to accelerate development in in-store marketing and premiums – two areas with high strategic potential.

As part of our strategic ambition to enhance operational excellence and cost competitiveness, we invested in a new facility in Romania and successfully transferred a portion of our BPS operations there. This move reinforces both our production capabilities and our responsiveness in key European markets.

In support of these growth dynamics, we also significantly strengthened our commercial force by recruiting or promoting young, high-potential talent such as our new Marketing Services Sales Head, Adel Chenaf, and experienced people, particularly in digital sales. This was especially visible within our Customer Communications Management (CCM) activities, where new commercial capabilities are already helping to unlock further growth opportunities and Renaud Chebassier has recently been hired as CCM Sales Head.



Technology Overview

This year, we reinforced our technological leadership by investing across both industrial and digital domains, driving productivity, client value and long-term competitiveness.

In Direct Marketing, we upgraded our production capabilities with the installation of a new ProStream digital printing press at our Maure site, significantly enhancing both productivity and output quality.

In Print Solutions, we prepared for the upcoming deployment of a new-generation Heidelberg press at our Bozouls site, which will further elevate print performance and operational flexibility. Additionally, we rolled out a new ERP system across all printing facilities to drive cost-efficiency and support our industrial transformation strategy.

In Fulfilment, we made a major investment in collaborative robotics, deploying over ten "cobots" (collaborative robots) across key sites. These technologies are helping to increase throughput, improve ergonomics and strengthen the scalability of our operations in response to rising client demand.

On the digital front, both in CCM & BPS, we successfully launched our proprietary PDP platform and have already signed our first clients – a strong signal of our ability to reshape the market with high-value digital solutions. We expanded our portfolio through the acquisition of V8Te, a SaaS voting platform designed for SMEs and associations, offering a fully secure and self-service digital customer journey. We also acquired e-VELOP, a registered digital mail solution enriched with document management services like archiving and eSignatures, further accelerating the digital transformation of our Customer Communications offering.

Within BPS, we also introduced targeted automation programmes and integrated AI-driven enhancements directly into client environments, boosting productivity, precision and responsiveness.

As part of our ESG commitments, in France and Romania we rolled out Carbon Calc, a proprietary IT tool that calculates the carbon footprint of our products. This supports our clients and teams in their shift towards more responsible and sustainable production models.

Finally, in Marketing Services, we enhanced our web platforms with new features that improve project management workflows, simplify requirements definition and help streamline certification processes, which all contribute to smoother and more robust digital experiences for our clients



Looking Forward

As we look ahead to the new financial year, our strategy remains resolutely focused on sustainable growth, with client impact as our central priority. The early success of our recent investments – both in new markets and in technological capabilities – confirms the strength of our model. We now aim to go further by fully leveraging the depth of our expertise and operational know-how.

This positive momentum will continue to drive progress across all our Business Lines – notably Customer Communications, Marketing Services, Business Process Services (BPS), and Fulfilment Solutions.

In the coming fiscal year, we will deploy a combination of focused commercial initiatives and high-impact execution plans to sharpen our go-to-market and elevate client satisfaction at every touchpoint.

In Marketing Services, following the renewal of our sales team, we will refine our organisation to deliver even greater added value, speed, and responsiveness to client needs. In BPS, we will continue to enhance our offering through AI-driven innovations, supported by strategic partnerships and with a clear focus on measurable client benefit. In the PDP sector, we plan to accelerate growth, consolidating our early lead in digital document automation, and in Fulfilment we will keep expanding our client base while reinforcing our geographical reach and operational capacity. Finally, in the Transactional Customer Communications market, we intend to play an active role as a consolidator, further strengthening our market position and creating new opportunities for scalable, sustainable growth.

Through these ambitions and initiatives, we reaffirm our commitment to building a future rooted in responsibility, innovation and trust, powered by the passion of our teams and the loyalty of our clients.





Mieke Marsman | CEO - Paragon DACH & CEE

GERMANY, AUSTRIA, SWITZERLAND AND CENTRAL EASTERN EUROPE

Overview

In recent years, the region has experienced changes consistent with the Group's global strategy, which emphasises operational efficiency, digital innovation and customer focus. In response to shifting market conditions and growing requirements for efficiency and adaptability, businesses in the DACH & CEE region have adopted a more streamlined and automated operating model.

The restructuring aimed to optimise our size, streamline operations and use technology to boost efficiency throughout the value chain. We have invested in technology and infrastructure for greater security and reliability, while our focus on digital workflows has accelerated turnaround times, enhanced consistency and improved scalability to meet customer expectations in a competitive market.

Throughout this period of internal transformation, our dedication to enhancing customer value has consistently guided our strategy. DACH & CEE is progressively transitioning from being a conventional print provider to a strategic value-

driven partner, delivering customised solutions, advisory services and comprehensive print and media capabilities. This evolution has fostered stronger, more collaborative client relationships, particularly within growth segments such as data-driven personalisation and omnichannel communication.

Germany will be combined with Paragon operations in Belgium & The Netherlands to form a new region called Central Europe. This change is intended to promote collaboration, accelerate digital transformation, facilitate the sharing of best practices and improve market understanding across the newly formed region, while still maintaining local customer engagement. The regional structure seeks to support innovation, resource efficiency and consistent value delivery in these markets.

This transformation and integration demonstrate our broader Group commitment to establishing ourselves as the partner of choice for clients seeking dependable, innovative and sustainable customer communication solutions in each country where we operate.

Organic Growth

In the last fiscal year, we strengthened relationships with existing customers, many of whom showed their faith in Paragon as a partner by renewing their contracts. Notably, a major banking client extended its agreement for transactional print and Business Process Services for seven more years.

Major telecommunications and energy companies remained confident in us, even as we negotiated price adjustments due to higher costs. We successfully maintained and grew our business despite a competitive market.

We have also achieved significant progress in acquiring new customers. Over ten key clients from our target sectors, all characterised by substantial end-customer communication, have chosen to partner with Paragon.

Meanwhile, we extended several key strategic partnerships. A joint document management platform with Germany's largest IT consulting company, Adesso, was completed and the first clients began using the system. Afida, an Adesso subsidiary that focuses on the insurance sector, outsources contract management for traditional insurance companies to a SaaS (Software as a Service) environment. As part of the integrated platform, Paragon manages transactional communication with end customers for insurance companies - both digitally and physically - and oversees archiving processes. These platform models are intended to support traditional industries as they update legacy systems and adopt more modern organisational approaches. The company's focus remains on serving customers who have high security and regulatory compliance requirements.

Our participation in multiple events, along with the notable success of our second "Customer Communications Day" - which welcomed over 200 attendees - has further strengthened our position as a key provider within the region.

Beyond traditional tenders, our sales strategy targets first-generation outsourcing opportunities. Many large German banks, insurers and other companies still manage document creation and processing in-house. Given skilled worker shortages, reliance on temp staff and falling volumes amid new investment cycles, this model is unsustainable and presents great opportunities for us.



Technology Overview

During the last fiscal year, our IT and Technology departments demonstrated significant progress by building on initiatives commenced in the prior period. This sustained continuity has been instrumental in delivering advancements across several key areas.

Technology and OnePlatform

Our core value proposition within the Document Output business remains our ability to deliver postal items in close proximity to end recipients. Leveraging OnePlatform, we integrate standard software with proprietary solutions to flexibly and efficiently address specific customer requirements. The platform's robust and scalable architecture facilitates dynamic load balancing across sites, enabling effective management of peak workloads and ensuring optimal business continuity.

During the past year, we completed a thorough evaluation of our OnePlatform strategy, identifying and initiating further optimisation opportunities. A key achievement was the successful transition and decommissioning of the legacy system at our Magdeburg site, which allowed for the rollout of additional customer-oriented services.

Alongside onboarding new customers, maintaining operations and executing customer-driven application enhancements, we successfully migrated several major clients to OnePlatform in the last fiscal year. These clients now benefit from advanced functionalities such as online reporting, improved approval processes and continual digitalisation improvements.

We have also significantly enhanced our development frameworks, processes and methodologies within the OnePlatform team, enabling us to respond more precisely, rapidly and effectively to future customer needs.

In the latter half of the fiscal year, we launched multiple strategic projects addressing e-invoicing obligations and accessibility, with some initiatives already underway. These efforts underscore our capacity for innovation and our proactive approach to evolving regulatory demands.

In conclusion, the initiatives implemented over the past year have demonstrably yielded positive outcomes. Nonetheless, we maintain a vigilant approach, continually evaluating our strategy to ensure flexibility and preparedness in proactively meeting future challenges and requirements.



Looking Forward

Looking ahead, plans are in place to establish an expanded Paragon Central Europe region that includes the Netherlands, Germany, and Belgium. The aim is to pursue both organic and acquisition growth in digital transformation initiatives and to broaden Customer Communications and Business Process Outsourcing operations. The region will be led by CEO Mieke Marsman.

We will pursue our objectives through two strategic propositions focused on services that deliver the following for our clients:

1. Business growth and customer engagement

2. Business transformation and efficiency

The new region lays the foundation for long-term success, positioning Paragon as a market leader in Customer Communications Management. It combines best practices for a digitising market with local presence and insight, addressing current challenges while setting a bold vision for future growth.



Mieke Marsman | CEO - Paragon The Netherlands and Belgium

BELGIUM AND NETHERLANDS (BENE)

Overview

Our approach is based on ongoing organic and strategic development within customer-focused business solutions, with the aim of supporting clients in achieving brilliant customer and employee experiences.

The go-to-market strategy relies on diversification across business lines, providing customers with end-to-end solutions that create sustainable outcomes through data-driven engagement, including omnichannel communication, CCM/CXM consulting, fulfilment services, onsite services and business process outsourcing for inbound and output management. The target markets include corporate, SME, and specialised sectors.

To support these objectives, the business combines expertise with technology to help our clients implement their strategies and goals. Additionally, we have expanded the service range beyond customer experience management (CXM) within Europe's advanced digital market. By assisting clients in designing, managing and operating digital transformation, we deliver improvements in both front- and back-end experiences as well as customer retention. Our strategy includes further organic and acquisitive growth, focusing on increasing market share.

Organic Growth

This financial year, we exceeded last year's results with more than 5% organic growth. This outcome was supported by the following core propositions:

1. OnePlatform, our SaaS solution designed for high-volume omnichannel communication, which now serves over 135 clients in the business-to-consumer market. This multichannel CCM solution can be implemented as either a bespoke environment or a SaaS offering, combining digital and physical communication workflows.
2. Our Consulting Services help clients manage digital transformation and strengthen engagement with end customers. We deliver expert support across customer experience and business consulting, project management, implementation, RFCs, and communication optimisation. The team also brings deep knowledge of Quadiant Inspire and offers managed services for output management.
3. Fulfilment and Lead Supply services focus on data-driven, highly personalised end products in (e)fulfilment, distribution and end-to-end marketing.
4. Integrated outbound and inbound services are also available. An increasing number of clients have utilised this approach for potential improvements in efficiency, cost management and customer experience. Our inbound proposition grew by 25% by winning a large archiving and digitisation project that will run for several years.



Technology Overview

The Netherlands and Belgium region leads Europe in digital adoption and is among the most advanced markets for digital transformation. As a result, there is rapid change in demand, a growing need for tailored data and ICT solutions, and evolving requirements for secure, simplified data exchange to match the evolution of CCM and CXM.

We identified the need for innovation early, investing in our Technology Team, ICT infrastructure and operational excellence, while our focus also remains on solutions like OnePlatform. We've strengthened our competitive edge through SOCII accreditation while investing in enhanced email security and multi-factor authentication.

We have enhanced monitoring, updated Business Central Dynamics to the latest cloud version, and begun preparing to replace our production system with Printvis for fully automated ERP order-to-cash flows.

We launched our Print-on-Demand service with a new process flow and IT architecture, featuring an API platform and Azure Service Bus to enhance efficiency and better align with client needs.



Looking Forward

Looking ahead, plans are in place to establish an expanded Paragon Central Europe region that includes the Netherlands, Germany and Belgium. The aim is to pursue both organic and acquisition growth in digital transformation initiatives and to broaden Customer Communications and Business Process Outsourcing operations. The region will be led by CEO, Mieke Marsman.

We pursue our objectives through two strategic propositions:

1. Business Growth and Customer Engagement

We add value for our clients by strengthening their communications and enabling sustained revenue growth through profitable, enduring customer relationships. Additionally, we assist clients in reducing costs, mitigating risks and simplifying operations by providing expert outsourcing and reengineering of key business processes.

2. Business Transformation and Efficiency

Our portfolio of business services is designed to improve organisational efficiency. We achieve this by leveraging the expertise of our teams alongside customised technology across data-driven customer communications, back-office functions and document management processes.

The new region lays the foundation for long-term success, positioning Paragon as a market leader in Customer Communications Management and Fulfilment Solutions. It combines best practices for a digitising market with local presence and insight, addressing current challenges while setting a bold vision for future growth.



Guilhem Boucon | CEO - Paragon Global Brands

PARAGON GLOBAL BRANDS

Overview

Paragon Global Brands specialises in smart retail execution that helps our clients to stand out, sell more and waste less. Connecting consumer brands with their customers across multiple touch points, we have teams in 26 countries helping our clients win in every market.

The year was defined by three transformational projects designed to drive growth, improve operational efficiency and elevate the business through technological investment:

- 1. Operational Excellence:** Driving strategic value, transactional control and frictionless service at every touchpoint through team integration, category development, process specialisation, and the application of innovative procurement and buying practices.
- 2. Technology Transformation:** Accelerating performance, reducing friction and improving customer experience through the introduction and adoption of advanced, cloud-based and AI-driven martech solutions.
- 3. Rebrand for growth:** Bringing the Brand Deployment business formally in line with Paragon by rebranding as Paragon Global Brands, and creating a new growth team to drive our fresh value proposition across multiple markets.

We continue to drive a Responsible Business agenda that supports our clients' ESG goals, builds sustainable supply chains and creates a diverse and inclusive environment where everyone can thrive.

Organic Growth

We have experienced significant growth with our existing clients and achieved prestigious successes with new ones. This strong momentum confirms both the relevance of our value proposition and the trust placed in us by leading global brands.

Empowered by a broader service offering - thanks to the combined expertise across our group - we are now actively exploring new avenues for growth. To support this ambition, we have established a dedicated, full-scale growth team led by our Head of Growth.

This experienced team brings together strategy, commercial excellence, category knowledge and global reach. Their mission is to connect with the world's most iconic brands and help them achieve greater impact through our integrated capabilities.

From creative development to global execution, we are uniquely positioned to support our clients at every stage of their journey. Our international footprint, combined with local market insight, enables us to deliver consistent results globally and at scale.

We are excited about the road ahead and the opportunities to continue growing alongside our partners, bringing innovation, precision and added value to each collaboration.



Technology Overview

In line with our business goals, FY25 marked a major step forward in our technology transformation programme. The decommissioning of our legacy data centres and the move to Azure Cloud has enhanced our strategic profile and delivered against expected cost savings.

Our much-anticipated transition from Noosh to Mitivity

Our new enterprise order management platform - has been a huge success, delivered on time and to budget. Now live across all markets and supporting our teams globally, Mitivity serves as the operational backbone of our service model, streamlining campaign workflows and providing the foundation for developing our data platform strategy.

This year also saw investment in reshaping our technology solutions team and capabilities, strengthening our partnership with client teams across all markets.

Looking ahead, our technology transformation continues at pace with the development of our proprietary data platform and client-facing portal, focused on achieving a step change in the way we deliver a range of data products for our clients, accessed through a single user interface.

This ongoing transformation reinforces our commitment to building a cloud-first, data-driven business, supporting our clients' evolving needs and strengthening our strategic position across all markets.



Looking Forward

Our clients remain at the heart of our operations and inspire our investment journey.

As the technology-led partner of choice, Paragon Global Brands will continue to widen the portfolio of marketing services available to our clients, enabling closer relationships between their brands and their customers.

With a broader geographic footprint achieved by establishing new entities in emerging markets, we will continue to apply best practice, rigorous governance and controls, and supply chain excellence to ensure that every brand entrusted to us achieves success in every market.





**Environmental,
Social and
Governance
(ESG)**

6



Lucy Klinkenberg-Matthews | Group ESG Director

Introduction

ESG and climate change are strategic priorities for Paragon. This section and the following Climate-related Financial Disclosure (CFD) section outline our strategic approach to both climate change and wider ESG topics.

Over the reporting year, the regulatory landscape and our client requirements have continued to drive increased transparency and accountability for a wide range of ESG topics. Paragon has responded by focusing on data and risk analysis to prioritise delivering programmes and targets that address the risk posed by climate change to our business. We understand that climate change will have real impacts on our business model and activities, and those of our stakeholders.

We have recognised the need to move to a centralised rather than regional approach to ESG governance. This will allow common methodology for determining material ESG topics, risks and opportunities across Paragon's different regions and divisions. We can provide governance frameworks, support and resource for topics that are material to all regions, while allowing our regions and divisions to focus on ESG topics relevant to their activities, products and services, client requirements and regulatory stakeholders.

Throughout this section we will outline the approach across our Environmental (E), Society/Social (S) and Governance (G) targets, metrics and programmes at group and divisional level.

As we transition from regional to group accountability and responsibility, we have been transparent about where targets and metrics are not yet in place.

I am pleased to share our first group-wide Carbon Net Zero targets, which are aligned to the Science Based Targets Initiative (SBTi), and report on our carbon reduction progress.

Our divisions also publish an annual Sustainability Report, which provides further detail on divisional programmes and targets. These reports can be accessed here <https://global.paragon.world/esg/sustainability>.





Governance and Reporting

In this section you can read about our group-wide governance, stakeholder analysis, targets and KPIs, which we have structured around ESG.

These targets and metrics have been developed to meet our stakeholder requirements and address our most material risks and impacts. We align our targets, programmes and metrics with the United Nations Sustainable Development Goals (UNSDGs) to demonstrate our contribution to a sustainable and equitable economy.

Our regulatory reporting covering Climate-related Financial Disclosures (CFD) follows this section, and our Streamlined Energy and Carbon Reporting (SECR) can be viewed in the Director's Report on Page 127.

All metrics and programmes cover the FY2024/25 unless otherwise stated.

Governance

During the reporting year, we introduced the Group ESG Director role and established the Audit and Risk Committee (ARC). These steps mark our ongoing transition from regional to group-level accountability for ESG. While some governance frameworks are still being developed, this shift has already created a more structured approach to identifying and assessing ESG risks, strengthening resilience and setting targets.

Historically, the Paragon divisions had responsibility and accountability for their own ESG frameworks, targets and KPIs. During the reporting period, Paragon has taken the following steps towards centralisation of ESG programmes:

- Group ESG Director position created to join up and produce group level ownership, targets *
- Enhanced Scope 3 reporting for regions that previously could not deliver in time for Annual Report
- Group baseline year defined
- SBTi aligned group wide Carbon Net Zero target
- Three sessions of the Audit and Risk Committee on climate-related risk *

*Please see Climate-related Financial Disclosure section for detail on roles and responsibilities

The chart below shows the high-level roles and interdependencies for ESG at group and regional level.



You can read more about the roles and responsibility for climate-related governance in the CFD section (Page 70 onwards).



Double Materiality Study and Regulatory Reporting

We have used the European Sustainability Reporting Standards (ESRS) themes to undertake a double materiality study on two of our regions to assess both impact materiality (how the company affects people and the environment) and financial materiality (how sustainability issues affect the company's value). By organising the analysis around ESRS environmental, social, and governance topics, we can map risks, opportunities, and dependencies across the entire value chain, from suppliers to end-of-life impacts. This framework allows consistent scoring, and prioritisation and will meet future CSRD requirements.

Together with our climate-related financial analysis detailed in section 7, it provides a clear, transparent basis for stakeholder engagement, ESG decision-making, and long-term strategic planning.

Methodology

The double materiality study has been undertaken by our Western Europe and DACH & CEE regions during the reporting year. All scores provided below are based on these two regions. The analysis will be expanded to cover all regions in the next reporting year to ensure we are well prepared for the regulatory requirements in the forthcoming reporting years.

The analysis was completed by our relevant regional ESG Teams and then consolidated for group disclosure. All ESRS themes were covered across our full value chain including suppliers, clients, employees, communities and end of life impacts.

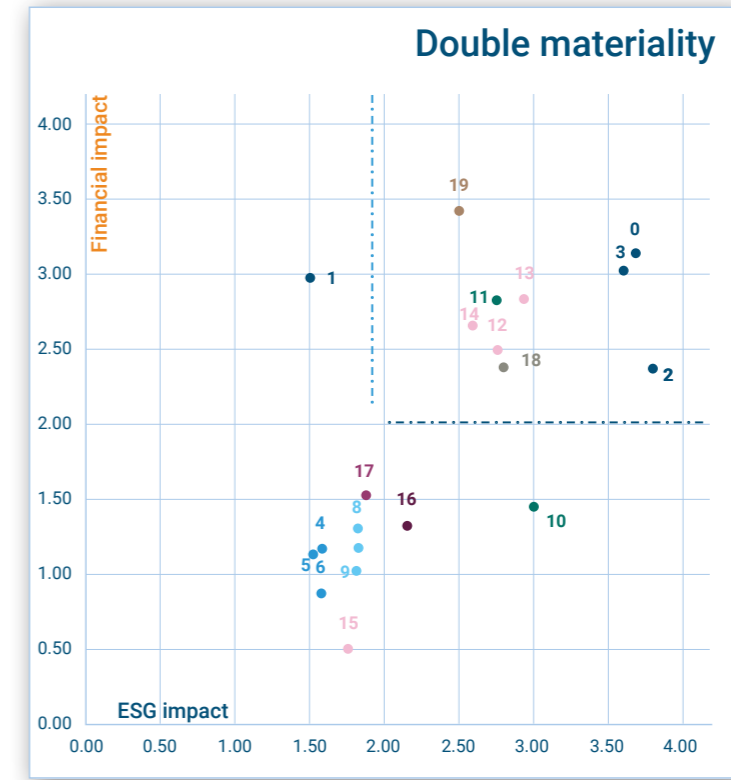
Both impact materiality and financial materiality were scored using the table below:

Paragon's impact on society and environment (average positive and negative impact)			
Rating	Highly influential	Between 3 to 4	Material
	Influential	Between 2 to 3	Material
	Slightly influential	Between 1 to 2	
	No influence	Between 0 to 1	
	Financial impact: impact of 'society' on Paragon (average risks and opportunities)		
	Very high impact	Between 3 to 4	Material
	High impact	Between 2 to 3	Material
	Low impact	Between 1 to 2	
No impact	Between 0 to 1		



The table below shows the material themes and the ownership of targets, KPIs and programmes.

Theme	Material topic?	Targets and metrics maturity
ESRS E1 - Climate	Yes	Group level Carbon Net Zero target set (See Climate-related Financial Disclosures (CFD) section) GHG emissions metrics expanded to include all relevant Scope emissions for all regions.
ESRS E2 – Pollution	No	Regional controls in place to prevent pollution in line with local regulatory requirements.
ESRS E3 – Aquatic and marine resources	No	Regional metrics on water consumption for Paragon locations. KPI on revenue and spend on paper / board products which are dependent on use of water resources.
ESRS E4 – Biodiversity and ecosystems	No (although meets criteria for ESG Impact)	Regional biodiversity and nature risk assessment for Paragon locations. KPI on revenue and spend on paper / board products which are dependent on nature for raw materials.
ESRS E5 – Circular economy	Yes	Regional targets for Zero waste to landfill. Group KPIs on site recycling rates. Product assessment on end-of-life recyclability.
ESRS S1 Company workforce	Yes	See People section for targets and KPI for our workforce.
ESRS S2 – Value chain workers	No	Supply chain due diligence programmes to assess human rights, modern slavery and workers conditions.
ESRS S3 – Affected communities	No	Regional engagement with local communities through supply chain and community engagement programmes.
ESRS S4 – Consumers and end users	Yes	Sustainability assessments for 70% of our outsourced work covering end of life treatment and recyclability by end consumers.
G1 – Business Conduct	Yes	Governance processes and metrics in place covering a wide range of regulatory and best practice business conduct frameworks.



- | | | | |
|-----------|---|------------|--|
| 0* | ESRS E1 - Climate | 10 | ESRS E4 - Biodiversity and ecosystems |
| 1* | Climate change adaptation | 11* | ESRS E5 - Circular economy |
| 2* | Climate change mitigation | 12* | ESRS S1 - Company workforce |
| 3* | Energy | 13* | Working conditions |
| 4 | ESRS E2 - Pollution | 14* | Equal treatment and equal opportunities for all |
| 5 | Air pollution | 15 | Other work-related rights |
| 6 | Soil pollution | 16 | ESRS S2 - Value Chain Workers |
| 7 | ESRS E3 - Aquatic and marine resources | 17 | ESRS S3 - Affected communities |
| 8 | Water consumption | 18* | ESRS S4 - Consumers and end users |
| 9 | Water abstraction | 19* | G1 - Business conduct |

Our Certifications And Accreditations

Certifications and accreditations are required by our stakeholders, and rather than it be a “tick box” exercise, Paragon uses these frameworks to identify best practice, benchmark our performance and drive continual improvement.

 <p>EcoVadis Gold rating with one region platinum</p>	 <p>Carbon Disclosure Project (CDP) Climate change: B rating UKIL only not required in other divisions</p>	 <p>Science Based Targets Initiative (CBTI) Committed UKIL: Committed PWE: Targets approved Group level commitment in 2025</p>
 <p>UN Global Compact Committed DACH & CEE, PWE committed. UK membership in 2025</p>	 <p>ISO 14001 Environmental Management System Certified All production locations</p>	 <p>ISO 50001 Energy Management System Certified</p>
 <p>FSC / PEFC Certified</p>	 <p>ISO 45001 Health & Safety Management System Certified</p>	 <p>ISO 27001 Information Security Management System Certified</p>

Targets And Goals

ESG targets and goals are set at both group and regional level, driven by the materiality of the topic. This approach allows the group to provide governance frameworks, support and resource for topics that are material to all regions, and our regions to focus on delivery and set additionally locally relevant targets.

The table below shows our material ESG topics and our approach to target setting. The split between group and divisional targets shows our journey we migrate from regional to group accountability for ESG.

Area	Material topic	Target description	Progress
Environmental	Carbon Net Zero	Scope 1 and 2: • 50% reduction by 2032 • 90% reduction by 2040 Against a baseline of 2021/2022. See CFD section for further details.	Scope 1: 28% reduction Scope 2: 25% reduction
	Waste & Circular Economy	Regional targets covering: • Zero waste to landfill • Recyclability of products	Group recycling rate 89% With zero waste to landfill
	Nature & Biodiversity	Regional management of risk. Regional targets on site biodiversity enhancement.	8 sites with biodiversity enhancements 20 sites with nature & biodiversity risk assessment
	Water	Local management of water consumption. No specific targets as water in not a material topic in our own operations.	Site level projects to reduce domestic water consumption.
Social / Societal	Supply Chain	Carbon Net Zero Scope 3 engagement target: • 90% supply chain spend with Carbon Net Zero target by 2032.	42% of supply chain spend with Carbon Net Zero target
	Client Engagement	Regional programmes for product carbon calculations & client engagement	Product carbon calculations covering 26% of revenue
Governance	OPEX dedicated to ESG	Methodology in development	
	EU Taxonomy	Methodology in development	

Full details of our divisional targets can be viewed in our local ESG / Sustainability Reports, which are located here.

Our Metrics

Our ESG KPIs have been selected to measure impact and progress for our material ESG topics, and our targets. KPIs for climate-related risk can be viewed in the CFD section.

This year we have improved our carbon accounting methodology allowing for inclusion of all region's GHG emissions, and a sound baseline year measurement against which to measure progress.

For metrics about our employees, please see the People section.

ESG area	KPI	2024/2025 Metric	2023/2024 Metric	2022/2023 Metric	2021/2022 Metric
Environmental	Scope 1 kgCO2e*	6,692	8,027	8,878	9,240
	Scope 2 location based kgCO2e*	9,768	11,970	12,025	12,991
	Scope 3 kgCO2e*	266,585	297,857	367,019	338,980
	% site waste recycled	89%	Over 85%	Over 85%	Over 85%
	% sites with Nature & biodiversity risk assessment	20	20	15	0
Social / Societal	Operational Supply chain spend	€897,842,173	€810,911,725	€711,102,075	€617,769,627
	% operational supply chain spend with Carbon Net Zero target	42%	41%	3%	3%
	% spend with diverse owned / operated	13% with women owned businesses (measured for Paragon Global Brand only)	Not measured	Not measured	Not measured
Governance	Number of Environmental legislative breaches	0	0	0	0
	Number of whistle-blowing incidents	1	0	0	0

*For full breakdown and methodology for GHG emissions, see CFD section.

Esg Impact

In this section you can see details of our impacts and some case studies highlighting our programmes that support our material Environmental topics. Our regional ESG reports contain more detail about local projects and can be viewed at <https://global.paragon.world/ESG/sustainability-reports>.




Environmental

Carbon Net Zero

We know the path to Carbon Net Zero will not be linear. Although we have just launched our first group level Carbon Net Zero targets, our regions have had carbon reduction activities in place for many years. You can read more about our Climate Transition Plans in the CFD section and more about our regional carbon reduction activities here (link to regional ESG reports).

Since our baseline year of 2021/22, we have reduced our carbon emissions by 28% Scope 1, 25% Scope 2.



The table below highlights our key area of focus for our Carbon Net Zero programmes and provides examples of our impacts.

Key areas	Already implemented	Next steps	Our impact
Renewables	Solar / PV installation at our Dagenham and Korschenboich site will deliver 316 tCO2 reduction (2% of baseline Scope 2)	FY2025-2026 Solar / PV negotiations are underway at 5 additional sites, with potential to reduce Scope 2 emissions by 88 tCO2e	 Ensure access to affordable, reliable, sustainable and modern energy by generating our own renewable energy.
Energy Reduction - Facilities	Heating systems and / or controls upgrades identified at over 10 sites, potential to reduce Scope 1 emissions by over 35 tCO2e.	FY2026-2030 Continue programmes to upgrade: • Heating controls • Boiler replacements at end of life	 Ensure sustainable consumption and production patterns by driving resource efficiency, and decoupling economic growth from environmental impact.
	Lighting. All our locations have undergone lighting upgrades over the past few years and improvements at over 23 sites in UK and French locations in 2024/25.	FY2026-2027 Implement upgraded lighting at remaining locations.	 Take urgent action to combat climate change and its impacts by mapping our carbon reduction trajectories to support our near-term carbon reduction target.
Process & behaviour change	Automated energy monitoring at our UK locations have allowed focus on "Out of Office" close down processes, end of shift process and equipment switch off during quieter periods. This has saved over 145 tCO2e at just three locations.	FY2025-2026: Implement automated energy monitoring systems at large locations. Appoint energy champions. Identify process and behaviour change opportunities.	

Waste

The circular economy is governed by multiple regulatory requirements, meeting legislation is the bare minimum, and we want to make sure that our waste streams and products are at minimum, easily recyclable at end of life. All our sites have a zero waste to landfill policy, and we systematically apply the waste hierarchy of refuse, reduce, reuse and recycle across our processes and waste streams.

Over 35% of our revenue is from paper-based products, so already easily recyclable at end of life. We are working to assess the sustainability credentials, including recyclability, of our remaining product base. We recognise that for some products there is no perfect solution, and it will take collaboration and cooperation of our value chain to reach the goal of having all products feeding into the circular economy.


Key areas	Already implemented	Next steps	Our impact
Site waste management	<p>Zero waste to landfill on sites in place, with non-recyclable waste sent to Energy for Waste (EfW)</p> <p>Food waste recycling introduced in UK meet new legislation.</p> <p>Site Re-use programmes: Installation of cardboard shredders at 2 locations to reuse waste boxes as packing material.</p> <p>Overall recycling rate of 89%.</p>	<p>FY2025/2026</p> <p>Identify further re-use opportunities.</p>	 <p>Ensure sustainable consumption and production patterns by ensuring our site activities, waste hierarchy and waste streams support a circular economy, and we use our resource wisely.</p> 
	<p>Waste Reduction. Our sites work to reduce consumption of raw materials through LEAN manufacturing programmes. We work with clients to drive efficiencies in their communication cycles and drive out wasted products.</p>	<p>FY2025/2026</p> <p>Continue to drive production efficiencies to reduce waste</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems by ensuring our site activities and products support a circular economy and do not contribute to land pollution.</p>
Product design	<p>for determining the environmental impact of our solutions, through to end of life. We work with clients and vendors to promote the use of the most sustainable materials to increase the likelihood that materials are re-used or refurbished and do not end up in a waste stream.</p>	<p>FY2025/2026</p> <p>Continue to engage with clients to design engineer out waste from products and services.</p>	

Water

Paragon's own on-site activities use minimal amounts of water, mostly for domestic use, and plate making at our print sites. Our sites take action to reduce water consumption through upgraded plate making machines, tap fittings in kitchens and bathrooms, and urinal controls.

Over 35% of our revenue is from paper-based products. Production of paper by our supply partners is highly water intensive, although the majority is returned to the environment in accordance with local effluent regulations. We are committed to mapping the water risk in our tier one supply chain and developing additional metrics and targets should this be classified a material topic or risk.

The table below highlights our key activities:

Key areas	Already implemented	Next steps	Our impact
On site activities	<p>Plate making upgrades to reduce water consumption in place.</p>	<p>FY2025/2026</p> <p>Assess water reduction opportunities at all locations and implement controls</p>	 <p>Ensure sustainable consumption and production patterns by ensuring our site activities, waste hierarchy and waste streams support a circular economy, and we use our resource wisely.</p>
Our paper supply partners		<p>FY2025/2026</p> <p>Assess water reduction opportunities at all locations and implement controls</p> <p>Map water scarcity risk for all paper tier one supply partners.</p>	



Nature & biodiversity

Paragon approaches nature and biodiversity from both a value chain, and local operational perspective. Nature and biodiversity loss present risks to our supply chain impacting business continuity and operational cost resulting in reputational and regulatory consequences.

Paragon operates from multiple locations across Europe. A minimum 20 sites have nature & biodiversity risk assessments in place, using WWF Risk filter tool. Over 8 sites have undertaken projects to enhance nature and biodiversity in their local areas, including wildflower planting, bee hives and provision of native wild seeds to our employees.

Over 35% of revenue is reliant on forests in our value chain for our raw materials. With the EU Deforestation Regulations (EUDR) fast approaching Paragon is ramping up its due diligence to not just meet this legislation, but to assess how through our partnerships we can enhance and accelerate nature and biodiversity regeneration.

The table below highlights our key activities and programmes

Key areas	Already implemented	Next steps	Our impact
Site activities	<p>Nature and biodiversity risk assessments completed at 13% sites.</p> <p>Distribution of wild flower seeds to staff and clients equivalent to 19 tennis courts.</p> <p>Over 8 local projects to promote nature and biodiversity regeneration.</p>	<p>2025/2026:</p> <p>Extend nature and biodiversity risk assessment to all Paragon locations.</p> <p>Target all production sites to take local action on nature and biodiversity regeneration.</p>	 <p>Ensure sustainable consumption and production patterns by ensuring our site activities, waste hierarchy and waste streams support a circular economy, and we use our resource wisely.</p>  <p>Protect, restore and promote sustainable use of terrestrial ecosystems by ensuring our site activities and products support a circular economy and do not contribute to land pollution.</p>
Value Chain activities	<p>Assessment of revenue dependent on nature for raw materials.</p> <p>Supply chain engagement with paper suppliers on nature and biodiversity regeneration.</p>	<p>2025/2026:</p> <p>Compliance reporting for EUDR from 30 December 2025.</p> <p>Nature and biodiversity risk assessment for tier one supply partners.</p> <p>2027-2030:</p> <p>Identify value chain opportunities to enhance nature and biodiversity regeneration within and beyond our value chain.</p>	

Social and societal

Social value is the impact our business has on society including our contributions to profit, wellbeing, equity and sustainable development. Creating social value is essential for our long-term success, resilience and reputation. We engage with our stakeholders and wider society to identify opportunities and deliver equity of opportunity for individuals, communities and businesses within, our value chain.

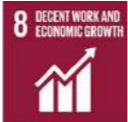



The People section of this report focusses on our internal employee engagement and Diversity, Equity and Inclusion (DEI) programmes, this section looks at our external societal impacts and activities.

Supply Chain

Our supply chain presents great opportunity to reduce our environmental impact, enhance efficiency, strengthen our brand and tackle social inequality through our partnerships. Regulatory infrastructure such as the Corporate Sustainability Due Diligence Directive (CSDDD) provide best practice frameworks for value chain governance and we are integrating the requirements into our supply chain programmes.

Paragon adds over €700 million to the economies in which we operate through our supply chain spend. We have been focussing on benchmarking the ESG credentials of our supply chain to support our new supply chain Carbon Net Zero engagement target of 90% of operational supply chain spend with a Carbon Net Zero target in place.

We also recognise that minority and under-represented owned businesses may not have equal access to opportunities to work with Paragon. We have also begun the process to benchmark our spend with diverse owned or operated supply partners (in line with local regulatory frameworks).



Key areas	Already implemented	Next steps	Our impact
Supply Chain risk management	Supply chain risk assessment and due diligence framework in place to address supplier controls for: <ul style="list-style-type: none"> Information security ESG Business continuity Human rights and Modern Slavery 	2025/2026 Review framework to ensure consistency across our regions and compliance with the Corporate Sustainability Due Diligence Directive (CSDDD).	 Promote sustained, inclusive and sustainable economic growth by ensuring our supply chain operates ethically.
Supply Chain ESG framework	Benchmarked Carbon Net Zero target status of suppliers with whom we spend over €100,000. 42% spend has Carbon Net Zero target set. Inclusion of ESG questionnaire within supplier due diligence framework.	2025 – 2027 Set minimum requirements framework for supply chain ESG performance. Continue ESG benchmarking of supplier chain performance including: <ul style="list-style-type: none"> Carbon Net Zero target Zero waste commitment Zero deforestation commitment Modern slavery commitment DEI commitments EcoVadis score 	 Reduce inequality across our value chain by providing equal access to opportunity for all partners.  Ensure sustainable consumption and production patterns by ensuring our supply chain operates responsibly.
Diverse supplier programme	Diverse owned / operated status benchmarked for 30% of our supply chain spend (where local regulatory frameworks allow). This covers the following categories: <ul style="list-style-type: none"> MSMEs Women owned Ethnic minority owned LGBTQ+ owned Veteran owned Disability owned A key focus has been the development of a community of women-owned and women-led businesses. Over the past 3 years Paragon Global Brands have increased annual spend with women owned businesses to 13%.	2025-2027 Continued benchmark of diverse owned / operated spend. Identification of supply chain categories where spend with diverse owned / operated suppliers could be increased.	 Strengthen partnerships with our supply chain to deliver meaningful changes for our economy, planet and societies.

Client engagement and product innovation

Our value chain plays an important part in driving sustainability improvements. Our clients are setting more and more stringent sustainability expectations of their supply chain to drive the adoption of carbon net zero targets, DEI metrics and the circular economy. You can read more about our clients' Carbon Net Zero requirements in the CFD section of this report.

Paragon works with our clients to deliver sustainability assessments of the products and services we deliver, and help our clients embed behaviour change within their own purchasing teams. We work with our clients and suppliers from design stage through to delivery to ensure products and services deliver carbon reduction across their lifecycle and contribute to the circular economy. This is especially important for our outsourced products where we use a six-step model to engage with clients and create joint environmental and social sustainability plans that enable us to better partner for success. These plans include objectives and KPIs that are tracked via the regular governance meetings and are supported by sustainability guidelines for all categories of POS.



Key areas	Already implemented	Next steps	Our impact
Client Carbon Calculations	We provide a combination of contract and product level carbon calculations for our clients covering 28% of our revenue. This enables clients to make responsible informed decisions to help accelerate our joint Scope 3 carbon emissions.	2025 – 2027 Expand our carbon methodology to provide a high-level estimate of carbon emissions for all contracted clients. Develop sustainability assessment methodology for all outsourced products.	 Ensure sustainable consumption and production by providing our client information to make responsible purchasing decisions.
Outsourced product innovation	We delivery sustainability assessments for 28% of our outsourced work. This includes: <ul style="list-style-type: none"> Carbon footprint Recyclability End of life treatment Transportation 	2025 – 2027 Expand methodology to deliver sustainability assessment for all outsourced products, and set minimum ESG standards for products.	
Client support and engagement	Our GreenUp tool tracks the behaviours of client teams to understand the sustainability performance of buying decisions. We agree mandated actions such as zero single-use plastic, no lamination and FSC certified. Creation of relevant baselines and embedding metrics and KPIs into all client teams' allows us to track progress.	2025-2027 Extend methodology to deliver sustainability assessments for all outsourced products and set minimum ESG standards for all products.	Strengthen partnerships with our clients to accelerate meaningful change for our economy, planet and societies support our near-term carbon reduction target.

Social value partnerships

Social value partnerships allow us to contribute meaningfully to our communities and help our business build strong stakeholder relationships, attract and retain our talent, and enhance our reputation.

Governance of social value partnerships is managed at regional level which allows our locations to deliver the most impact within their local communities.



We provide ongoing support for over 23 charity partnerships through a combination of corporate sponsorship and site fundraising activities.

Key areas	Already implemented	Next steps	Our impact
Corporate partnerships	Supply chain risk assessment and due diligence framework in place to address supplier controls for: <ul style="list-style-type: none"> Information security ESG Business continuity Human rights and Modern Slavery 	2025-2027 Develop a Social Value Partnerships governance and reporting framework. This will enable: <ul style="list-style-type: none"> Improved governance of our partnerships to ensure continued alignment with our strategic goals Improved reporting of the impact we are making in our communities Improved employee engagement with volunteering opportunities 	Ensure healthy lives and promote wellbeing by supporting partners. Reduce inequality across our value chain by providing equal access to opportunity for all partners.  
Charity engagement	Our individual locations organise regular events to raise funds and volunteer for charities in their local communities. During 2024/25 our employees supported over 23 charities.		Ensure inclusive and equitable quality education by providing training and apprenticeships focusing on underrepresented communities.



Our expertise / cross industry partnerships

The Paragon ESG team provide external expertise both within our value chain, our industry and wider organisations. Not only does this deliver strategic benefits for our business, it extends our positive impact to wider industries to help accelerate the move to a sustainable and equitable economy and society.

Cross industry partnership	Already implemented	Our impact
Strategic Mailing Partnership (SMP). The SMP is dedicated to revitalising enthusiasm for mail, showcasing its inherent creativity, proven effectiveness, and unparalleled ability to forge connections	Our Group ESG Director chairs the Sustainability working party bring together cross industry representatives from supply chains, brands & agencies and industry bodies galvanise collaboration across our industry to contribute to global sustainability efforts.	 Strengthen cross industry partnerships to accelerate meaningful change for our economy, planet and societies.
PrintGreen PrintGreen was founded to champion the sustainable credentials of the print industry. Our mission is to provide clear, accessible, and accurate insights into the environmental impact of print, enabling brands, agencies, and stakeholders to make informed, responsible choices.	Our Group ESG Director is a founding member of the PrintGreen board, and Paragon UKIL is proud to lead our industry and support this initiative to promote the sustainability of the print communication channel.	 Ensure inclusive and equitable quality education by sharing expertise and inspiring business leaders and stakeholders from across our value chain, and wider to drive meaningful change.
TwoSides Founded in 2008, Two Sides is a not-for-profit, global initiative promoting the unique sustainable and attractive attributes of print, paper and paper packaging. The Two Sides campaign is a collaboration of companies from sectors including forestry, pulp and paper manufacturing, packaging, inks, pre-press, press, finishing, publishing, printing, envelopes and postal operators.	TwoSides mission is to dispel common environmental misconceptions, inspire and inform businesses and consumers around the world with engaging, fact-based information about the sustainability and attractiveness of print, paper and paper packaging. Paragon UKIL is proud to support this organisation to help educate our stakeholders on the sustainability credentials of the paper industry.	
Cranfield School of Management	Lucy Klinkenberg-Matthews, our Group ESG Director shares her extensive expertise by delivering guest lectures to the MBA students at Cranfield School of Management. During these sessions, Lucy shares her practical experience in embedding robust sustainability strategies and frameworks within real-world business.	
Industry Judging & speaking panels	SMP Sustainable Mail campaign – our group ESG Director heads up the judging panel to judge campaigns that have delivered sustainability impacts and improved in the print and mailing industry. Ricky – POPAI & Impact 25	



**Climate-related
Financial
Disclosure
(CFD)**



7

Non-Financial and Sustainability Information Statement

This report covers our disclosures in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, Sections 414C, 414CA and 414CB of the Companies Act 2006 (the 'Act'). The Streamlined Energy and Carbon Reporting (SECR) and The Companies (Directors' Report and Limited Liability Partnerships (Energy and Carbon Report) regulations 2018 requirements are covered in the Directors' Report). This is part of our reporting suite for the 2024/25 financial year.

Climate change presents ongoing risks and opportunities for all businesses, and Paragon is no exception. It will directly impact our operating models and costs and is already driving changes in market requirements and the assessment of the climate-related risks and opportunities required by regulatory and legislative changes across our regions.

We welcome the increased transparency these regulations demand. We are proud of the progress we are making with our climate change programmes, and improved integration into our risk profiling, but we are also aware of the work still to be done to fully integrate climate-related risk into our core business strategy and reporting.

BUSINESS CHANGES IN THE REPORTING PERIOD

Paragon consists of multiple subsidiary companies across the globe and has a Mergers & Acquisitions strategy that results in changes to business structure and the acquisition of new activities in most reporting years.

Paragon's re-baselining policy dictates that should Paragon undergo a structural change involving the transfer of ownership or control of emissions-generating activities or operations, we will examine the impacts to our emissions baseline. Should any single change, or the cumulative effect of several minor changes in the reporting years equate to over 5% of our original base year emissions, we will recalculate and restate our baseline and subsequent reporting year's emissions.

During the reporting year the following acquisitions and restructures impacted carbon emissions by more than 5% and triggered our re-baselining policy. The changes are summarised below:

Acquisitions/Divestiture	Date of change	Impact	Plan for KPI inclusion
Communis Brand Deployment	30 December 2023 *	Impact on group GHG emissions: Scope 1: 10% increase Scope 2: 22% increase Scope 3: 16% increase	Integrated in current reporting year and all years back to baseline year.
Service Graphics purchase from wider Grenadier Holdings group	30 May 2025	Impact not yet determined	Not included in current reporting year, will be integrated into KPIs for 2025/26 reporting year, including data from baseline year onwards.
Office Teams and OT Group Purchase of trade and assets from wider Grenadier Holdings	30 May 2025	Impact on group GHG emissions: Scope 1: 0.5% Scope 2: 0.5% Scope 3: Data not available	Integrated into current reporting year and all years back to baseline year.

*acquisition happened before the current reporting period but has been referenced as it was not yet integrated into KPI reporting in the previous reporting year.

REPORTING DEVELOPMENTS

The reporting period of 2024/25 is the third cycle of CFD reporting for our business, and our governance structure and processes are starting to mature with oversight of climate-related frameworks transitioning from regional to group level ownership. The key developments in the reporting year and future developments are described in the sections below.

CFD requirement	Improvements in reporting year	Next steps
Governance arrangements	Group ESG Director appointed in January 2025 with responsibility for group wide climate-related reporting, strategy, risk management and target setting. Audit & Risk Committee (ARC) function related to ESG and Climate-related risk defined and agreed.	FY2025/2026: Centralise ESG functions and responsibilities to address current and future regulatory requirements. Integrate climate-related KPIs and financial reporting.
Risk and opportunity identification, assessment and management	ARC met three times covering: <ul style="list-style-type: none">ARC function with regards to climate-related riskEducation session on CFD requirementsReview of climate-related risk & opportunity assessment and methodologyReview and approval of CFD analysis and group Carbon Net Zero target.	FY2025/2026: Integrate climate-related risk into group ERM quarterly reporting and business decision making frameworks.
Description of climate-related risks and opportunities and timeframes	Climate-related risks and opportunities assessments extended to include: <ul style="list-style-type: none">Revised assessment for carbon tax.Inclusion of climate change impact on paper industry (our largest raw material).Inclusion of cost of finance.	FY2025-2027 Develop a supply chain climate-related risk framework.
Description of the actual and potential impacts of the principal climate-related risks and opportunities	Additional risk assessment included first qualitative analysis of impact of climate change on paper industry undertaken.	FY2025-2027 Develop financial analysis on the impact of climate change on the cost and availability of raw materials.
Analysis of the resilience	Current resilience assessments extended to include qualitative analysis of the resilience of our paper supply partners has been completed.	FY2025-2027 Integrate climate-related risks into ERM framework to allow prioritisation of risk treatment and resilience planning.
Description of the targets	Science Based Targets Initiative (SBTi) aligned group Carbon Net Zero targets have been agreed and set by the ARC. Regions develop additional climate change targets, metrics and programmes, driven by the risks and opportunities relevant to their regions and activities.	FY2025/2026 Develop our Climate Transition Plan to map out the framework to realise our climate-related opportunities.
Key performance indicators	Climate-related and ESG KPIs defined through our double materiality studies and risk assessments. Our carbon accounting systems have been developed to bring in previously excluded emissions data into the Annual report.	FY2025-2027 Benchmark the Carbon Net Zero target status of all in scope supply partners. Standardise carbon calculation methodology across the regions.

Governance

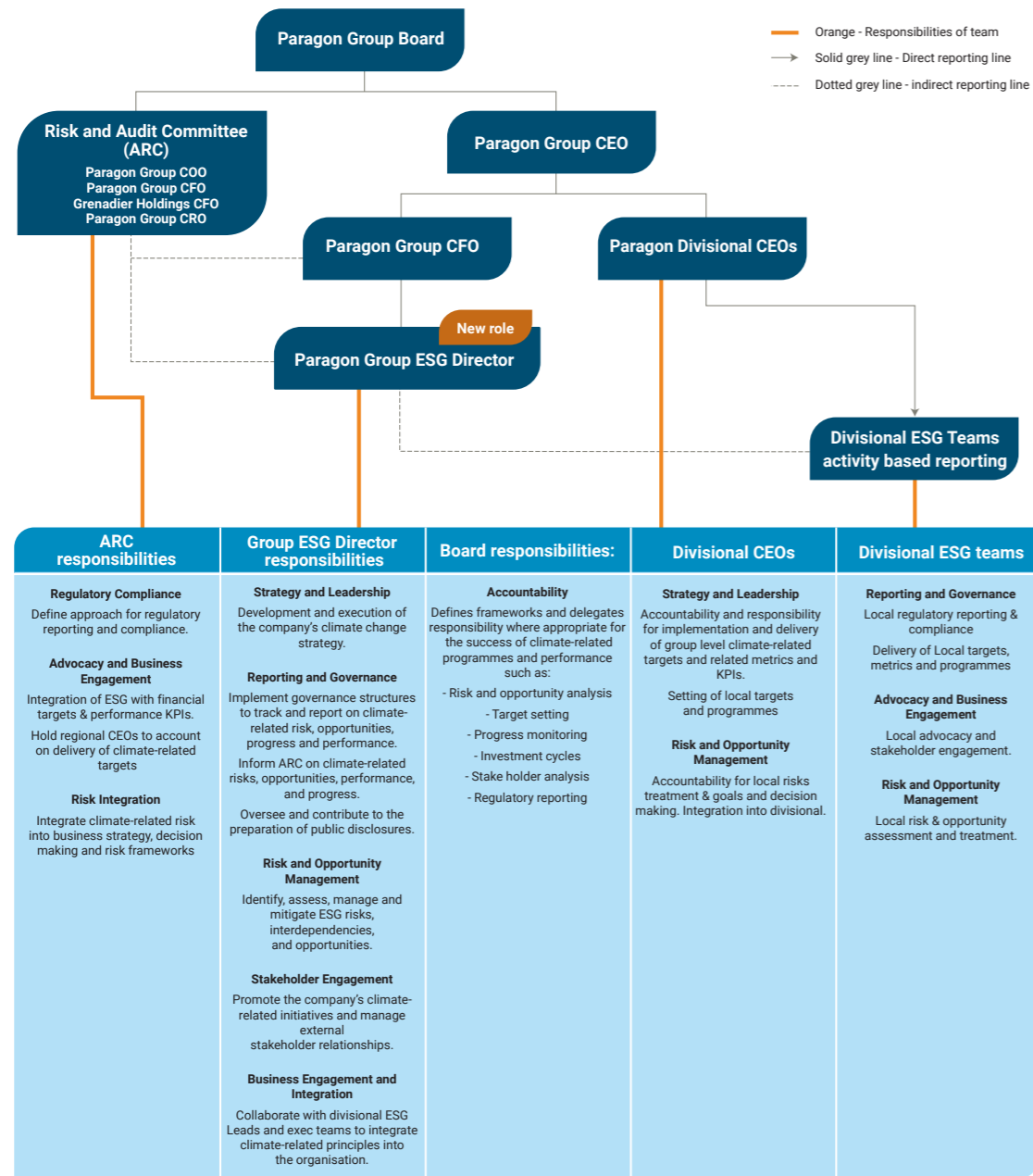
STRUCTURE, ROLES & RESPONSIBILITIES

The Paragon Group Audit & Risk Committee (ARC) provides governance for the setting of and compliance with the ESG standards across Paragon. In order to develop and mature our climate-related strategies the oversight of climate-related frameworks is transitioning from regional to group-level ownership.

The Paragon Group Board has delegated responsibility to the ARC for review and approval of climate-related governance, including risk and opportunity review, approval of targets, KPIs and strategy development. The ARC includes climate change on the agenda at least twice each financial year, and met three times to review 2024/25 climate-related analysis.

The introduction of the Group ESG Director role and ARC function has already resulted in a more structured approach to climate-related risk identification, assessment, resilience and target setting.

Whilst governance frameworks are still being defined, the chart below shows the relationships, responsibilities and interdependencies of our governance teams with regards to climate-related risk.



Strategy

CLIMATE-RELATED RISK AND OPPORTUNITY FRAMEWORK

Time horizons

Paragon recognises the risk that climate change poses to our business model and those of our clients. While our long-term planning regarding our facilities and our product and service offerings does not extend beyond 10 years, many of our assets will remain in operation past this timeframe. This approach lets us adapt to market and regulatory requirements, while developing strategies to address the impacts of climate change on our activities.

Time horizon	Justification
Short-term: 0 to 2 years	The business conducts operational and financial planning over a one-to-two-year timeframe. Criteria for expenditure projects generally work to a two-year return on investment. This lets us prioritise projects that will return short-term gains for the business.
Medium-term: 3 to 5 years	The business conducts strategic and capital planning over a three-to-five-year period. It has a strategic ambition to double its turnover every three years and has a number of strategies in place, including mergers and acquisitions. This activity tends to be planned around the medium term. This also aligns with the average client contract term of three years.
Long-term: 6 to 10 years	The business is growing rapidly through mergers and acquisitions and 10 years is a realistic long-term planning target for growth. It also aligns with the average lease term on our sites and reflects the timescales in which changes to our facilities can be made. This also aligns with our most ambitious Carbon Net Zero target of 2035 set in UK, Ireland and Luxembourg.
Beyond 10 years	All governments in our regions have set legally binding targets to reach Net Zero by 2050 and the IPCC SSP1-1.9 scenario of a 1.5°C rise by 2050, which we have used for our scenario analysis, fits with the useful lives of some of Paragon's assets of 10-40 years.

Impact definitions

Paragon considers the climate-related risks and opportunities associated with the products and services we provide, including mergers and acquisitions, research and development, cost of sales and technological changes, when considering strategic plans. Operational risk is also considered, as failure to properly address climate-related risks can lead to a substantive impact on the business' ability to operate.

Category	Substantive Risk Definition	Substantive Opportunity Definition	Change since previous reporting year
Revenue	Loss of revenue or reduction of spend on our services, resulting from changing scope of market requirements related to stakeholder engagement with climate-related risk. Loss or reduction of revenue of >5% considered substantive.	Activities related to climate change that increase revenue by over 5% within a financial reporting year.	Minor wording tweaks to include reduction of spend in addition to loss of revenue.
Expenditure	Increased costs will erode profit margins, arising from single factors or a combination of multiple cost increases related to climate change impacting our economic stability. Increase of >5% on operating costs considered substantive.	Activities related to climate change that decrease expenditure by over 5% within a financial reporting year.	Substantive risk threshold increased from 1% to 5% to reflect the shift from divisional to group review.
Asset/ Investment	Assets becoming worthless and / or unusable as a result of climate change. Activities that increase GHG emissions by >5% constitute a substantive impact on our Carbon Net Zero Plan.	Activities that decrease GHG emissions by more than 5% within a financial reporting year.	Wording change to include assets becoming worthless / and / or unusable.

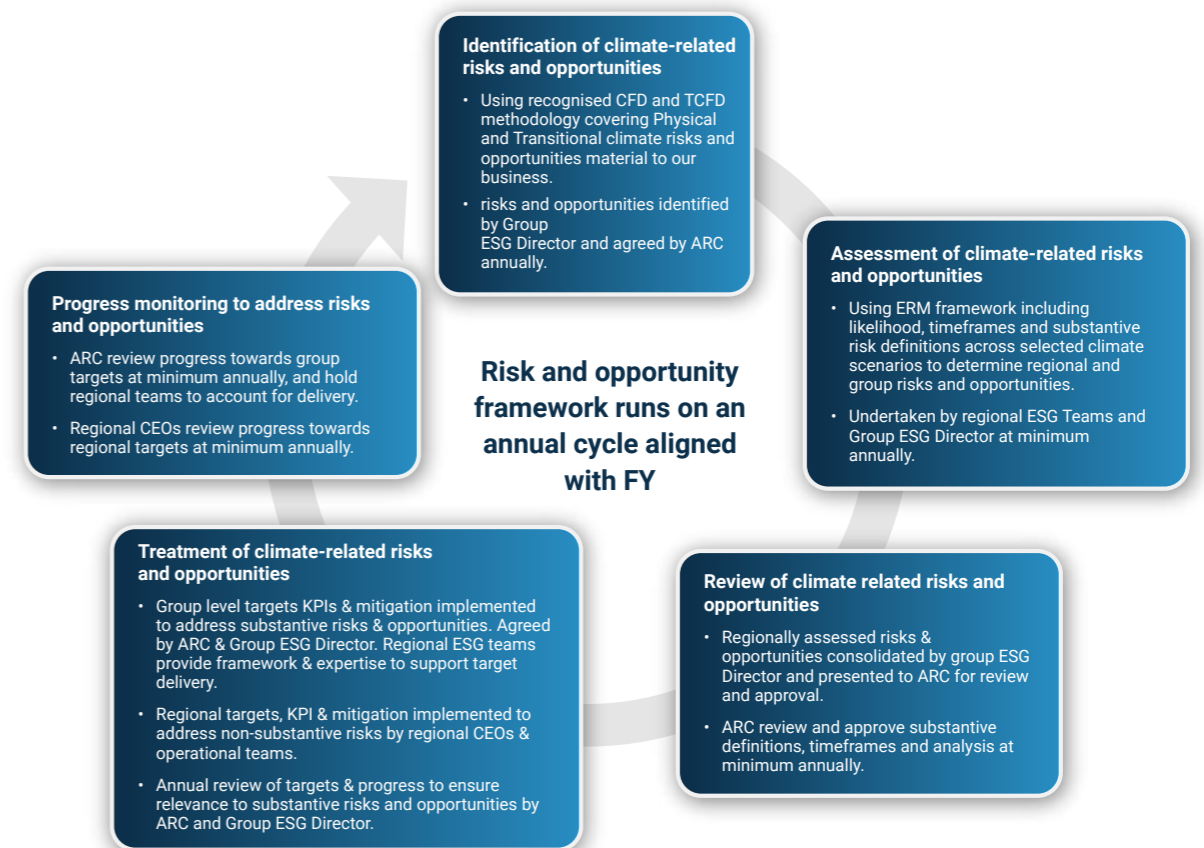
LIKELIHOOD	Highly Unlikely	Unlikely	Realistic Possibility	Likely	Highly Likely
ESG - Physical Risk - Flood	Not located near river basin / flood plain, and / or Very low risk of localised flooding on government agency assessment tools.	Not located near river basin / flood plain, and / or Low risk of localised flooding on government agency assessment tools.	Not located near river basin / flood plain, and / or Medium risk of localised flooding on government agency assessment tools.	Located near river basin / flood plain, and / or Medium risk of localised flooding on government agency assessment tools.	Located near river basin / flood plain, and / or High risk of localised flooding on government agency assessment tools.
ESG - Physical Risk - Sea level rise	Not located near coastal areas and / or low lying coastal regions	Not located near coastal areas and / or low lying coastal regions	Located within 5km of coastal regions projected to be below annual flood level in 2040*	Located within 1km of coastal regions projected to be below annual flood level in 2040*	Located within coastal regions projected to be below annual flood level in 2040*
ESG - Physical Risk - Temperature rise *	Operation location in geographic region where expected temperature increase less than or equal to 0°C. (For each climate scenario)	Operation location in geographic region where expected temperature increase is 0-1°C. (For each climate scenario)	Operation location in geographic region where expected temperature increase is 1-2°C. (For each climate scenario)	Operation location in geographic region where expected temperature increase is 2-3°C. (For each climate scenario)	Operation location in geographic region where expected temperature increase is above 3°C. (For each climate scenario)
ESG - Transitional Risk - Market (Client CNZ requirements)	YoY reduction of > 50% of client revenue with Carbon Net Zero Plan extending to supply chain	YoY reduction of between 0-50% of client revenue with Carbon Net Zero Plan extending to supply chain	No change in % of client revenue with Carbon Net Zero plan extending to supply chain	YoY Increase of between 0-10% of client revenue with Carbon Net Zero Plan extending to supply chain	YoY Increase of over 10% of client revenue with Carbon Net Zero Plan extending to supply chain
ESG - Transitional Opportunity - Carbon reduction technology	Technology would not deliver a carbon reduction within our Net Zero target and investment ROI longer than current lease terms	Unknown if technology would deliver a carbon reduction within our Net Zero target and investment ROI longer than current lease terms	Technology would deliver a carbon reduction within our Net Zero target, and investment ROI same length as lease terms	Technology would deliver a carbon reduction within our Net Zero target, and investment ROI medium term	Technology would deliver a carbon reduction within our Net Zero target, and investment ROI short term

Risk and opportunity assessment methodology

The climate-related risk and opportunity framework is owned by the Group ESG Director, and analysis is presented to the ARC at minimum annually.

Using a common set of risk factors, timeframes, substantive definitions and scenarios assessment is undertaken for each region then consolidated by the Group ESG Director for review by the ARC. Certain physical risks may be considered substantive in certain regions, for example our operations in the Netherlands are at greater risk of the impacts of sea level rise, but may not meet the group substantive risk thresholds. This approach lets our regional leadership teams focus on treatment of local climate-related risks and opportunities, and the ARC to focus on substantive risks across the whole business.

The process is outlined below, followed by more detailed methodology for risk / opportunity assessment of each risk type.



The Paragon ARC use this information to monitor the progress towards climate-related targets, act upon underperformance and address and mitigate the risks identified. This is achieved through the allocation of suitable resources including personnel and financial investment.

The table opposite shows the risk factors and assessment methodology.

Risk / opportunity type and description	Assessment methodology	Responsibility	Frequency and last review
<p>Acute Physical: Sites at risk of localised flooding coastal & fluvial)</p> <p>Risk Code: R1</p> <p>With every degree of temperature rise, increased likely of fluvial, groundwater and coastal flooding in expected.</p>	<p>Identification of sites located:</p> <ul style="list-style-type: none"> In river basin using site location and google maps In high risk flood zones defined by Environment Agency flood map for planning tool <p>The cost to relocate one site combined with the revenue not contracted for Disaster Recovery was calculated to determine if substantive risk thresholds are met.</p>	Regional ESG Teams	July 2024 Every 2 years
<p>Chronic Physical: Sites at risk of sea-level rise</p> <p>Risk Code: R2</p> <p>Sea level rise is expected within our long-term and 10+ years timeframes.</p>	<p>NASA sea level projection tool used to estimate sea level rise for each scenario for sites located in coastal regions. The Climate Central Coastal tool was used to identify areas under the expected level of sea rise. 6 sites at risk of sea level rise in the long-term+ timeframes. The cost to relocate one site combined with the revenue not contracted for Disaster Recovery was calculated to determine if substantive risk thresholds were met.</p>	Regional ESG Teams	July 2024 Every 2 years
<p>Chronic Physical: Increased energy spend and cooling upgrades due to temperature increase</p> <p>Risk Code: R3</p> <p>Increased cooling demand is expected with between 10 - 25 sites requiring upgraded cooling technology.</p>	<p>We estimated costs based on recent expenditure to replace print room cooling equipment at one site.</p> <p>This has been combined with the increased energy expenditure of between 10% and 25% for cooling demand.</p>	Regional ESG Teams	July 2025 Every 4 years
<p>Transitional: Regulatory: Cost of potential Carbon tax</p> <p>Risk Code: R4</p> <p>All governments within our areas of operation are committed to Net Zero by 2050. The most likely method of driving behaviour change is the application of a carbon tax across businesses' Scope 1 and 2 emissions in the next five to 10 years.</p>	<p>The impact of a potential carbon tax for the scenarios was calculated on all Scope 1 & 2 emissions.</p> <p>Each scenario assumes that to achieve a lower temperature increase a higher commitment and price of carbon will be set by our governments.</p> <p>A range of carbon prices from €70 to €350 per tonne have been used, based on the following sources:</p> <p>IPCC Sixth Assessment Reports (AR6)</p> <p>IEA World Energy Outlook (2023)</p> <p>EU Commission Fit-for-55 Package (2021–2024)</p> <p>Carbon Pricing Leadership Coalition (World Bank, 2023)</p>	Group ESG Director	July 2025 Annual
<p>Transitional: Market: Value of client spend with Carbon Net Zero Target extending to supply Chain</p> <p>Risk Code: R5</p> <p>Client and stakeholder requirements are changing rapidly with regards to climate change. Our clients are one of our main stakeholders and Paragon needs to ensure we are providing solutions that support our clients' climate change goals.</p>	<p>Clients with an annual revenue of over €1million are assessed annually by the regional ESG leads, to determine the following:</p> <ul style="list-style-type: none"> Material climate change themes; Client Net Zero commitments, including Scope 3 targets that extend to their supply chain; and Revenue at risk should Paragon not meet clients' supply chain climate-related targets. <p>This analysis helps drive our climate change strategy.</p>	Regional ESG Teams, then consolidated by Group ESG Director	July 2025 Annual

Risk / opportunity type and description	Assessment methodology	Responsibility	Frequency and last review
<p>Transitional: Market Cost and availability of raw materials</p> <p>Risk Code: R6</p> <p>The paper industry faces climate-related financial risks stemming from both physical and transitional climate impacts. These risks can disrupt operations, affect supply chains, and influence market dynamics and are likely to increased paper prices in the medium to long-term.</p>	<p>Qualitative research was undertaken using AI technology, referencing data sources which were validated by the Group ESG Director to ensure analysis originated from reputable sources.</p> <p>The analysis covered:</p> <ul style="list-style-type: none"> The impact on the paper industry from physical and transitional climate-related risks The resilience of the paper industry and planned adaptation to climate change The expected impact on cost of material. 	Group ESG Director	July 2025 Annual
<p>Transitional: Market: Cost of Finance</p> <p>Risk Code: R7</p> <p>SBTi aligned Carbon Net Zero targets and wider ESG targets can reduce interest rates on financial repayments.</p>	<p>SBTi aligned Carbon Net Zero targets and wider ESG targets can reduce interest rates on financial repayments.</p> <p>The annual financial impact was calculated by our CFO based on potential future borrowing requirements and previous negotiations.</p>	Group CFO	July 2025 Annual
<p>Transitional: Reputation Increased business wins and retention</p> <p>Opp Code: O8</p> <p>Over 50% of revenue is from clients with Carbon Net Zero plan extending to their supply chain. At group level this has risen by 5% each year and 37% of client revenue requires completion of external platforms such as CDP, EcoVadis and SEDEX.</p>	<p>Strong ESG and climate-related credentials can be a deciding factor in winning work.</p> <p>While it is difficult to attribute new business wins or contract renewals purely to our sustainability credentials, we estimate that based on the trend for strong climate-related programmes embedded into most tenders and RFPs, an increased revenue of 1% each year could be achieved.</p>	Group ESG Director	July 2025 Annual
<p>Transitional: Technology: Renewables</p> <p>Opp Code O9</p> <p>Paragon has a group Carbon Net Zero target of 2040. Investment in off-site renewable energy generation would reduce our Scope 2 emissions to close to zero and reduce long term spend on energy.</p>	<p>An external consultant was used in 2022 to analyse the investment options for off-site renewables and / or PPA.</p>	External resource, with validation from Group ESG Director	May 2022 Every 4 years
<p>Transitional: Technology: Onsite renewables and carbon reduction</p> <p>Opp Code O10</p> <p>Paragon has a group Carbon Net Zero target of 2040. Onsite renewable generation and carbon reduction technology will reduce our Scope 2 emissions and future-proof our business against possible energy supply issues, rising energy costs, and avoidance of future carbon tax costs.</p>	<p>Regional feasibility studies into onsite PV / solar installations undertaken by energy consultants and landlords at a minimum of six sites have identified solar could reduce our Scope 2 emissions by 3%.</p> <p>UKIL region has undertaken energy audits and decarbonisation surveys at its largest locations. A comprehensive framework of energy & carbon reduction opportunities could reduce UKIL emissions by up to 12%</p>	Regional ESG Teams	As opportunity arises, then consolidated annually

SCENARIO PLANNING

Paragon has completed our climate scenario planning using Intergovernmental Panel on Climate Change (IPCC) scenarios and a mix of quantitative and qualitative analysis.

The IPCC AR6 Synthesis Report: Climate Change 2023 makes it clear that the global average temperature is expected to hit 1.5°C above pre-industrial levels by the mid- 2030s, regardless of the level of mitigation implemented. To assess climate-related risks and opportunities, we have selected a range of integrated climate scenarios that reflect varying pathways of socio-economic development and greenhouse gas emissions. The chosen scenarios listed below offer a balanced representation of plausible futures relevant to our sector and operating context in the geographies in which we operate. The chosen scenarios will be assessed for their relevance every three years, with the review scheduled during our 2026/2027FY. This will allow Paragon to expand and mature our risk and opportunity analysis over the forthcoming years to include a wider range of climate-related factors.

Scenario analysis has been completed using all risk and opportunity factors against the IPCC scenarios listed below, considering the impact on our business for all timeframes.

Scenario	Assumptions	Uncertainties	Constraints
SSP1 - RCP1.9 Temperature Increase: 1.5°C Rationale for Selection & Paragon Impact: Our countries of operation support a commitment to reach Net Zero by 2050, requiring large businesses to disclose relevant targets. Paragon's clients have aligned their strategy to a 1.5°C scenario, including targets extending to their supply chains.	Governments and clients will continue with their climate change commitments with industry developing technology to deliver Net Zero. Paragon assume an increasing % of our client revenue will continue to develop climate change targets extending to their supply chain.	The current global political instability could delay climate action. The affordability and scalability of new technology may impact timescales for decarbonisation. Paragon's growth through acquisition may add uncertainty into the delivery timescales of our decarbonisation plans. The cost of living increases may result in the diversion of financial resources away from decarbonisation into other societal initiatives.	Paragon's group Carbon Net Zero target of 2040 presents challenges in terms of the speed and scale of the action we must take.
SSP1 - RCP2.6 Temperature Increase: 1.8°C Rational for selection and Paragon impact: With every degree of temperature rise Paragon will experience impact on our OPEX, and physical risks to our locations. We need to understand the risks, opportunities and dependencies to prepare for this in our planning across all time frames.	We assume climate policies in our regions will remain moderately ambitious, and continued widespread adoption of low-carbon technologies. Paragon assume that our clients will continue to recognise the risks of climate change to their own operating models and continue to require their supply partners to commit to climate strategy aligned with their ambitions and government commitments.	Uncertainty around the implementation and enforcement of current national policies and targets may reduce the risk of non-compliance and delay our business decision making on disclosures and decarbonisation investment. More frequent extreme weather events are expected that will impact our operations.	Lack of investment technology and infrastructure may impact affordability of climate change solutions.
SSP2 - RCP4.5 Temperature Increase: 2.7°C Rationale for selection and Paragon impact: With every degree of temperature rise the impact on socioeconomic, physical changes and market conditions will impact our ability to continue to operate as we do now, and we need to prepare for this within our short, medium and long-term planning.	Current global commitments fall short of reaching Carbon Net Zero reducing the requirement for setting of business climate-related targets. However, we assume our clients will recognise the risks of climate change to their own operating models and continue to require their supply partners to address climate-related risk. Renewable energy and electric vehicles will be adopted, but at a slower pace.	Increased frequency, intensity and regional distribution of extreme weather events may divert financial investment towards climate adaptation measures and away from decarbonisation strategies. Increased political instability and economic disruptions may put additional strain on our supply chains, reduce profit margins and divert investment away from climate strategies.	Some ecosystems and regions may face irreversible damage or transformation. Many economies will face constraints in balancing climate mitigation with economic development.
SSP3 - RCP7.0 Temperature Increase: 3.6°C Rationale for selection and Paragon impact: A 3.5-3.9°C scenario would result in a drastic change to in our operating model impacting our supply chains, viability of our locations and our OPEX. We need to understand the dependencies, risks and opportunities that this scenario would present.	Whilst we assume that political measures to reduce global emissions are no longer a priority, we assume that our clients will recognise the risks of climate change to their own operating models and continue to require their suppl partners to address climate-related risk.	The combination of increased extreme weather events, political, social & economic instability, competition for resources, and catastrophic infrastructure damage may divert investment from decarbonisation programmes to climate adaptation. Technology will not mitigate the impacts of warming.	Constraints on the ability of human & natural systems to adapt with key industries, will suffer due to extreme weather and changing climate conditions.

PRINCIPAL CLIMATE-RELATED RISKS AND OPPORTUNITIES

Following our annual climate-related governance cycle, risks and opportunities that are classified as Substantive inline with our Impact Definitions in any of the our time frames are considered to be our principal climate-related risks and opportunities. Paragon's substantive risks and opportunities fall into two categories:

Market Revenue Risk – An increasing number of Paragon's clients have Carbon Net Zero programmes that extend to their supply chains. Failure to implement and deliver climate change presents a substantive risk to revenue..

Technological Asset Opportunity – the ability to reduce carbon emissions in line with our Carbon Net Zero targets through investment in on and offsite renewable technology and energy reduction measures is an opportunity.

It is important to note that individually there are minimal climate-related risks that are considered substantive within the time-frames Paragon uses for assessment. However, the consolidated impact of two or more scenarios coming to fruition may become a substantive risk. In order to track the changing likelihood of risk factors over time-frames, we re-evaluate assessment of all risks annually.

The tables below summarises our principal climate-related risks and opportunities together with treatment and business resilience.

OUTCOMES OF SCENARIO ANALYSIS FOR PRINCIPAL RISKS AND OPPORTUNITIES

Risk / opportunity type	Description				
Transitional: Market & Reputation: Client Requirements Risk: R5	Client and stakeholder requirements are changing rapidly with regards to climate change. Our clients are one of our main stakeholders and Paragon needs to ensure we are providing solutions that support our clients' climate change goals. Risk: Over 49% of Paragon's revenue derived is from clients with a Net Zero plan that extends to their supply chain. Failure to implement and deliver Net Zero targets that support our clients' climate change plans puts this revenue at risk in the medium-term. Based on the increase in clients' climate-related requirements in the last 2 years, we assume that clients will continue to drive change regardless of political will. The risk meets substantive risk threshold of >5% revenue at risk.				
Scenario Outcomes: Risk: While it is unlikely that the full 49% of client revenue would be lost, the cumulative reduction of revenue over the medium and long-term from a combination of failure to renew contracts, and failure to win new business could have a substantive Revenue impact in all scenarios and timeframes. Based on the assumption that clients will continue to develop strong climate-related programmes as a result of the physical and transitional risks to their own operations, regardless of political will, technology and collaboration, we have predicted a rise in client revenue requiring a Carbon Net Zero target in all scenarios and time frames. We will continue to assess this annually and amend this assumption should we notice any reduction in client climate-related requirements.	Scenario	Short-term likelihood and impact (R5S)	Medium-term likelihood and impact (R5M)	Long-term likelihood and impact (R5L)	Beyond 10 years likelihood and impact (R5+)
	SSP1 - RCP1.9	Likelihood: Likely Impact: Substantive revenue impact	Likelihood: Highly likely Impact: Substantive revenue impact	Likelihood: Highly likely Impact: Substantive revenue impact	Likelihood: Highly likely Impact: Substantive revenue impact
	SSP2 - RCP2.6	Likelihood: Likely Impact: Substantive revenue impact	Likelihood: Likely Impact: Substantive revenue impact	Likelihood: Highly likely Impact: Substantive revenue impact	Likelihood: Highly likely Impact: Substantive revenue impact
	SSP2 - RCP4.5	Likelihood: Realistic possibility Impact: Substantive revenue impact	Likelihood: Realistic possibility Impact: Substantive revenue impact	Likelihood: Likely Impact: Substantive revenue impact	Likelihood: Likely Impact: Substantive revenue impact
	SSP3 - RCP7.0	Likelihood: Unlikely Impact: Substantive revenue impact	Likelihood: Realistic possibility Impact: Substantive revenue impact	Likelihood: Realistic possibility Impact: Substantive revenue impact	Likelihood: Likely Impact: Substantive revenue impact

<p>Risk / opportunity management & treatment, resilience and influence on strategy and planning.</p>	<p>Regional and group level risk treatment:</p> <p>Action taken: Our clients are a primary driver for investment and strategy planning, and we recognise we need to meet their rapidly growing and expanding climate-related requirements, including SBTi aligned Carbon Net Zero targets. The development of strong climate change plans and governance reduces the risk of reduction of revenue.</p> <p>Our regions had already set local Carbon Net Zero targets, and during the reporting year we strengthened our commitments by setting a group wide Carbon Net Zero target.</p> <p>We have bolstered our governance structures to ensure that our climate-related programmes meet the requirements of our clients and wider stakeholders.</p> <p>As a result of these mitigating actions Paragon consistently scores highly on client climate-related assessments and external portals such as EcoVadis, this greatly reduces the likelihood of lost revenue as a result of climate-related requirements. The residual risk is greatly reduced, however, we remain vigilant to ensure our climate change programmes continue to meet stakeholder requirements.</p> <p>Future plans: Following the publication of our group Carbon Net Zero target, we are working on a group level Climate Transition Plan for publication following the 2025/26 reporting year.</p>				
<p>Risk / opportunity type</p>	<p>Description</p>				
<p>Transitional: Technology (Off site Renewables) Opportunity 9 (O9)</p>	<p>To support our Carbon Net Zero target of 2040, Paragon is investigation the opportunity for investment in offsite renewable energy generation, which in would bring the opportunity to:</p> <p>Reduce Scope 2 carbon emissions to close to zero (depending on SBTi guidelines)</p> <p>Reduce spend on energy through the agreement of long-term energy pricing</p> <p>This opportunity is considered substantive for the following Impact Definitions:</p> <p>Revenue: Not substantive (No impact)</p> <p>Expenditure: Not substantive (Reduction in Expenditure expected but below the substantive opportunity threshold)</p> <p>Asset: Substantive (above substantive opportunity threshold to reduce GHG emissions by more than 5%.</p>				
<p>Scenario Outcomes: With the first 2 scenario analysis we have assumed that over the Medium and Long-term time frame the low carbon technology, collaborations between industry and governments, and cost of financing will make it likely that we will implement this opportunity in our long-term time frame. However, with the SSP2 and SSP3 scenario we assume the cost of technology, collaborations between industry and government and cost of financing will make it unlikely that we will implement this opportunity.</p>	<p>Scenario</p>	<p>Short-term likelihood and impact (O9S)</p>	<p>Medium-term likelihood and impact (O9M)</p>	<p>Long-term likelihood and impact (O9L)</p>	<p>Beyond 10 years likelihood and impact (O9+)</p>
	<p>SSP1 - RCP1.9</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Realistic opportunity Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>
	<p>SSP1 - RCP2.6</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Realistic opportunity Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>
	<p>SSP2 - RCP4.5</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Realistic opportunity Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>
	<p>SSP3 - RCP7.0</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Unlikely Impact: Substantive</p>	<p>Likelihood: Unlikely Impact: Substantive</p>
<p>Risk / opportunity management and treatment, resilience and influence on strategy and planning</p>	<p>Opportunity Treatment: Opportunity is being fully scoped for feasibility from a group perspective</p> <p>Action taken:</p> <p>Consultant research was undertaken in 2022 to scope the investment in off-site generation of renewable electricity for the business to deliver close to zero Scope 2 emissions.</p> <p>Investigation into long-term group PPA agreements to cover group electricity requirements</p> <p>Future plans (2026/2027):</p> <p>Re-evaluation of offsite opportunity to determine cost, compliance with stakeholder requirements (such as SBTi), carbon reduction, feasibility and timescales for implementation</p> <p>Due mitigating action being in the investigative stage, the impact of this opportunity has not yet been fully scoped.</p>				

Risk / opportunity type	Description				
<p>Transitional: Technology Onsite Renewables Other Carbon reduction technology Opportunity 10 (Opp 10)</p>	<p>Paragon has a group Carbon Net Zero target of 2040.</p> <p>On site renewable energy generation.</p> <p>Regional feasibility studies into onsite PV / solar installations undertaken by energy consultants and landlords at a minimum of six sites have identified solar could reduce our Scope 2 emissions by 3%.</p> <p>Carbon reduction technology</p> <p>UKIL region has undertaken energy audits and decarbonisation surveys at its largest locations. A comprehensive framework of energy & carbon reduction opportunities could reduce UKIL emissions by up to 12%</p>				
<p>Scenario Outcomes: With the first 2 scenarios we have assumed that the continued development of lower cost renewable technology and landlord collaboration will make it highly likely that we will implement this opportunity in all time frames.</p> <p>With the SSP2 and SSP3 scenario we assume the cost of technology will remain reasonably affordable and that whilst landlord cooperation might lessen, it will still be likely that we will implement this opportunity.</p>	Scenario	Short-term likelihood and impact (O10S)	Medium-term likelihood and impact (O10M)	Long-term likelihood and impact (O10L)	Beyond 10 years likelihood and impact (O10+)
	<p>SSP1 - 1.9</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>
	<p>SSP1 - 2.6</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>	<p>Likelihood: Highly likely Impact: Substantive</p>
	<p>SSP2 - 4.5</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>
	<p>SSP3 - 7.0</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>	<p>Likelihood: Likely Impact: Substantive</p>
<p>Risk / opportunity management & treatment, resilience and influence on strategy and planning.</p>	<p>Regional and group level risk treatment:</p> <p>Action taken: Two locations have already had solar PV installations during the reporting year. Feasibility studies for solar PV are underway for a further five sites as part of our developing Carbon Transition Plan.</p> <p>Future Plans 2025-2028: Options will be assessed at all other feasible sites to determine cost, compliance with stakeholder requirements (such as SBTi), carbon reduction, feasibility and timescales for implementation.</p> <p>The mitigating action has the potential to reduce Scope 2 carbon emissions by up to 10%.</p>				

Targets

Carbon Net Zero was identified as a primary area of interest from our stakeholder analysis and CFD assessments. Historically, a number of Paragon regions had SBTi aligned and / or validated Carbon Net Targets. As part of our transition from regional to group-level reporting and accountability for climate change frameworks, the ARC approved Paragon's first group wide SBTi aligned Carbon Net Zero targets in June 2025. Carbon Net Zero has been chosen as our primary group-wide climate-related target as this meets client, investor, regulatory and societal requirements. Our divisions develop further targets to address local risks and opportunities, which are reported in the divisional ESG reports.

We have chosen the 2021/2022 reporting year as our baseline as this is representative of our current operations and locations, and data is available for all locations and activities.

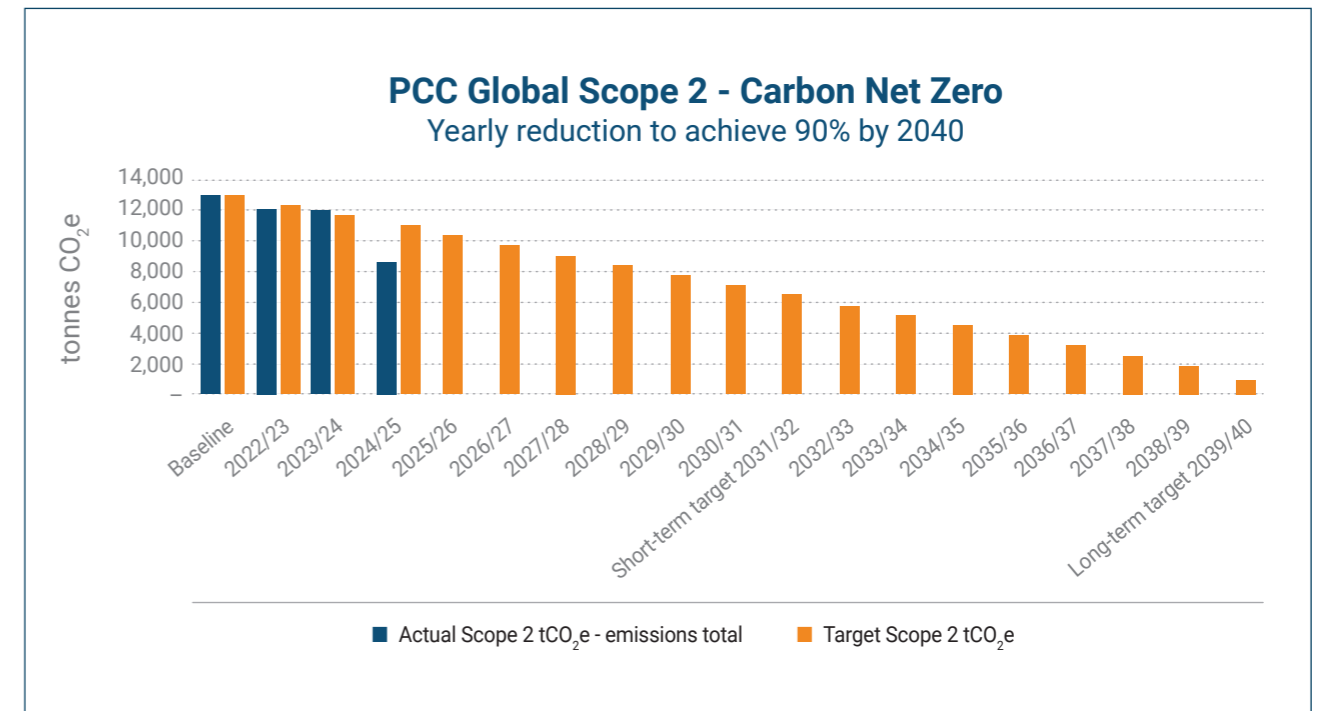
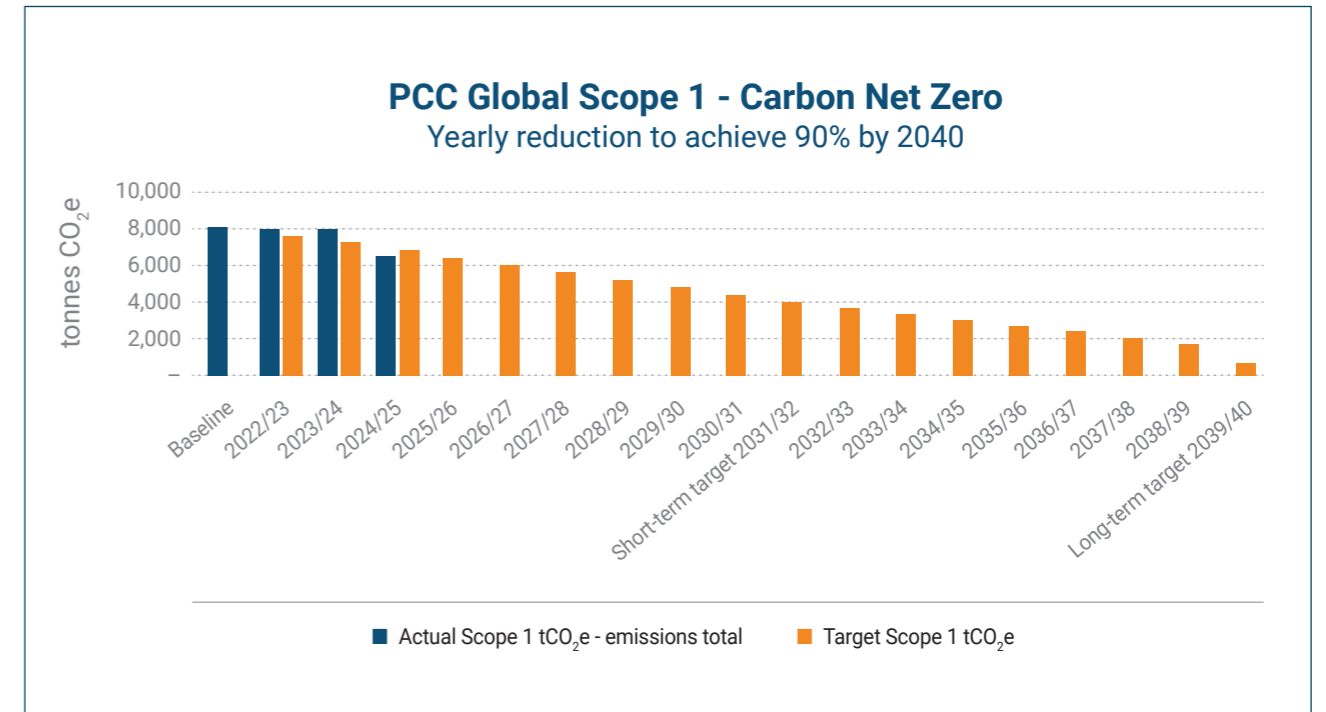
The table below outlines our climate-related targets:

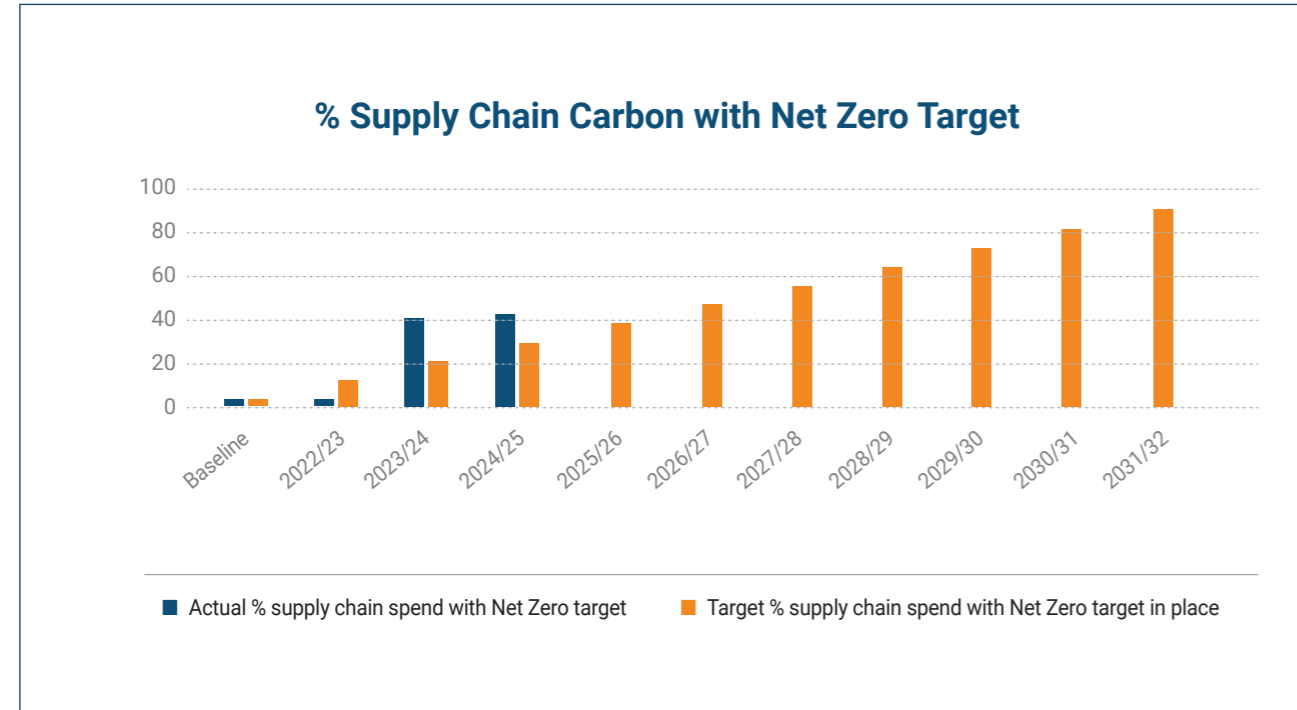
SCOPE	Near-term target	Long-term target	Metric / KPI	Coverage	Justification for selection
Scope 1 Baseline year: FY2021/2022 24% reduction since baseline year Link to Risk R5	50% reduction by 2032	90% reduction by 2040	tCO ₂ e for Gas, fuel & fugitive emissions	All Paragon owned or operated locations where we are billed for gas / fuel use. All Paragon owned or operated vehicles. All fugitive emissions.	SBTi is becoming a contractual requirement, the near and long-term year will meet SBTi, local governments' and client carbon net zero expectations & regulatory requirements.
Scope 2 Baseline year: FY2021/2022 35% reduction since baseline year Link to Risk R5	50% reduction in location based emissions by 2032	90% reduction in location based emissions by 2040	tCO ₂ e for location based consumed electricity	All Paragon owned or operated locations where we are billed for electricity use.	It is a manageable timeframe to plan medium-term investment and carbon reduction activity.
Scope 3 Intensity Target Baseline year: FY2021/2022 18% reduction since baseline year Link to Risk R5	50% reduction in intensity by 2032	97% reduction in intensity by 2045	tCO ₂ e for Cost of General Sales supply chain emissions per € Revenue	All revenue. Carbon emissions for all Cost of General Sales (CoGS) supply chain.	
Scope 3 Engagement target Baseline year: FY2021/2022 42% supply chain with Net Zero target Link to Risk R5	90% of supply chain spend with suppliers who have SBTi aligned Carbon Net Zero Plan by 2032	N/A	% supplier OPEX spend with Carbon Net Zero Plan	All OPEX (CoGS supply chain spend)	SBTi is becoming a contractual requirement, the near-term year will meet SBTi guidelines. It is a manageable timeframe to plan medium-term supply chain engagement.

CLIMATE TRANSITION PLAN

Paragon is currently consolidating our regional carbon reduction plans to create our group level Climate Transition Plan. We expect to publish this following the FY2025/26 reporting year.

The chart below shows the carbon reduction pathway required to meet our Scope 1 and 2 targets.





While our Climate transition Plan is being fully developed and mapped out, the table below shows the expected carbon reduction opportunities and their timeline for implementation. This has been based on the carbon reduction opportunity log for the UKIL region, and assumed similar opportunities will be available across the group.

Reduction category	% reduction identified to 2032	Expected delivery programmes	Implementation timeframes
Technology	Scope 1: Up to 100%	Gas boiler replacements Heat distribution networks Heating controls upgrades Electric vehicles upgrades	FY2026 to FY2028: implementation of "low hanging fruit". FY2029 to FY2032: Replacement of kit at end of life / lease with lower carbon options. FY2033 to FY2040 Investment in heat decarbonisation technology.
	Scope 2: Up to 11%	Renewables HVAC Lighting Production & facilities kit	FY2026 to FY2028: Implementation of "low hanging fruit". Site decarbonisation surveys. Feasibility studies for on and off-site renewable electricity generation. Financial planning for long term investment in low carbon technology. FY2029 to FY2032: Implementation of chosen on or off-site renewables programme. FY2033 to FY2040 Investment in emerging decarbonisation technology.
Consolidation of business operations	Scope 1: Up to 9%	FY2026 to FY2030 Consolidation and optimisation of production locations to maximise efficiency.	
	Scope 2: Up to 6%		
Process & behaviour change	Scope 1: Up to 8%	Out of Office and End of Shift process Heating control optimisation	FY2026 to FY2030 Improved use of automated energy monitoring systems to identify energy reduction from process and behaviour change.
	Scope 2: Up to 8%	Out of Office and End of Shift process Heating and energy monitoring control optimisation	
Grid emissions	Scope 2: Up to 40%	Government delivered reduction in grid emissions	FY2026 to FY2035 Track and update grid emissions conversion rates.

Metrics

The table below shows the group-wide climate-related KPIs and the justification for their selection. Paragon regions develop further KPIs to support their local ESG and climate-related targets, risks and opportunities which can be viewed to the regional ESG reports.

Metrics cover all locations and related activities unless otherwise stated.

KPI	2024/25 tCO ₂ e	2023/24 tCO ₂ e	2022/23 tCO ₂ e	2021/22 Baseline year tCO ₂ e	Justification
Scope 1 – Facilities Coverage: All Paragon owned or operated locations where we are billed for gas / fuel use. All Paragon owned or operated vehicles.	4,307	5,570	5,879	6,459	Supports group-wide and divisional Carbon Net Zero targets. Required for multiple regulatory and legislative geographic regions. Contractual requirement and / or expectation from clients.
Scope 1 Fugitive Emissions Coverage: All fugitive emissions.	56	171	438	282	
Scope 1 – Transport Coverage: All Paragon owned or operated vehicles.	2,248	2,192	2,415	2,457	
Scope 2 – Electricity Grid Emissions Coverage: All Paragon owned or operated locations where we are billed electricity use.	9,346	11,582	11,670	12,574	
Scope 2 – Electric vehicle fleet.	11	11	46	46	
Scope 2 – Steam ,heating & cooling.	332	309	305	305	
Scope 3 Category 1 Purchased Goods and Services* Coverage: 85% of spend on purchased goods and services.	175,112	179,571	217,330	219,749	
Scope 3 – Category 2 Capital Expenditure Coverage: All spend on CAPEX goods and services.	6,456	6,610	11,415	9,837	
Scope 3 – Category 3 Fuel and energy related services Coverage: All WTW emissions for fuel use.	4,561	5,328	6,456	6,893	
Scope 3 – Category 4 – Upstream transportation and distribution Coverage: 88% of supply chain spend.	9,270	7,841	9,621	8,495	
Scope 3 – Category 5 Waste generated in operations Coverage: Waste generated in all production locations	123	287	400	355	
Scope 3 – Category 6 Business Travel Coverage: All Business travel from Expense reports	729	1,126	1,348	697	

KPI	2024/25 tCO ₂ e	2023/24 tCO ₂ e	2022/23 tCO ₂ e	2021/22 Baseline year tCO ₂ e	Justification
Scope 3 – Category 7 Employee Commuting Coverage: All Paragon employees commuting	5,073	5,865	7,723	7,460	Supports group-wide and divisional Carbon Net Zero targets. Required for multiple regulatory and legislative geographic regions. Contractual requirement and / or expectation from clients.
Scope 3 – Category 8 Upstream leased assets Coverage: All leased assets included on purchasing systems	1,850	2,655	4,061	1,616	
Scope 3 – Category 9 Downstream transportation and distribution Coverage: Emissions from all transport, courier and postal providers	46,428	71,403	89,988	66,039	
Scope 3 – Category 12 End of Life treatment Coverage: End of life for all paper purchased by Paragon.	16,976	17,165	17,947	17,212	
Scope 3 – Category 15 Investments Coverage: Estimate from Paragon pension investments	4	7	730	629	Clients are a primary stakeholder and a driver for Paragon's climate-related targets and programmes.
% client revenue with Net Zero target extending to supply chain Coverage: Net Zero revenue from all clients with annual revenue of over €1million.	49% Analysed for all regions	40% Analysed for DACH & UKIL	Not measured	Not measured	
% of supply chain spend with SBTi aligned Carbon Net Zero target Coverage: OPEX suppliers with whom we spend over €100k with Net Zero target.	42% Analysed for all regions except BD	41% Analysed for all regions except BD	3% Analysed for BENE only	3% Analysed for BENE only	
Scope 3 OPEX emissions kgCO ₂ e per €revenue* Coverage: All supplier OPEX GHG emissions. All client revenue.	199.24	208.29	258.65	244.29	Supports group-wide and divisional Carbon Net Zero targets. Provides a measure of carbon efficiency for our revenue and allows us to track the impact our changing revenue generating services has on our GHG emissions.

GHG EMISSIONS METHODOLOGY

The methodology used for calculating Paragon’s GHG emissions uses the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard: Corporate and Accounting Standard (GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard (the “Scope 2 Guidance”).

The organisational boundary established is ‘operational control’ ensures that emissions reported comprise all the activities and assets under Paragon’s direct control.

Scope 1 – Gas use. Gas use is taken from a combination of meter readings and energy bills, then multiplied by the regional government-issued GHG conversion factor.

Scope 2 – Electricity. Scope 2 emissions result from the consumption of electricity at our locations. All electricity used at our locations is supplied through the national grid in the countries in which we operate. Electricity usage data is provided by our energy management company, and kWh of electricity is multiplied by the relevant government-issued GHG conversion factor.

Scope 3 – Cat 1 Purchased goods and services, Cat 2 Capital goods, Cat 8 Upstream leased assets, Cat 9 Downstream transportation & distribution and Cat 15 Investments. Calculated based on a combination of product lifecycle emissions calculations provided by supply partners, and Extended Environmental Input Output (EEIO), and CEDA database analysis based on supply chain spend.

Scope 3 – Cat 3 Fuel and energy-related services. Energy use figures provided through energy suppliers are multiplied by relevant regional government-supplied GHG conversion factors.

Scope 3 – Cat 4 Upstream transportation and distribution. Calculated based on a combination of:

- Product lifecycle emissions calculations provided by supply partner
- Activity data; the delivery distance and weight of the shipment are multiplied together to obtain the kmtonne.

This is then multiplied by the GHG conversion factor for the transport type, which are issued by local governments.

Scope 3 – Cat 5 Waste generated in operations. The weight of each waste stream is measured by our waste contractors. The total weight in tonnes of each waste stream is multiplied by the relevant government-issued GHG conversion factors for each waste stream.

Scope 3 – Cat 6 Business travel. Business travel is calculated using a number of different methods using data from our expenses system. The system details the method of travel/expense type and emissions are calculated using the most relevant regional government-issued GHG conversion factors.

Scope 3 – Cat 7 Employee commuting. Emissions calculated using responses from a staff commuting survey using government-issued GHG factors for relevant modes of transport.

Scope 3 – Cat 12 End-of-life treatment. Relevant regional government-issued GHG factors for end-of-life treatment were multiplied by the tonnes of our primary raw material (paper) consumed. This assumes that the raw material used will be disposed of by the end consumer.

Cat 10 – Processing of sold goods, Cat 13 – Downstream leased assets and Cat 14 - Franchises are not relevant to our activities.

Restatement of GHG Emissions

The table below shows the GHG emissions that have been restated and the reasons.

GHG emissions restated	Explanation
Scope 1 & 2: All reporting years	Inclusion of acquired business and activities in UKIL (see “BUSINESS CHANGES IN THE REPORTING PERIOD” section).
Scope 1 & 2: 2021/22 2022/23	Inclusion of previously missing data for various PWE locations, all BENE sites, and various DACH & CEE locations.
Scope 3 Cat 1, 2, 8, and 9 2023/2024 2022/2023 2021/2022	Inclusion of increased scope of supply chain operations through use of improved carbon calculation methodology.





Our People

8

Our People

As part of our commitment to fostering a high-performing, inclusive and values-driven culture, each of our regional and business divisions has played a critical role in delivering people-focused initiatives. While our central programmes provide structure and consistency, we recognise the importance of local ownership, cultural context and business-specific priorities in shaping the employee experience.

This year, divisions across our organisation have demonstrated strong leadership in advancing talent development, inclusion and employee engagement. The following reports from UKIL, Western Europe, Global Brands, DACH/DE, and BeNe highlight key initiatives and outcomes that have contributed to our collective progress. These include targeted learning interventions, regional engagement campaigns, operational excellence in workforce management, and tailored wellbeing and inclusion efforts.

Together, these updates reflect the shared ambition across our business to invest in people, foster inclusive cultures and deliver meaningful development opportunities that support both individual growth and organisational performance.

UKIL

People

Our people are fundamental to the continued success and sustainability of our organisation. Over the past year, we have taken significant steps to enhance our people strategy through the introduction of key initiatives designed to strengthen leadership capability, uphold our values and foster a culture of accountability and professional growth.

Whistleblowing Platform

In support of our commitment to integrity, transparency and ethical conduct, we successfully launched a new whistleblowing platform. This secure, independent and anonymous channel enables employees to report concerns related to misconduct, non-compliance or other unethical behaviour in a safe and confidential manner. The platform plays a critical role in safeguarding our values and ensuring a culture where employees feel empowered to speak up without fear of reprisal.

Leadership Development Framework

Recognising the importance of strong leadership in driving organisational performance, we introduced a Leadership Development Framework aimed at developing leadership capability across all levels. The framework provides a structured approach to leadership development, aligning with our strategic priorities and workforce planning objectives.



Key components of the framework include:

- **Legacy Makers:** We introduced a formal mentoring initiative to support leadership development, facilitate knowledge transfer and build cross-functional relationships. The programme pairs experienced leaders with emerging talent to provide guidance, support and career development.

- **Elevate Programme:** To strengthen leadership at the operational level, we launched a dedicated training programme for first line managers. This programme is focused on equipping managers with the core skills required to lead effectively, including people management, performance development and operational leadership.

Paragon Learning Platform

Paragon Learning, our Learning Management System (LMS) that was first implemented in 2018, has continued to play a vital role in strengthening our organisational learning, development and performance. By centralising our training resources, the LMS ensures consistent access to high-quality learning materials for employees across all levels and locations. This not only streamlines onboarding and compliance training but also fosters continuous professional growth through personalised learning paths and progress tracking for specific sites, roles and levels.

Paragon Learning provides measurable insights through analytics and reporting, enabling our business to assess skill development, identify training gaps and align workforce capabilities with strategic goals. Furthermore, its scalability and flexibility support evolving training needs while reducing costs associated with traditional training methods, something we have seen first hand as our business has grown over the last 12 months.

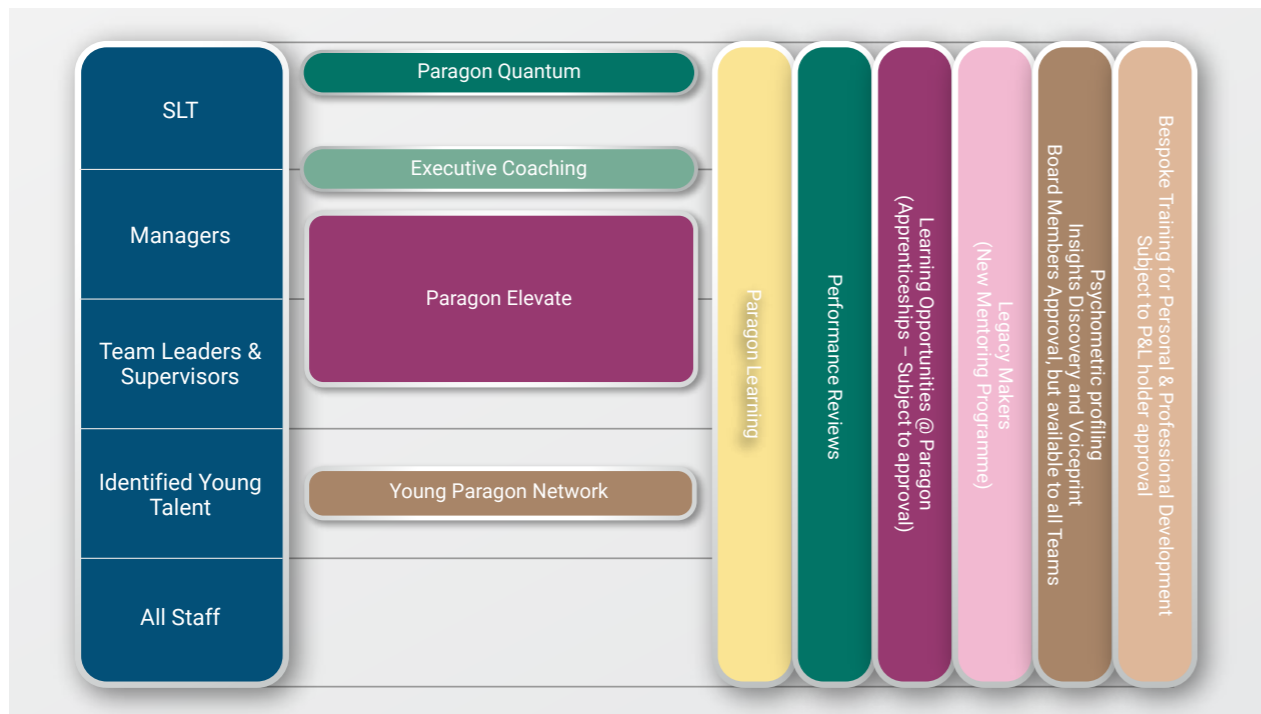
Personal and Professional Development for People and Teams

Our Learning and Development team has also encouraged people across the business to consider personal and professional growth at all levels, both for individuals and teams. By providing structured learning opportunities, coaching programs and access to a wide range of external resources, we have enabled our colleagues to strengthen their skills, expand their knowledge and pursue career aspirations beyond what we may have previously been able to do.

We feel that these initiatives not only empower employees to reach their full potential but also contribute to greater engagement, resilience and organisational success as we go through the latest period of change and growth. By investing in our people, we continue to build a culture of learning, adaptability and excellence that drives sustainable growth.

Executive Coaching

As part of our commitment to leadership excellence, we increased the access to our executive coaching initiatives this year. Executive coaching provided leaders from across our business with personalised guidance to strengthen



strategic thinking, decision-making and people management skills. Through one-on-one coaching sessions, senior leaders were able to reflect on their leadership style, build resilience and enhance their ability to inspire and engage teams.

This investment in leadership development supports individual growth while driving organisational performance, ultimately cultivating confident, agile and future-ready leaders. By equipping executives with the tools to navigate ‘messy problems’ and lead our teams throughout the business, we are strengthening Paragon’s foundations for long-term success.

Inclusivity and Wellbeing

We remain committed to building an inclusive workplace where all employees feel valued, supported and empowered to thrive. This year, we continued to invest in our employee-led inclusivity groups, such as our Pride Network and Women’s Network, recognising their vital role in fostering a culture of belonging, understanding and psychological safety. These groups provide peer support, raise awareness and help inform inclusive practices across the organisation.

Our wellbeing initiatives continue to offer targeted resources and support, including mental health awareness, access to trained Mental Health First Aiders, Wellbeing Ambassadors, and initiatives aimed at promoting healthy work-life balance. These efforts reflect our broader commitment to supporting the holistic wellbeing of our workforce. Specifically, our Ambassadors offer groups covering Cancer Support and Awareness, Menopause Support, Men’s Chat Room, Grief First Aid Course, Sexual Harassment Support, Mental Health First Aider Support, and Financial Advice and Support.

Investment in Learning Capabilities

This year, we deepened our commitment to continuous learning and capability building with several strategic investments. A new Training Manager was appointed to lead the design and delivery of our learning programmes, ensuring alignment with business needs and employee development priorities. We also achieved accreditations in both Insights Discovery and Mental Health First Aid instruction, expanding our internal capability to deliver high-impact learning and wellbeing support. These accreditations enhance our ability to foster self-awareness, resilience and inclusive leadership across the organisation.

Apprenticeships

Our apprenticeship programme continues to be a key component of our workforce development strategy. Over the past year, we supported 103 apprentices across 28 different courses, with programme durations ranging from 12 to 36 months. We are proud to report a 100% retention rate among these apprentices, reflecting the strength of the programme and the high level of engagement and support provided throughout the learning journey. Apprenticeships remain a valuable pathway for talent development, enabling individuals to gain practical skills and recognised qualifications while contributing meaningfully to the organisation.

Work Experience

At Paragon we understand the importance of providing opportunities to young people who are looking to shape a successful career for themselves. Whether that’s a student stepping into the professional world for the first time, a recent graduate

seeking to apply an academic opportunity or a seasoned professional aiming to advance their career, practical work experience provides unparalleled opportunities for growth and development. It is through hands-on experience that we hone our skills, gain industry insights, and build the confidence necessary to excel in our chosen fields.

Hosted by two current apprentices (both former work experience attendees) we concluded our year with groups of students visiting our Park House offices. On the day, CEO Clem Garvey took time out of his diary to share details of his experiences with the interested learners and asked some very thought-provoking questions about their early career plans. Paragon colleagues from all functions of the business spent time to engage with the students, whether through conversations, presentations or even just sharing lunch. They helped reinforce a powerful message: that the choices we make as teenagers don’t define us forever, but they can be the first step on a meaningful and rewarding path.



For the forthcoming year we plan to widen the programme to engage students across the UK, Ireland and Luxembourg and develop relationships with local educational institutions.

Outlook

Our investment in people remains a core pillar of our long-term strategy. We have developed a two-year plan where we will focus on supporting people performance, developing medium- to long-term workforce planning, improved governance and investments in the cultural development of leaders and employees. In the year ahead, we will continue to build on the foundations, ensuring our workforce is supported through structured development, clear leadership expectations and a culture of accountability and continuous improvement.

Western Europe

“Offer everyone the opportunity to realise their full potential”

PWE revealed its purpose at its key people seminar on the 1 October 2024.

Last year, we completed our “Paragon Western Europe House” - a framework built around our vision, mission and values, designed to give clear direction to our ambitions. To bring this to life, we launched our first “Paragon Stories Party” at the same seminar. Six employees took to the stage to share a customer story from their own perspective - a chance to showcase all the facets of Paragon, its culture, services and clients, with humour and emotion.

The results of our third employee survey with GPTW (Great Place To Work) showed an overall rise in satisfaction and engagement, with a five-point increase in just one year, particularly in areas relating to management and understanding of the company’s strategy.

We wanted to build on this progress by further improving communication and strengthening leadership. Over the year, our CEO, Guilhem Boucon, visited all Paragon sites to meet with employees, encouraging open and constructive dialogue. In spring, we also launched a new management programme - blending training with co-development - for 50 of our managers.

We continued the organisational changes started last year to better align our structure with our activities and improve efficiency. Constructive discussions with our works councils and employees helped guide these changes, ensuring we anticipated the impact on client relationships as well as, importantly, on employees’ working conditions.

This winter, we reached an agreement to create a group committee, bringing together representatives from across our PWE companies. Its annual meeting will provide a forum for sharing the group’s strategy and results, further strengthening social dialogue.

Finally, we welcomed a new CFO, Hubert Hays-Narbonne, to our executive committee.



Global Brands

In Paragon Global Brands our purpose - “with a passion for progression, we make lives better” - guides our approach to creating an inclusive, diverse workforce that reflects our communities. We want all colleagues to feel respected and proud to work for us and be an employer of choice for the best people in the 24 countries in which we operate.

Our Responsible Business framework includes a focus on creating “Inclusive and Healthy Workplaces”, and at its heart is recognising and celebrating the things that make everyone unique - enabling them to thrive in the work that they do and feel a sense of belonging. Our business benefits from this diversity in many ways, including the innovation and progress that is made through diversity of thought.

With our people spread across many locations and often working in a hybrid way, our engagement strategy is both people-centred and multifaceted - combining face-to-face interaction with technology to help colleagues connect across the globe. We hold monthly online all-colleague meetings, and have also built thriving digital communities where our people can interact with each other over a wide range of topics.

We have an annual calendar of inclusion and wellbeing activities, and these range from hosted listening sessions, talks from external experts, digital and physical coffee mornings, and regular information sharing.

Central to our approach is the importance we place in having a robust attraction and retention strategy to meet the needs of our team and clients. Our approach utilises technology as necessary, adheres to our purpose-driven methods and promotes internal growth opportunities for our people.

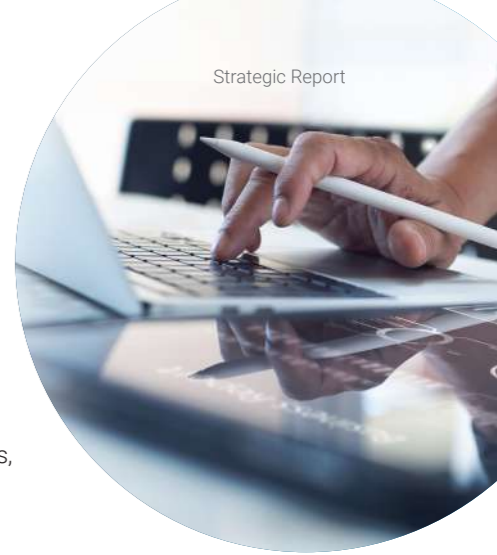
Our aim is to give our employees rewarding careers that make the best use of their talents and equip them for the future by providing opportunities to develop new skills. To achieve this, we have clarified roles and responsibilities, identified key talent and ensured we have the right people in the right roles working in collaborative environments.

All people leaders have a responsibility to prepare annually reviewed People Action Plans for their teams to ensure that activities for engagement, wellbeing and development are captured and carried out at a local level. Caring for our talented people as human beings, with respect, recognition for their hard work, team spirit and collaboration is of the utmost importance to us.

It is vital for us to ensure that all colleagues work in safe environments and actively seek ways to reduce the chance and incidence of harm, both physical and mental.

Our programmes also extend to our supply partners, and we want to ensure we also have a diverse and inclusive supply chain. We have a current focus on women-owned and women-led businesses, and we encourage and facilitate membership of We Connect. We are very pleased and proud to say that roughly 14% of our spend is with this type of business. As appropriate and working within local laws where we operate, we will continue to encourage our supply partners to share their diverse ownership with us. We are also looking at ensuring we understand what diversity means within those locations, so that we fairly and accurately assess them.

By empowering, trusting and enabling our people, they will in turn be proud to work and advocate for our business.



BENE

More than 500 enthusiastic colleagues work across eight locations in the Netherlands and Belgium.

Our people are our greatest asset, and we recognise that our success is closely linked to their wellbeing. We value every member of our team and place a strong focus on their safety, professional growth, and overall welfare. We foster an inclusive culture that celebrates diversity, promotes work-life balance, and encourages collaboration. Through competitive pay, benefits, and pension contributions, we give our people the tools and support they need to thrive.

Continuous development

Sustainable success depends on continuous learning. We support this by offering unlimited training via the GoodHabitz online learning platform, as well as through other training providers. We also invest in developing our leadership team and in succession planning, ensuring that we are well prepared for the future.

Annual employee engagement survey

Each year, we carry out an employee engagement survey. This helps us understand engagement levels, identify areas for improvement, raise awareness within teams, and encourage open communication and trust. By acting on the findings, we aim to strengthen both engagement and productivity.

Informal and open culture

Our organisation is designed to be transparent and approachable, with short decision-making lines and open, direct communication at all levels. Employees are encouraged to take initiative, show responsibility and creativity, and work beyond the boundaries of their formal roles.

Biannual TeamUp programme

Cooperation is one of our core values. Twice a year, we run our TeamUp programme – an exchange scheme where employees shadow colleagues from other departments, and vice versa. This encourages mutual understanding, knowledge-sharing, and a broader perspective beyond one's own team. Informal discussions and collaborative problem-solving are also actively encouraged.

OpenUp

We believe it's important that our employees feel well, both inside and outside of work. If they are facing challenges, we ensure they have access to the right support. Our partnership with OpenUp provides employees – and their family members – with unlimited access to certified psychologists, masterclasses, group sessions, and practical guides to help with mental wellbeing.

Company party

To thank our employees for their hard work and commitment, we held a large company party last November. It was a fantastic event with a great turnout – a perfect way to celebrate our achievements and strengthen the bonds between us.

Central works council

Our central works council plays a vital role in our organisational culture and decision-making. Made up of elected representatives from across all entities, it provides a platform for employees to contribute to important discussions and ensures their interests are represented. This promotes transparency, improves communication, and increases engagement and satisfaction.





DACH

With around 500 employees across our four German locations, we are committed to fostering a strong and inclusive workplace culture. Diversity and sustainability are embedded in our corporate values and are given high priority at every site.

We see these principles not only as responsibilities but as opportunities to build a stronger and more resilient company. Our close and constructive collaboration with works councils ensures that employees' interests are consistently represented. Together we have implemented measures that improve working conditions and in turn the overall quality of work across all sites.

Professional development

Ongoing professional development is central to our HR strategy. All employees have access to a wide range of training opportunities both online and in person, which are actively used throughout the organisation. Our online training platform remains a key resource, enabling flexible self-paced learning that fits alongside day-to-day work. This year we also introduced a new travel expense reporting tool, simplifying and speeding up the process for employees while streamlining administration for managers and the finance team.

Strengthening leadership

We have also invested in strengthening our leadership team. On 1 April 2024, Markus Schmid rejoined the company taking full responsibility for our Direct Marketing division. His deep market knowledge and industry expertise make him a valuable addition to our leadership ranks. Under his guidance we are confident the division will continue to grow with a strong focus on meeting customer needs and staying ahead of market trends.

Team spirit and social connection

We believe that successful collaboration depends on both professional expertise and personal connections. Twice a year we host company parties at each location – an opportunity for employees to celebrate successes, exchange ideas across departments and strengthen team spirit.

Health and wellbeing

The health and wellbeing of our people is a top priority. In partnership with local health insurance providers, we regularly host health days at our sites, offering preventive check-ups, expert talks and practical advice on maintaining a healthy lifestyle. These events are always well received and have become a valued fixture in our calendar. For those who enjoy sport and representing the company in public events we also sponsor participation in regular company runs – promoting fitness, wellbeing, camaraderie and pride in our shared achievements.

By combining professional growth, streamlined processes, social interaction and comprehensive health initiatives, we are creating an environment where employees feel valued, supported and motivated. This holistic approach to engagement is a cornerstone of our long-term success and will continue to guide our actions in the years ahead.

**Governance and
Compliance**

9



Board Leadership and Company Purpose

The highest standards of corporate governance are critical to our business' integrity and ensure that we maintain our investors' trust. Therefore, Paragon's directors and employees must act with honesty, integrity and fairness. We will follow the laws and customs of the countries where we operate, adopt the proper standards of business practice and procedure, operate with integrity, and respect the culture of every territory in which we do business.

The Board has collective accountability to oversee Paragon's operational management. It is also responsible for Paragon's long-term sustainable success and how it contributes to wider society.

The Board sets the company's strategy, purpose, proposition and values and ensures we align them with Paragon's culture.

Performance and risk management

The Board is also responsible for ensuring the business has the financial and human resources to achieve its objectives while measuring Paragon's performance against them. We reserve a clear schedule of matters for the Board, which comprise Paragon's controls environment, including:

- Strategy and organisational development
- Corporate structure and capitalisation
- Approval of financial reports
- Risk management
- Approval of expenditure and material transactions, including mergers and acquisitions (M&A)
- Board composition and succession
- Oversight of governance, including approving applicable corporate policies

The main activities the Board undertook during the financial year included the review and ongoing monitoring of:

- Paragon's long-term strategy and objectives
- Our financial reports
- Acquisition opportunities
- The principal risks facing the business
- Evaluating the performance and effectiveness of the Board and its directors

The Board sets the risk appetite and evaluates the main risks. It monitors and revises these and emerging risks to indicate the changes impacting the business and its markets. The

Board also monitors the company's risk management and internal control systems.

Division of responsibilities

The Board

The Paragon board comprises three Executive Directors including the CEO, CFO and COO and five Non-Executive-Directors (NED), including the Non-Executive Chairman.

The Audit & Risk Committee comprises one NED as chair and the group CFO, supported by the group COO to cover the operational risks.

The Remuneration and Nomination Committee comprises the CEO and the Non-Executive Chair. The Non-Executive chair is chair of this committee.

Role of the Chair

The Chair's role is separate from the CEO's. Moreover, the Chair, CEO, and the Board have agreed on the division of responsibility between the roles. The Chair is responsible for the Board's overall effectiveness and ensuring it properly performs its role. The CEO is accountable for the business's daily operations, managing the Executive Management Team and determining Paragon's strategic leadership.

Legislative Compliance

Complying with all relevant legislation is critical both for Paragon and our customers. Our Governance, Risk and Compliance (GRC) Team ensures the business applies new or revised regulatory requirements. They use our ISO-accredited quality, risk and health and safety framework and quarterly audits to deliver the controls and training that drive compliance across the entire business.

Audit, risk and internal controls

The Board reviews annual, biannual and monthly financial statements, internal controls, and external audits. It also maintains and implements the company's risk management framework, the scope of its annual audit and non-audit work performed by external auditors, and the effectiveness of the Group's internal controls.

In addition, the Board is responsible for presenting a fair, objective, and transparent assessment of the company's position and prospects – a primary factor when preparing the financial information the business issues. We undertake the organisation and evaluation of the annual report in parallel with the formal audit by external auditors and the review by the Board and its committees. The Board is confident that the

current policies and procedures ensure the audit function's independent status and effectiveness.

Another responsibility is thoroughly assessing the company's emerging and principal risks. The Board, through the audit and risk committee monitors the company's risk management and internal controls and, at a minimum, reviews their effectiveness annually and shares that review's primary information in the annual report.

Modern slavery

Paragon is committed to ensuring there is no slavery, servitude, forced or compulsory labour, or human trafficking in our supply chains or within any part of our operations, and we enforce robust systems and controls to minimise the risk. Our policies and practices include our Recruitment and Selection Policy, Equal Opportunities Policy, Supplier Code of Conduct, and Whistleblowing Policy.

A dedicated compliance team audits all companies within Paragon to assess their employment arrangements and Human Resources policies. They determine the risk of any modern slavery offences occurring as low. Supply partners operating in countries or industries with a high risk of modern slavery undergo due diligence to ensure their employment practices align with the International Labour Organisation's recommendations. Our anti-slavery and human trafficking policies apply to all individuals working for or on behalf of the company in any capacity, including but not limited to employees, agency workers, temporary staff, agents, contractors, external consultants, third-party representatives, and business partners.

Ethics and compliance

Paragon acknowledges that our business activities directly and indirectly affect the communities in which we operate; how we engage with the world defines our place within it. We are committed to fostering an environment of trust, collaboration, and respect in all our business relationships. Our ethics and compliance programmes empower our employees to act with integrity, confidence, honesty, and respect in their daily activities.

Anti-bribery and corruption

Paragon expects its contractors, suppliers, and other partners to uphold high standards in all business practices and to adopt our zero-tolerance stance on bribery and corruption. Suppliers should adhere to all applicable laws of the country in which they operate. They must also sign the Paragon Supplier Code of Conduct. A dedicated compliance team conducts our supplier due diligence at specified intervals.

Health and safety

Paragon operates under the principle that our people's safety, our sites' regulatory compliance, and sustainable management of our resources are key indicators of operational excellence and sustainable growth. Our Health and Safety (H&S) teams across all regions have worked tirelessly to embrace the philosophy that H&S is everybody's shared responsibility. We have embedded it into our operations, and incorporated accountability into all we do to ensure our people remain safe, injuries are reduced, compliance is maintained, and culture is changed.

Our main Health and Safety programmes cover:

- Multiple mandatory online and physical H&S training sessions across all sites
- Successful retention of existing external standards, including Occupational Health Standard ISO 45001
- Refurbishment of facilities, break rooms, soundproofing, and air conditioning
- Production and equipment upgrades to reduce fatigue and the risk of repetitive strain injury

Gender pay gap

Paragon is committed to equal opportunities and equal treatment for all colleagues, regardless of gender or any other characteristic. Our employment strategy is gender-neutral. As such, we hire and promote based on merit. We evaluate job roles and compensation as necessary to ensure a fair structure while recognising our diverse business.

We acknowledge that the industries in which we operate have significant challenges, particularly concerning the industrial nature of our business. We will continue to invest in learning, development and training programmes for our people. Through the steps we take, we believe the gender pay gap will narrow in the long-term as we recruit, develop, promote and retain more female employees in the business.

We believe our commitment to diversity and inclusion is fundamental to our ability to meet the needs of our current and future clients, drive business success, and promote a high-performance culture. We will continue to employ and develop the best people to deliver excellence for our clients.

Equal opportunities

Paragon is an equal opportunities employer. So, we operate a fair and equitable treatment policy for all our employees and applicants for employment. We are committed to ensuring that nobody receives less favourable treatment on the grounds of age, disability, sex, sexual orientation, race, religion or belief, gender reassignment, marriage or civil partnership, and pregnancy and maternity. Neither should anyone be



placed at a disadvantage by imposed conditions or requirements that we cannot show to be justified. All employees can seek promotion and we give them equal access to promotional opportunities. We'll use a fair and consistent selection process to assess all job applicants based on suitability, capability, and qualifications.

Our people make Paragon unique – nothing this business achieves is possible without their contribution, whatever their role. We want to ensure that Paragon is representative of our local communities and is a place where people want to work. We believe attracting and retaining talented individuals and offering an environment where they can thrive is integral to growing a sustainable and successful business.

Community engagement

We are committed to being a thoughtful, responsible, and active part of the communities in which we operate. We encourage colleagues to pursue their philanthropic interests, providing opportunities for individuals and teams to contribute to their communities. All sites collaborate with our chosen charities and organise regular fundraising and volunteering events.

We support various charities that reflect our colleagues' diverse passions. Our team members engage in broad-ranging activities, including painting and decorating, gardening, tree planting, and path clearance. Our colleagues regularly raise funds for company-nominated charities through bake sales and sporting challenges. We value the unique experiences and significant contributions of our colleagues with disabilities. Our policies and programmes ensure we accommodate and celebrate our differences, providing a supportive and inclusive workplace environment.

Partners

Paragon is determined to deliver sustainability improvements on our clients' behalf across the lifecycle of our products and services. The carbon footprint of most of our products and services lies within our value chain, making it essential to assess the sustainability impact across the entire lifecycle. We cannot address these challenges alone – collaboration among all our stakeholders is necessary to achieve the required changes.



Mental health and wellbeing

Paragon is intent on promoting positive mental health in the workplace and supporting colleagues who may be experiencing mental health issues of any kind. We aim to improve mental health awareness within the organisation, address the causes of work-related mental ill health, create a workplace culture where people feel comfortable discussing their mental health, and support employees experiencing mental ill health.

By fostering a mentally healthy workplace culture and providing the proper support, we aim to break the stigma surrounding mental ill health and create an open and supportive environment that enables staff to be honest with managers, access support, and enjoy a healthy working life.

Paragon is actively developing a culture where we openly discuss mental health, offer support, address factors that may negatively affect mental wellbeing, and enhance managers' awareness of mental health issues. We have mental health first aiders trained to provide immediate support and an extra source of confidential assistance for those experiencing mental ill health, along with dedicated wellbeing champions. They help us to continue driving our wellbeing agenda.

Stakeholder engagement and participation

For Paragon to fulfil its responsibilities to shareholders and stakeholders, the Board must ensure effective engagement with and encourage participation from these parties. The Board maintains a dialogue with stakeholders to foster mutual understanding.

Workforce policies and practices

The Board approves policies about the workforce. As part of its review, it ensures that these policies and practices align with Paragon's values and contribute to long-term sustainable success. We have various initiatives to foster workforce engagement. The Inclusion Council is dedicated to cultivating a culture that attracts, develops, and empowers diverse talent.



**Principal
Risks and
Uncertainties**

10

Principal Risks and Uncertainties

The Board determines the nature and extent of principal risks and uncertainties it is willing to accept to achieve its strategic objectives. Risks are identified and evaluated and appropriate risk management strategies are implemented.

Risk description	Potential impact	Mitigation
Product and service ↔		
Paragon's success depends only on the quality and relevance of our products and services.	Loss of revenues if the quality and relevance of our product diminishes.	<ul style="list-style-type: none"> We have developed a robust data integrity platforms and processes. Continued investment in recruiting and retaining high-quality researchers and analysts. We are continually developing innovative solutions that enhance the content's quality and our client's user interface experience. Focus on client feedback. External consultants engaged to review quality control procedures.
People and succession ↔		
Our performance could be adversely affected if we: do not react quickly enough to changes in our market; fail to attract key creative, commercial, technology and management talent, are unable to retain and incentivise key and diverse talent: or are unable to adapt to new ways of working by balancing home and office working.	<p>We are dependent on the talent, creative abilities and technical skills of our people as well as their relationships with clients.</p> <p>We are vulnerable to the loss of people to competitors (traditional and emerging) leading to disruption to the business.</p>	<ul style="list-style-type: none"> We operate a competitive remuneration package and incentive schemes for management personnel. We continue to strengthen the Senior Leadership Team to encourage motivation and engagement within the business We continue to focus on the mental health of our employees by providing quality wellbeing resources, discussion forums and funded events. We continue to work across the group to embed collaboration and invest in training and development to retain and attract talented people.
Competition and clients ↔		
Paragon operates in highly competitive markets which are continuously evolving and undergoing structural change and advancements in AI, data and technology. Client net loss to competitors or as a consequence of client consolidation, insolvency or a reduction in marketing budgets due to a geopolitical change or shift in client spending, would have a material adverse effect on our market share, business, revenues, results of operations, financial condition and prospects.	Failure to deliver satisfactory customer service leading to complaints or loss of customers. Significant changes in our target markets could make those markets less attractive. This could be due to significant changes in demand or in supply which impact the addressable market, market share and margins.	<ul style="list-style-type: none"> We constantly monitor new technology capabilities and innovation to ensure that our products are always contemporary and relevant, which lets us respond to new competitive threats as they arise. Our data sets, technology platforms and highly specialised equipment are unique and difficult to replicate Provide improved and best in class client support, thereby improving customer satisfaction
Acquisition and disposal risk ↔		
Paragon's strategy is for growth, both organically and by acquisition. Acquisitions may not always realise the benefits expected at the time of completion.	The failure to successfully identify and integrate the main acquisitions could lead to loss of profits, inefficient business processes, inconsistent corporate culture and weakened brand.	<ul style="list-style-type: none"> All acquisitions are subject to rigorous due diligence and operational review, the findings of which are presented to the main Board as part of the supervision and approval process Where necessary, external advisors with either technical and/or local knowledge are engaged.

Risk description	Potential impact	Mitigation
Economic and global political changes ↑		
<p>Adverse economic conditions, pose a risk our clients may reduce, suspend or cancel spend with us or be unable to satisfy obligations.</p> <p>Growing geopolitical tension and conflicts continue to have a destabilising effect in our markets and across geographical regions. This rise in geopolitical activity continues to have an adverse effect upon the economic outlook, the general erosion of trust and an increasing trend of national ideology and regional convergence over global cooperation and integration.</p>	<p>Economic conditions, including inflation and increasing interest rates, among others, have a direct impact on our business, results of operations and financial position.</p> <p>Actual or threatened geopolitical tension and conflicts lead to greater uncertainty, economic instability and a general lack of confidence for many of our clients who are inclined to scale back, delay or cancel their marketing plans and budgets.</p>	<ul style="list-style-type: none"> We provide high-quality data and analytics services, which are embedded in the day-to-day operations of our clients. In times of uncertainty, we aim to provide clarity insight. Our client portfolio is diverse, consisting of organisations operating in different industry sectors and across a broad geographical spread which further helps mitigate the impact of any specific challenges individual clients or markets might be facing. We work closely with our in-country teams, third-party advisors, clients and other agencies in monitoring the level and nature of geopolitical issues, events and developments across all markets and regions. Our primary focus is the safety and security of our people, and for extreme events or periods of disruption we have developed a series of crisis and response plans with clear lines of escalation to the Board and senior management team that focus upon the wellbeing of our people and their families. We have detailed operational and financial plans, developed through the consideration of a range of potential scenarios and outcomes that are continuously monitored and, if required, used to make interventions and support decision-making over our operations, investments and advice to clients.
Regulatory and compliance ↔		
Failure to comply with legal and other requirements (such as anti-bribery), may result in fines and that may lead to adverse financial, legal and reputational consequences.	We continue to monitor controls implemented across the group, which support the business to demonstrate compliance with regulations. We have assessed the risk to be in line with the previous year given our current response strategies, monitoring and control environment.	<ul style="list-style-type: none"> Wherever we operate, we aim to ensure that we incorporate the impacts of regulatory changes in our strategic planning and policies. This includes ongoing monitoring of potential changes to the future regulatory landscape. The majority of Paragon's operations are based in the UK, France, Germany and the Netherlands. Appropriate advisers are employed in all geographies to ensure Paragon remains compliant with local laws and regulations. We support our code of business conduct and various policies by new starter and annual compliance training.
ESG Regulation and reporting ↑		
<p>The group could be subject to increased costs to comply with the potential future changes in Environmental, Social and Governance (ESG) law and regulations.</p> <p>A failure to manage the complexity in carbon emission accounting for marketing and media or to consider Scope 3 emissions in new technology and business model innovation across the supply chain could have an adverse effect on our business and reputation.</p>	<p>We could be subject to increased costs to comply with potential future changes in ESG laws and regulations. This includes increasing carbon offset pricing to meet our net zero commitments.</p> <p>Increased investment is also required in building renovation, electrification, and supplier engagement to meet targets, including developing internal ESG capacity and capabilities.</p> <p>In addition, carbon emission accounting for marketing and media is in its infancy and methodologies continue to evolve. This is particularly the case for emissions associated with digital media</p>	<ul style="list-style-type: none"> Carbon Net Zero plans in place or in development to: Reduce carbon emissions Support client goals and requirements Meet current and future legislative & regulatory requirements Investigation into viability of on-site renewable generation to reduce both carbon emissions and operating costs ISO 14001 & ISO 50001 certified management systems focus on energy reduction programmes to reduce carbon & operating costs. Investment in technology, acquisitions and people skills to address the changing requirements of our stakeholders: Digital communication platforms Lifecycle carbon calculation and reduction at product level to help our clients reduce the carbon footprint associated with their communication strategies

Risk description	Potential impact	Mitigation
IT and systems ↑		
<p>We continue to undertake a series of IT programmes devised to prioritise the most critical changes necessary to support the group's strategic plan while maintaining the operational performance and security of core systems.</p> <p>The group is reliant on third parties for the performance of a significant portion of our worldwide information technology and operations functions.</p> <p>A failure to provide these functions could have an adverse effect on our business.</p>	<p>Any failure or delay in implementing the IT programmes may have a material adverse effect upon the overall strategic plan and the realisation of key targeted benefits and savings.</p> <p>Disruption and unavailability of critical systems may lead to disruption in our operations and client service delivery.</p>	<ul style="list-style-type: none"> The Board and management team provide oversight and governance of the most important IT and systems change initiatives the business is pursuing. Detailed plans have been prepared for each major systems initiative and overall progress, challenges and risks are monitored as part of our project management processes and discussed in dedicated steering committees who also agree upon any corrective action that may be required, including around supplier resilience. Progress reports are also completed as part of regular briefings that the Board receives on the overall implementation of the strategic plan.
AI Strategy ↑		
<p>Paragon may incur costs when ensuring it can comply with the introduction of artificial intelligence laws and regulations, including the EU AI Act. This will be through review of IT systems and processes, which may require refinement or amendment, to ensure regulation can be adhered to.</p>	<p>Falling behind competitors leveraging the opportunities generative AI offers to gain a competitive advantage could result in lost market share, decreased revenue and reduced profitability.</p> <p>We may struggle to attract and retain talent, further hindering our ability to innovate and compete.</p> <p>Generated materials may infringe third party IP and data, resulting in legal costs and client reputation impact.</p>	<ul style="list-style-type: none"> We actively monitor the changing regulatory landscape and the introduction of new laws regulating AI to assess the impact on our business and work, including detailed review of the EU AI Act and evolving IP laws (including copyright), and how they will impact how we service our clients. While AI provides many opportunities (including efficiencies and new services and offerings) we also continue to review and consider the impact around our business model through the Generative AI Governance Committee, reporting to the Board and Audit Committee on identified risks and impacts.
Pandemics ↓		
<p>The impact of a pandemic on our business is varied by a number of factors and we will not be able to accurately predict the impact. A risk of future long-term pandemic-related lockdowns will affect multiple major markets and impact our clients' spending plans.</p>	<p>A pandemic and any new variants and the measures to contain its spread may have an adverse effect on our business, revenues, results of operations and financial condition and prospects.</p>	<ul style="list-style-type: none"> A strong balance sheet, supported further by action to maintain liquidity including, if needed, the suspension of acquisitions, cost reduction and cash conservation measures, savings on property and IT capex. Continuously assessing potential scenarios and outcomes and closely monitoring working capital and balance sheet. Implement necessary cost and cash saving measures if necessary.
Liquidity risk ↔		
<p>Risk that Paragon will not be able to meet the financial obligations as they fall due.</p>	<p>Our main sources of liquidity in the foreseeable future are likely to be cash generated from operations and borrowings through committed bank facilities.</p> <p>Adverse changes in credit markets or our credit rating could increase the cost of borrowing and banks may be unwilling to renew credit facilities on existing terms.</p>	<ul style="list-style-type: none"> Paragon's policy on liquidity is to ensure that it has committed bank facilities available to provide continuity of funding. Throughout the financial year, the group maintained comfortable headroom against its covenants.
Interest rate fluctuations ↔		
<p>The group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets.</p>	<p>Paragon finances its operations through a mixture of retained profit and bank borrowings. Fluctuations in the rates of applicable interest could adversely impact the group's profitability and cash flows.</p>	<ul style="list-style-type: none"> Paragon borrows at fixed and floating rates over a specified period. This enables the group to forecast borrowing costs with a degree of certainty.
Cyber and information security ↑		
<p>Risk of failure to prevent impacts from the denial of service, cyber espionage and the related theft/ disclosure of confidential/ customer data leading to reputational, regulatory and financial impacts.</p>	<p>Significant operational disruption caused by a major disaster.</p>	<ul style="list-style-type: none"> Business continuity plans have been implemented across Paragon, including disaster recovery programmes, and plans to minimise business disruption. We regularly review our cyber security and website security protocols.

Risk description	Potential impact	Mitigation
Market risk ↔		
<p>The group is exposed to the risk of changes in market prices.</p>	<p>Potential impact on the group's income or the value of its holdings of financial instruments.</p>	<ul style="list-style-type: none"> We track our revenue by client sectors to ensure we limit our exposure to market risk. We regularly review market risk exposures within acceptable parameters, while optimising the return.
Commodity price risk ↔		
<p>The group is exposed to the fluctuation of commodity price.</p>	<p>Potential impact on the group's profitability.</p>	<ul style="list-style-type: none"> Ongoing centralisation of the group procurement team and also certain inputs being rechargeable directly to clients. The directors revisit the appropriateness of the policies should the group's operations change in size or nature.
Currency risk ↔		
<p>The group has significant operations within the Euro area but also operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Sterling.</p> <p>Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group Treasury is responsible for managing the net position in each currency via foreign exchange contracts transacted with financial institutions.</p> <p>The group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.</p>	<p>The group generates a significant portion of its earnings in the UK market, and any significant decline in the value of Sterling will impact the group's translation of its Sterling earnings with consequential impacts on the reported performance and results of the group.</p>	<ul style="list-style-type: none"> We manage the currency exposure arising from the net assets of the group's foreign operations primarily through borrowings denominated in the relevant foreign currencies.
Credit risk ↔		
<p>Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers.</p> <p>The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. Geographically, there is no concentration of credit risk. Furthermore, the group is able to significantly reduce its exposure to credit risk as it is party to a debt factoring arrangement which enables it to accelerate cash flows associated with trade receivables, where advances received are without recourse.</p>	<p>If a client is unable to pay sums due, there could be an adverse effect on our working capital and operating cash flow.</p>	<ul style="list-style-type: none"> The group has established a credit policy that ensures that sales are made to customers with an appropriate credit history. Cash transactions are limited to high-credit quality financial institutions and the group has policies that limit the amount of credit exposure to any one financial institution.

Key

↔ No change from last year ↑ Increased risk ↓ Reduced risk ◇ New risk

**Section 172
Statement**

11

Section 172 Statement

The directors have a duty to promote the success of the group for the benefit of its members as a whole in accordance with section 172 of the Companies Act.

The Board delegates authority, for day-to-day management of the company, to executives and then engages management in setting, approving and overseeing execution of the business strategy and related policies. We review financial and operational performance, customer and related matters and legal and regulatory compliance at every Board meeting. We also review other areas over the course of the financial year including the company's business strategy; key risks (including risks relating to the regulatory landscape, cyber and sanctions) the company's risk appetite, operational resilience and workforce matters (including culture, diversity, pensions and remuneration). This is done through the consideration and discussion of reports which are sent in advance of each Board meeting and through presentations to the Board and responses to questions from directors.

Our approach to engagement

Our stakeholders are central to our strategy and critical to the long-term success of our business. The Board oversees our approach to engagement as we seek feedback and make decisions for the long-term benefit of Paragon group. For each matter that comes before the Board for decision, the Board considers the likely consequences of any decision in the long-term, identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision-making process. Our stakeholder engagement processes enable our Board to understand what matters to stakeholders most, consider all relevant factors and select the course of action that best delivers long-term value for our stakeholders and protects their interests, reflecting what are referred to as Section 172 factors.

Our people

Our employees are our biggest asset and the driving force behind our purpose and growth. Our success is driven by the talent and effort of our workforce. We recognise that interaction between the Board and senior management is crucial for maintaining the welfare of our people and future success.

Primary interests

Paragon colleagues want:

- A culture of autonomy and responsibility
- To work in a safe environment
- To work for a market leader with the opportunity for personal growth and career development
- Competitive benefits and remuneration

How we engage

We aim to build a trusting, respectful and inclusive culture so every individual feels highly engaged and can be their best. We want our people to feel their human rights are respected and they are treated with dignity. We are committed to creating opportunities for growth and to a continuous learning culture.

We prioritise the health, safety and wellbeing of our people and promotion of inclusion and diversity. During the financial year, we have continued to invest in learning and development across the entire business. We have expanded our apprenticeship programmes and implemented Group-wide development initiatives.

The board hold regular meetings with senior management and in turn regional heads are required to engage fully with their staff. Training budgets are included in all group companies.

Impact on Board decisions

The Board recognises the importance of effective engagement with Paragon's people and wider workforce, including contractors

and temporary staff. In 2025, the senior management team visited our sites in all countries of operation. During these visits, senior management team engages directly with local management and other colleagues during site and trade visits, with Board presentations and Board dinners and lunches enabling the Board to meet a broad spectrum of people from differing departments and markets.

Customers

We are a customer-focused business and pride ourselves on delivering an outstanding service. The Board always considers the potential long-term impact its decisions may have on customers.

Customers want:

- First class product and service
- On-time delivery
- To know their data is being kept private

How we engage

The Board receives regular reports from management based on market trends and customer feedback. The Board encourages the businesses to maintain multiple channels and methods of communication with customers to promote a meaningful and honest dialogue. The Board also tracks customer satisfaction.

The Board is responsible for approving material business transactions and key strategic changes, as part of which customers' interests are at the fore. The Board is mindful of the fact that counterparties to commercial and corporate transactions may pursue strategies and outcomes which may conflict with the interests of the customers. The Board considers if, and how, these divergent interests can be reconciled. We work with a wide range of customers: big and small, on-trade and off, digital and eCommerce to identify opportunities that offer profitable growth for our customers. Our passion is to ensure we nurture mutually beneficial relationships that deliver joint value and the best outcome for all our consumers.

The Board engages with customers, on issues including strategy, changes taking place in our market and understanding the changes taking place in our client's markets.

Impact on Board decisions

In 2025, the senior management team engaged with key clients through site meetings in various locations



Suppliers

The performance of Paragon's suppliers is integral to its success. We have a diversified supplier base from small contractors to FTSE100 groups and they play a critical role in the success of our businesses.

We aim to build mutually useful long-term relationships with its suppliers.

Primary interests

Suppliers want:

- To build a long-term, mutually helpful relationship
- Paragon to meet their payment obligation on time

How we engage

The executive directors, together with the members of the management team, engage collaboratively with suppliers, through site meetings, to discuss matters of mutual interest, including any risks which may need to be addressed.

The Board is given updates from management, as appropriate, about the business's relationships with its suppliers, including for any material risks, performance issues or potential future changes. As part of Paragon's standard engagement process, suppliers are required to accept the Supplier Guidelines, which act as an acknowledgement that they meet certain minimum ethical and legal standards approved by the Board, including about modern slavery, anti-bribery and anti-money laundering. More details about this can be found on page 103.

Our suppliers and agencies are experts in the wide range of goods and services we require to create and market our brands. By working with them closely, we not only deliver high-quality products marketed responsibly, but improve our collective impact, ensuring sustainable supply chains, reducing our environmental impact, and making positive contributions to society. This is reported on in our sustainability section on page 73.

Impact on Board decisions

In FY25, the senior management team met with suppliers and external advisors, providing a valuable opportunity to engage with these stakeholder groups and listen to their feedback.

Communities

It is important to the Board and all our people, that the business gives back to the communities in which it operates. The Board takes into consideration the impact that its decisions will have on the wider community, including through the example Paragon sets as a global leader in several industries.

Primary interests

Communities care about:

- The Group's carbon footprint
- The Group's efforts to promote worthy causes within the community

How we engage

During the year, the Board engaged with communities, in various events and campaigns, through our businesses and their people. Paragon colleagues are encouraged to nominate communities/charities that matter to them, which Paragon donates to through fundraising activities.

The Board seeks to disclose the Group's carbon emissions transparently and how it will achieve status as a carbon neutral business. More information concerning Paragon's carbon emissions can be found on page 79. Investing in sustainable growth means supporting and empowering the communities where we live, work, source and sell. By ensuring we make a positive contribution, we can help build thriving communities and strengthen our business.

Impact on Board decisions

Maintaining close relationships with the communities in which we operate has always been of critical importance to the Board, shaping its discussions and guiding the company's approach to its responsibilities to wider society. The Board has had a number of discussions during the year to shape the company's ambition for its impact on communities over the long term, including shaping targets and goals about environmental and social initiatives.

Government and regulators

The Board considers it vital that all our businesses adhere to government and regulator laws and rules within the countries where we operate.

Primary interests

Government and regulators want:

- Taxes to be up to date
- All rules and regulations adhered to

How we engage

In 2025 the Sustainability committee received reports on the potential impact of new ESG regulations including CSRD and will continue to monitor progress towards compliance.

Also, the senior management team received reports from Global Data Protection Officer on changing regulatory landscapes with regards to data protection, security and privacy as well as data ethics and artificial intelligence.

Impact on Board decisions

The senior management team participated in consultations associated with ESG disclosure requirements and regulation, and supported efforts to increase ESG standardisation and alignment.

This strategic report is approved by order of the Board.



Jeremy Walters

Chief Executive Officer





**Financial
Statement**

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THE DIRECTORS PRESENT THEIR REPORT

For the year ended 30 June 2025

The Paragon board comprises three Executive Directors and five Non-Executive-Directors, including the Non-Executive Chairman Patrick J Crean. The other Non-Executive Directors are Pauric Crean, Sarah Crean, Liam Devane and Joseph Morgan.

The Executive Directors are Jeremy Walters, CEO, Clem Garvey COO and Martin Edstrom CFO.

The Audit & Risk Committee comprises Liam Devane and Martin Edstrom with Clem Garvey participating in the risk subjects to represent the operations. The Audit & Risk Committee is chaired by Non-Executive Director, Liam Devane.

The Remuneration & Nomination Committee is chaired by Non-Executive Chairman Patrick J Crean. Jeremy Walters, CEO is the other constituent of this committee.



Patrick Crean
Non-Executive Chairman



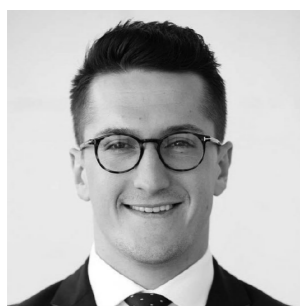
Jeremy Walters
Chief Executive Officer



Martin Edstrom
Chief Financial Officer



Clem Garvey
Chief Operating Officer



Pauric Crean
Non-Executive Director



Sarah Crean
Non-Executive Director



Liam Devane
Non-Executive Director



Joseph Morgan
Non-Executive Director

Executive Directors

Jeremy Walters (Chief Executive Officer)
Clem Garvey (Chief Operating Officer)
Martin Edstrom (Chief Financial Officer)

Non-Executive Directors

Patrick J Crean, Non-Executive Chairman
Pauric Crean, Non-Executive Director
Sarah Crean, Non-Executive Director and Company Secretary
Liam Devane, Non-Executive Director
Joseph Morgan, Non-Executive Director

Auditors

Deloitte Ireland LLP
Chartered Accountants and Statutory Auditor Firm
29 Earlsfort Terrace, Dublin 2, Ireland, D02AY28

Bankers and advisers

Crédit Agricole Corporate and Investment Bank (CA-CIB)
43 Place des États Unis, 92120, Montrouge, France

Lloyds Bank plc

25 Gresham Street, London, EC2V 7HN, United Kingdom

Barclays Bank plc

Leicester, Leicestershire, LE87,2BB, United Kingdom

Solicitors

Gunnercooke LLP
1 Cornhill, London, EC3V 3ND, United Kingdom

Cabinet Lipworth

18 Avenue Franklin Delano Roosevelt, 75008, Paris, France

DIRECTORS' REPORT

For the year ended 30 June 2025

The directors present their annual report and the audited consolidated financial statements of PCC Global plc (Paragon) and its subsidiaries (collectively, the "Group") for the year ended 30 June 2025.

DIRECTORS

The directors who held office during the year and up to the date of signing of the financial statements are shown on page 122.

On 27 August 2024, Laurent Salmon and John Rogers resigned as directors.

On 27 August 2024, Joseph Morgan, Sarah Crean, Pauric Crean, Liam Devane and Clement Garvey were appointed as directors.

FINANCIAL KEY PERFORMANCE INDICATORS

The board uses a range of performance measures to monitor and manage the business. Key performance indicators (KPIs) measure past performance and provide information to manage the business. Sales, EBITDA, Underlying EBITDA and free cash flow are the key indicators management uses to measure performance. KPIs for the financial year ended 30 June 2025 are shown in the table below, along with prior year comparatives.

	Note	2025 €000	2024 ² €000	Change %
Sales of goods and services	4	1,131,964	1,030,269	10%
Underlying EBITDA ¹	4	126,942	116,976	9%
Non-underlying items	6	32,793	72,211	(55%)
Operating Inflows		91,818	39,651	132%
Free cash flow ³		106,684	81,724	31%
Cash and Cash equivalents	24	131,471	156,131	(16%)
Net Borrowings		359,730	352,300	2%

- Underlying EBITDA is defined in Note 2 on page 157.
- For details on the prior year re-presentation, please refer to Note 36 on page 209.
- Free cash flow is defined in Note 2 on page 157.

FUTURE DEVELOPMENTS

The group continues to evaluate new investment opportunities, acquisitions and product lines in order to enhance the scale and profitability of the group.

The group's acquisition capabilities are discussed further on page 115 of the Paragon Financial Overview section in the Strategic Report.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

A summary of how our business engages with suppliers, customers and others is outlined in our Section 172 Statement on pages 115 and 119.

DIVIDENDS

There were no dividends proposed or paid during the financial year (2024: €nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties reflect our competitive environment and the operating characteristics of our industry and a summary of these risks and uncertainties, together with details of how they are managed, is set out in the Principal risks and uncertainties section on pages 109 to 113.

Details of the financial risks to which the group's operations are exposed and an understanding of how these risks are managed are set out in Note 30 to the Consolidated Financial Statements.

DIRECTORS' REPORT (continued)

For the year ended 30 June 2025

FINANCIAL INSTRUMENTS

The group finances its activities with a combination of bonds, bank loans, debtor finance, lease liabilities, related parties and cash. Overdrafts are used to satisfy short-term cash flow requirements. Other financial assets and liabilities, such as trade receivables and trade payables, arise directly from the group's operating activities. Financial instruments give rise to foreign currency, interest rate, credit, price and liquidity risk.

The group's financial risk management policies are established and reviewed regularly to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Management and the directors are in regular communication with the lenders' agents. Regular and clear reporting is in place that demonstrates that the group's performance is meeting agreed covenants.

The directors review and approve all formal reporting to the lenders. Financial plans including scenarios and impacts on covenants are reported to and discussed at Board meetings. The board's annual going concern assessment is performed with specific reference to the impact of different operating scenarios on banking covenants.

The group holds a revolving credit facility with five global banks of €130m, of which €130m was utilised as at 30 June 2025 (2024: €93m).

The group hold a term loan of €38m was extended to PCC Global plc by five global banks as at 30 June 2025 (2024: €48m).

The group's risk management process, the policies for mitigating certain types of risk and details of the financial instruments are set out in note 30.

STREAMLINED ENERGY & CARBON REPORTING (SECR) AND CLIMATE-RELATED FINANCIAL DISCLOSURE (CFD)

The directors present their Streamlined Energy & Carbon Reporting (SECR) and Climate-related Financial Disclosure (CFD) on page 127 and page 69 respectively.

DEVELOPMENT OF BUSINESS RELATIONSHIPS

The Board continually develops the group's business relationships with suppliers, customers and others. These relationships are discussed in the Section 172 Statement

in the Strategic Report, including the principal methods by which the group engages these stakeholders.

EVENTS AFTER THE REPORTING PERIOD

The following transactions took place post year end. In all cases, no purchase price allocation exercise has yet been undertaken as the acquisition balance sheet has not yet been finalised.

On 30 Aug 2025, PCC Global plc acquired the full share capital of Computershare Communication Services GmbH, a company incorporated in Germany for consideration of €5.3m. No further information can be given as the initial accounting for this business combination is incomplete at the date these financial statements are authorised.

The bond that is due for repayment on the 6th April 2026 will be cleared by the refinancing programme. The negotiations are currently ongoing, however the directors and management are confident in completing it. The directors have confidence that if required, the group could repay the bond out of current liquidity availability.

DIRECTORS' LIABILITIES

The company has granted indemnity to one or more of its directors against liability for proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors' report.

DISABLED PEOPLE

The group gives full consideration to applications for employment from disabled people where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled colleagues for training, career development and promotion.

Where existing colleagues become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

EMPLOYEE INVOLVEMENT

The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2005.

During the year, the policy of providing our people with information through regular bulletins and newsletters has continued. Regular meetings are held between local management and colleagues to allow a free flow of information and ideas.

DIRECTORS' REPORT (continued)

For the year ended 30 June 2025

GOING CONCERN

In considering going concern, the directors have reviewed the group's future cash requirements and earnings projections. The directors believe these forecasts have been prepared on a prudent basis and have also considered the impact of a range of potential changes to trading performance.

The directors' forecasts until 31 December 2026 show sufficient cash will be generated from the group's operations to be able to repay the loans and other obligations as they fall due together with cash available and the utilised borrowing facilities available.

Therefore, the directors have concluded that the group will be able to operate within its current facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the group on a going concern basis.

Financial Forecasts

Four scenarios were considered for the group in preparing our going concern assessment – a management case (base case), and three other scenarios (downside cases). We used a set of severe but plausible downside assumptions for the downside cases.

The directors have prepared a series of outcomes built up from detailed projections for each of the group's businesses and markets, considering:

- Reasonably possible increase in revenue and operating costs – management case (base case);
- Severe but plausible downside declines in revenue – downside cases;
- The downside cases factor in a reduction in variable costs to align the costs with the lower volumes;
- We assumed extra reductions in support costs to reflect the impact of the extensive cost reduction initiatives implemented by the group, including the implementation of a recruitment freeze, deferral of executive bonuses and graduated salary reductions for support staff across the business; and
- The downside cases included further reductions in the range of 5% - 15 in turnover across the five divisions for the remainder of 2025 and on into 2026 to reflect a scenario of a deeper economic impact, of war in Ukraine, cost of living increases, and a slower recovery over the course of next year. Those projections

and considering the group's bank covenant and liquidity headroom and cost mitigation actions, which are implemented, show that the group would be able to operate with appropriate liquidity and within its banking covenants and be able to meet its liabilities as they fall due.

Outcome of Assessment

Overall, the group traded in line with the management case for the first two months of the 2026 financial year and has remained profitable at an underlying EBITDA level which further underlines the resilience and adaptability of our business during this difficult time.

The directors are confident that the group and company are now well positioned to manage its business risks and have considered a number of factors including current trading performance, the outcomes of comprehensive forecasting, a range of possible future trading impacts, and existing liquidity.

The directors are of the view that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the next 12 months following the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis for preparing the financial statements, and there are no material uncertainties that the directors are aware of in relation to this.

Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with International Accounting Standards. Under that law, the directors are required to prepare the group financial statements in accordance with the UK-adopted International Accounting Standards.

The directors have also chosen to prepare the parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework and applicable law.

DIRECTORS' REPORT (continued)

For the year ended 30 June 2025

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 the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the Financial Statements comply with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) as applied in accordance with the provisions of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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

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

AUDITORS

Deloitte Ireland LLP were reappointed as auditor during the year. Deloitte Ireland LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint Deloitte Ireland LLP as auditor will be proposed at the forthcoming Annual General Meeting.

Directors' statements as to disclosure of information to auditors

Each of the directors who held office at the date of approval of this report confirm that:

- So far as they are aware, there is no relevant audit information (being information needed by the auditor in connection with preparing their audit report), of which the group's auditor is unaware, and
- each of the directors has taken all the steps that they ought reasonably to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Approved by the Board on 01 October 2025 and signed on its behalf by:

By order of the Board



Jeremy Walters
Director | Paragon Group

Streamlined Energy and Carbon Reporting – Paragon 2024/25

Paragon is pleased to present our energy and carbon reporting, in line with the requirements of The Streamlined Energy and Carbon Reporting (SECR) legislation and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

SCOPE

Paragon consists of multiple subsidiary companies across the globe. The scope of this SECR report covers PCC Global Plc, and all subsidiary companies that are registered and / or located in the UK and in scope for SECR reporting as of 30 June 2025. Energy use and carbon emissions are reported for the following activities:

- Gas consumed (buildings)
- Fuel consumed (buildings and operated transport)
- Fuel consumed (staff business travel)
- Electricity consumed

The reporting period will track the financial year of 1 July in any given year to 30 June of the preceding year. The current reporting period is 1 July 2024 to 30 June 2025. Only legal entities and locations in the UK are included in this section of the report, in line with the requirements of the SECR legislation.

Paragon has grown significantly through acquisition and will continue to do so in the future. For this reason, for the purposes of SECR reporting, we will adopt a rolling baseline year of the previous reporting period. The current baseline year for SECR reporting is 1 July 2024 to 30 June 2025. This is in addition to our Carbon Net Zero target.

Individual legal entities were assessed to determine the scope of required reporting. Holding companies and dormant companies were excluded from this activity.

CHANGES IN THE REPORTING YEAR

During the reporting period, Paragon completed several acquisitions, and the subsequent restructuring impacted energy use.

During the reporting year the following acquisitions and restructures impacted energy use and carbon emissions:

Acquisitions / divesture / change	Date of change	Impact (no. of sites / staff)	Plan for KPI
Communis Brand Deployment	30 December 2023 *	4 new sites	Not included in SECR KPIs as sites were closed within 6 months
Service Graphics purchase from wider Grenadier Holdings	30 May 2025	Impact not yet determined.	Not included in current reporting year, will be integrated into KPIs for 2025/26.
Office Teams and OT Group Purchase of trade and assets from wider Grenadier Holdings	31 May 2025	Sites were closed during the transition	Not included in SECR KPIs as sites were closed.
Accrington site handed back to landlord	May 2025	1 site closed	No further energy data from date of closure.
Tewkesbury site handed back to landlord	June 2025	1 site closed	No further energy data from date of closure

*included for 2024/25 reporting period as data was not integrated in previous years.

METHODOLOGY

We calculated carbon emissions using the Greenhouse Gas Protocol: Corporate and Accounting Standard methodology. Full methodology is included in the Climate-related Financial Disclosures section of the Strategic Report. The methods we used for data collection and verification are documented within our supporting evidence, which can be made available on request. Wherever possible, we used 12 months of actual data, covering 1 July 2024 to 30 June 2025. When estimates or projections were used, this has been stated.

ENERGY USE AND CARBON EMISSIONS

Energy use and carbon emissions have been calculated:

Please note, total Scope 2 emissions are provided on the Energy Intensity Ratio table below.

Reporting year	Gas (buildings + forklift) kWh	Fuel (operated transport)	Fuel (staff business travel)	Electricity kWh
2021/22 Period	11,127,164	1,204,205	308,582 KWH 485,000 KGCO2E	35,537,739
2022/23 Period	10,833,680	1,214,916	470,646 KWH 985,000 KGCO2E	32,425,407
2023/24 Period	8,436,909	1,766,352	508,799 KWH 950,000 KGCO2E	29,075,311
2024/25 Period	7,768,645	1,037,060	349,067 KWH 545,000 KGCO2E	28,922,658

ENERGY INTENSITY RATIO

Paragon has chosen combined Scope 1 and 2 kgCO2e per square metre of floor space as its intensity ratio. This method will best reflect the different scope and activity of work across our locations. The intensity ratio is also reported monthly to all production locations as part of our ongoing ISO 14001 and ISO 50001 certified management programmes. A full range of Scope 3 emissions are reported the CFD section of the Strategic Report.

Reporting year	Scope 1 kgCO2e	Scope 2 Location based kgCO2e	Total square metres	kgCO2e per square metre
2021/2022	3,421,000	9,296,000	107,174	118.65
2022/2023	3,674,000	8,774,000	112,570	110.58
2023/2024	2,668,000	7,901,000	111,503	94.79
2024/2025	1,721,000	5,095,000	88,238	77.25

ACTION TAKEN IN THE REPORTING YEAR

The majority of Paragon Group production sites hold ISO 14001 Environmental Management and/or ISO 50001 Energy Management certifications. These management systems provide the framework to drive both site and group level improvements to our energy and carbon reporting, efficiency and emissions.

The table below details the actions implemented in the UKIL region during the reporting year. The UKIL region focussed on process and behaviour change at its production sites, while undertaking feasibility studies for longer term projects such as on-site renewable energy generation.

Improvement category	Description	Impact
Process optimisation	Programmes include: <ul style="list-style-type: none"> Warehouse relocation Heat loss management Data analysis & identification of End of Day process change Re-use of waste streams 	Energy consumption reduction: 43,000kWh Carbon reduction: 9.3 tCO2e
Technology	Installation of solar / PV at one location. Results will be realised in FY2026	Expected Carbon Reduction: 88 tCO2e

TARGETS AND FUTURE PLANS

Paragon UK, Ireland and Luxembourg (UKIL) supports the Paragon group Carbon Net Zero target of a 90% reduction in Scope 1 and 2 emissions by 2040.

Progress as of 30 June 2025 for Paragon UKIL against a baseline year of 2021/2022:

Scope 1: 50% reduction

Scope 2: 45% reduction

The table below outlines future plans for Scope 1 & 2 carbon reduction for UKIL.

Reduction category	% reduction identified to 2032	Expected delivery programmes	Implementation timeframes
Technology	Scope 1: Up to 100%	Gas boiler replacements Heat distribution networks Heating controls upgrades Electric vehicles upgrades	FY2026 to FY2028: Implementation of "low hanging fruit". FY2029 to FY2032: Replacement of kit at end of life / lease with lower carbon options. FY2033 to FY2040 Investment in heat decarbonisation technology.
	Scope 2: Up to 11%	Renewables HVAC Lighting Production & facilities kit	FY2026 to FY2028: Implementation of "low hanging fruit". Site decarbonisation surveys. Feasibility studies for on and off-site renewable electricity generation. Financial planning for long term investment in low carbon technology. FY2029 to FY2032: Implementation of chosen on or off-site renewables programme. FY2033 to FY2040 Investment in emerging decarbonisation technology.
Consolidation of business operations	Scope 1: Up to 9% Scope 2: Up to 6%	FY2026 to FY2030 Consolidation and optimisation of production locations to maximise efficiency.	
Process & behaviour change	Scope 1: Up to 8% Scope 2: Up to 8%	Out of Office and End of Shift process Heating and energy monitoring control optimisation	FY2026 to FY2030 Improved use of automated energy monitoring systems to identify energy reduction from process and behaviour change.
Process & behaviour change	Scope 2: Up to 40%	Government delivered reduction in grid emissions	FY2026 to FY2035 Track and update grid emissions conversion rates.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PCC GLOBAL PLC

Report on the audit of the financial statements

1. OPINION

In our opinion:

- The financial statements of PCC Global Plc (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 30 June 2025 and of the group's loss for the year then ended;
- The group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- The parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- The Consolidated Income Statement;
- The Consolidated Statement of Other Comprehensive Income;
- The Consolidated Statement of Financial Position;
- The Consolidated Statement of Changes in Equity;
- The Consolidated Statement of Cash Flow; and
- The related notes 1 to 40, including material accounting policy information as set out in note 2 to the group financial statements.

The Parent Company financial statements comprise:

- The Parent Company Statement of Financial Position;
- The Parent Company Statement of Changes in Equity; and
- The related notes 1 to 15, including material accounting policy information as set out in note 1 to the parent company Financial Statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. 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 as applied to listed entities, 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.

3. SUMMARY OF OUR AUDIT APPROACH

Key Audit Matters

The key audit matters that we identified in the current year were:

- Going concern (group and parent company)
- Impairment of investments in subsidiaries and valuation of intercompany debtors (parent company only)
- Goodwill impairment – key assumptions used (group only)

Materiality

The materiality that we used for the group financial statements in the current financial year was €10.3 million, which was determined based on approximately 0.75% of revenue.

The materiality that we used for the parent company financial statements was €2 million, which was determined based on approximately 1% of total equity/net assets.

Scoping

We applied a risk-based approach when performing our group audit scoping by obtaining an understanding of the group and its environment, including consideration of relevant controls, identifying significant classes of transactions, account balances or disclosures and assessing the risks of material misstatement.

Our audit scope covered 94% (2024: 88%) of the group's revenue, 85% (2024: 83%) of the group's loss before tax, and 86% (2024: 79%) of the group's net assets. We also carried out analytical procedures at the group level to contribute to the overall audit evidence that the group financial statements are free from material misstatement and that audit risk for a significant class of transaction, account balance or disclosure, has been reduced to an acceptably low level.

Report on the audit of the financial statements (continued)

Significant changes in our approach³

The following two key audit matters presented in the prior year have been removed during the current financial year:

- Acquisitions – fair value of intangibles (excluding goodwill): This reflects our risk assessment conclusions and consideration of the fact that acquisition activities were significantly reduced during the current financial year, resulting in an immaterial fair value of intangibles (excluding goodwill) acquired by the group during the current financial year.
- Presentation of non-underlying items: This reflects our risk assessment conclusions and consideration of the fact that this matter required significant audit effort in the prior year as our first-year audit to gain sufficient understanding of the non-underlying items to ensure such items were being appropriately classified and disclosed in the group financial statements. The level of audit effort has reduced year-over-year on account of reduced acquisition activities and this matter was no longer considered a key audit matter during the current financial year.

There were no other significant changes to our approach in the current financial year.

4. 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.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting is discussed in section 5.1.

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.

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

5. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 GOING CONCERN (GROUP AND PARENT COMPANY)

Key audit matter description

In assessing whether the financial statements should have been prepared on the going concern basis, the Directors were required to consider all available information about the future for a period of 12 months from the date of approval of the financial statements from both a group and parent company perspective.

At 30 June 2025, the group and parent company had available cash and cash equivalents of €131.5m and €18.8m respectively. The group and parent company has debt arrangements in place which contain covenants and require the group and parent company to maintain specific financial ratios. There is also an existing bond which is due for repayment within the next 12 months.

As part of the assessment, the Group prepared a base case projection along with scenarios taking into account a potentially challenging trading environment. The scenarios include a number of cash flow related assumptions such as scale back of capital expenditure and payroll costs by way of bonus reductions.

There are many factors included within the forecasting model, and a significant level of judgement is involved in determining these factors. As such, we have identified going concern as a key audit matter due to the high level of judgement required in forecasting future cash flows, challenging trading performance, and the increased level of audit effort.

Please also refer to "Going Concern" accounting policy within note 2 (group financial statements) and note 1 (parent company financial statements), and "Forecasts and Discount Rates" critical accounting judgements and key sources of estimation uncertainty within note 3 (group financial statements) and note 2 (parent company financial statements).

How the scope of our audit responded to the key audit matter

In responding to the key audit matter, we performed the following audit procedures:

- We evaluated the design and determined the implementation of relevant controls around the directors' assessment of going concern.
- We obtained the directors' base case scenario for the period from 1 July 2025 to 31 December 2026, together with supporting evidence for significant trading, and cash flow assumptions for each reporting segment. We assessed how these cash flow forecasts were compiled and assessed their appropriateness by applying relevant sensitivities to the underlying assumptions and challenging the nature of those assumptions.
- We performed arithmetical, and consistency checks on management's going concern model.
- We obtained the directors' downside scenarios for the period from 1 July 2025 to 31 December 2026, including a scenario with a set of severe but plausible assumptions reflecting their assessment of relevant uncertainties and stress-tested it independently. This included an assessment of the ability of the group to meet its existing bond repayment of €84m due by April 2026.
- We evaluated the assumptions regarding the forecast period and reduced trading levels under each of the downside scenarios referenced above, including the impact on the covenant calculations.

Report on the audit of the financial statements (continued)

- We assessed the financing facilities available including the nature of the facilities and the repayment terms.
- We assessed the accuracy of management's historical forecasting by comparing management's forecasts for the year ended 30 June 2025 to the actual results for the period and considered the impact on the base case cash flow forecast.
- We obtained unaudited post year end management accounts and compared them against amounts forecasted to assess the accuracy of forecasts.
- We assessed the accuracy of debt covenant calculations within the group's forecasts by agreeing the inputs of the calculation to the terms of the relevant debt agreements.
- We assessed the impact of the mitigating factors available to the directors in respect of their ability to restrict the impact on covenant compliance; and
- We assessed the adequacy of relevant going concern disclosures within the financial statements in accordance with the relevant financial reporting framework.

Key observations

We have nothing to report in addition to that stated in the "Conclusions relating to going concern" section of our report.

5.2 IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES AND VALUATION OF INTERCOMPANY DEBTORS (PARENT COMPANY ONLY)

Key audit matter description

We identified valuation of amounts owed by group undertakings and risk of impairment of investments in subsidiaries as two areas of significant audit effort in terms of overall audit strategy. The parent company is a holding company in the group, with many subsidiaries and transactions made to several group undertakings:

- Investments in subsidiaries €464.7m and
- Total Amounts falling due from group undertakings to the parent company (loan receivable from group undertaking) €139.5m.

The directors are required to make an annual assessment to determine whether investments in subsidiaries and amounts owed by group undertakings are impaired. There is a risk that certain investments in subsidiaries may be impaired and a risk that amounts due from group undertakings may not be recoverable.

The directors' assessment for indicators of impairment involves significant judgement including key assumptions such as discount rates and long-term growth rates used within the impairment assessment, that lead to a heightened risk of material misstatement.

Please also refer to "Investments" and "Impairment of Financial Assets" accounting policies within note 1, "Investments in Subsidiaries" and "Intercompany Balances" critical accounting judgements and key sources of estimation within note 2, note 6 "Investment in Subsidiaries" and note 7 "Loan Receivable and Borrowing from Group Undertakings" in the parent company financial statements.

How the scope of our audit responded to the key audit matter

In responding to the key audit matter, our procedures included the following

Investments in subsidiaries

- We evaluated the design and determined the implementation of the relevant controls in place over the directors' impairment review process in relation to investments in subsidiaries.
- We evaluated the net asset value of the subsidiaries' balance sheet against the gross carrying value of the investment, to assess whether there are indicators of impairment.
- Where there was an indicator of impairment, we obtained the directors' impairment assessment, including the underlying discounted cash flow forecasts used to determine value in use and confirmed the arithmetical accuracy of those calculations including the associated sensitivity analyses.
- We obtained the directors' assessment of impairment indicators relating to the investment in group undertakings and obtained evidence to support key assumptions, including discount rate and long term growth rate therein. Through discussions with the directors and by using industry data and other external information, we assessed the reasonableness of the directors' assumptions, including discount rate and long-term growth rate, by completing independent stress-tests.
- We considered the implications of the group's goodwill and intangible asset impairment review for evidence of any underperforming subsidiaries.

Valuation of intercompany debtors

- We evaluated and challenged the directors' assessment of the ability of the respective subsidiaries to repay these balances by ascertaining if the highly liquid assets held by the subsidiary at year-end are sufficient to repay the liabilities and evaluated if the entities have the financial capacity to settle the amounts owed, with considerations to any loan repayments required that would restrict the ability to repay the loans. We assessed the adequacy of relevant disclosures within the financial statements in accordance with the relevant financial reporting framework.

Key observations

We have no observations that impact on our audit in respect of the recoverability of investments held by the parent company in subsidiary undertakings or in relation to the carrying value of amounts owed by group undertakings.

5.3 GOODWILL IMPAIRMENT – KEY ASSUMPTIONS USED (GROUP ONLY) KEY AUDIT MATTER DESCRIPTION

Key audit matter description

The assessment of the carrying amount of goodwill is a key audit matter because of the significant judgments and assumptions made by the directors to estimate the recoverable amounts of the group's cash generating units ("CGUs") to which goodwill is allocated to. Significant assumptions include but are not limited to the discount rate and long term growth rate utilised in estimating recoverable amounts.

Report on the audit of the financial statements (continued)

Goodwill acquired through business combinations is allocated to group's CGUs for the purpose of impairment testing. The directors review the carrying value of each CGU at least annually or more frequently if there is an indication that the CGUs may be impaired.

The group's evaluation of the carrying value of goodwill for impairment involves the comparison of the recoverable amount of each CGU to its carrying value.

The group used the value-in-use approach, which deploys a discounted cash flow model to estimate the recoverable amount. This requires the directors to make significant estimates and assumptions relating to sales growth and discount rates. Cash flow forecasts and key assumptions are determined based on historical performance together with the directors' expectation of future trends affecting the industry and other developments and initiatives in the business.

Performing audit procedures to evaluate the reasonableness of management's key assumptions requires a high degree of auditor judgment and an increased extent of audit effort, including the need to involve our valuation specialists.

Please also refer to "Goodwill" and "Impairment" accounting policies within note 2, "Goodwill" and "Goodwill Impairment" critical accounting judgements and key sources of estimation uncertainty within note 3, and note 15 "Goodwill Impairment" in the group financial statements.

How the scope of our audit responded to the key audit matter

Our audit procedures related to the discount rate, long term growth rates and other judgements by the directors to estimate the recoverable amount of the CGUs included the following:

We evaluated the design and determined the implementation of the relevant controls in place over the directors' impairment review process in relation to goodwill.

In conjunction with our valuation specialists, we evaluated the impairment review methodology applied by the directors in preparing the value in use calculations. We understood and challenged the underlying key assumptions within the group's impairment model, including assessing for any indicators of management bias, by developing an independent view of the discount rates and long-term growth rates in conjunction with our valuation specialists, and benchmarked the rates used by the directors against market data and comparable organisations. We performed a retrospective review of assumptions used in prior period value in use calculations and compared these to actual performance.

We obtained and challenged the directors' cash flow projections, and the budgeting process on which the projections are based, by comparing them to historic growth rates and the group's strategic plans and remained cognizant of management bias.

We evaluated the directors' sensitivity analysis and performed an independent analysis of key assumptions used. We evaluated and challenged the judgements applied in determining CGUs. Where we noted any significant reductions or increases in headroom for a CGU since the prior period, we gained an understanding of the reasons giving rise to the reduction/increase and performed additional procedures to substantiate these reasons.

We held discussions with the business unit controllers to understand the changes being implemented at the site level to achieve the targets set in the strategic plans.

We evaluated the completeness and accuracy of the relevant disclosures in relation to goodwill for compliance with the requirements of the relevant accounting standards, i.e. IAS 36 Impairment of assets.

Key observations

Based on the procedures performed, we have determined the directors' assumptions used in the assessment of the carrying value of goodwill associated with the CGUs to be reasonable. We concluded that the related disclosures provided in the group financial statements are appropriate.

Report on the audit of the financial statements (continued)

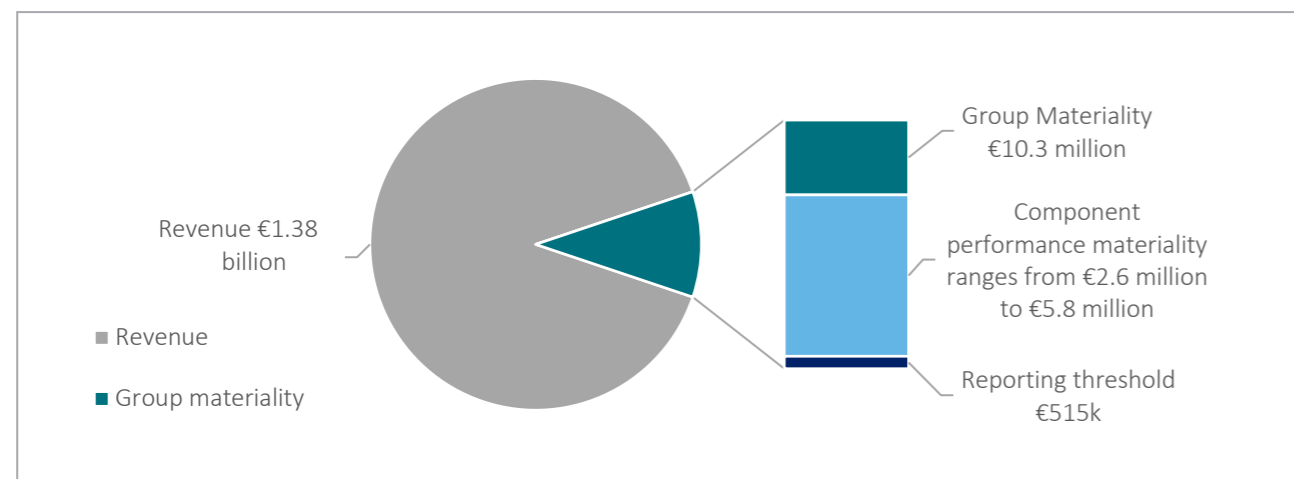
6. OUR APPLICATION OF MATERIALITY

6.1 MATERIALITY

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	€10.3 million (2024 - €10.1 million)	€2.0 million (2024 - €3.9 million)
Basis for determining materiality	Based on approximately 0.75% of revenue.	Based on approximately 1% of total equity/net assets.
Rationale for the benchmark applied	Revenue was considered to be the most appropriate benchmark because it is deemed as the key measure used by the directors to report to investors and debt holders (primary users of the group financial statements) on financial performance.	The Parent Company holds large investments in its subsidiary companies and bonds that are listed on Luxembourg Multilateral Trading Facility (MTF). Total equity/net assets were considered to be the most appropriate benchmark because it is deemed as the key measure for investors and debt holders as the primary users of the parent company financial statements.



Report on the audit of the financial statements (continued)

6.2 PERFORMANCE MATERIALITY

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	80% (2024: 68%) of group materiality	56% (2024: 80%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: <ol style="list-style-type: none"> our understanding of the group and its environment and the impact of various macro-economic factors, the financial performance of the group and the parent company, the nature, volume, and size of misstatements (corrected and uncorrected) in the prior year audit, the likelihood of the prior year misstatements reoccurring in the current year audit. 	

6.3 ERROR REPORTING THRESHOLD

We agreed with the Audit and Risk that we would report to the Committee all audit differences in excess of €515k (2024: €500k) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. AN OVERVIEW OF THE SCOPE OF OUR AUDIT

As part of our procedures to develop our group audit strategy, we attended Audit and Risk Committee meetings during the year ended 30 June 2025, as well as held regular meetings with management.

7.1 IDENTIFICATION AND SCOPING OF COMPONENTS

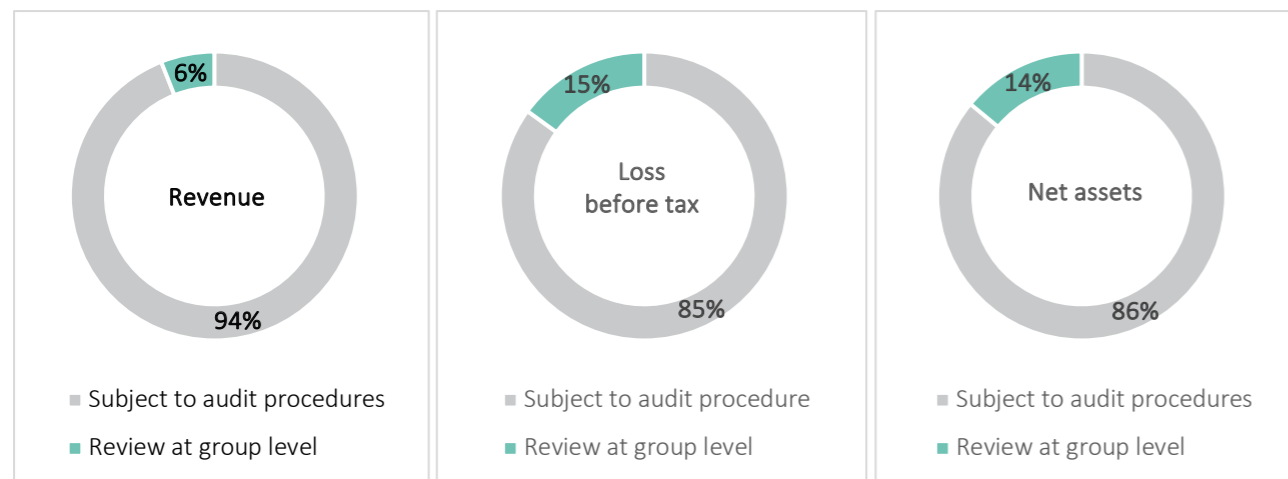
We applied a risk-based approach when performing our group audit scoping by obtaining an understanding of the group and its environment, including consideration of relevant group-wide internal controls, identifying significant classes of transactions, account balances or disclosures and assessing the risks of material misstatement.

Understanding the Group, its components, and their environments, including Group-wide controls

- We obtained an understanding of the Group and its environment, including Group-wide controls, and assessed the risks of material misstatement at the Group level.
- We obtained an understanding of the effect of the Group organisational structure on the scope of the audit. This included determining that the Group financial reporting system is centralised and that there is use of management experts where required.

Identification and scoping of components

- The Group is a mixture of trading, holding, lease/adjustment entities which are structured into six reporting segments, as reported within Note 4 of the group Financial Statements. The structure of the group, acquisitions, mergers and other factors that present a potential risk, are considered in determined the group level risk assessment.
- Based on our group-level risk assessment, we identified a number of key areas at which audit work is performed. This was based on our assessment of identified significant risks, areas of higher assessed risks of material misstatement within the group financial statements and areas in the audit of the group financial statements that involved significant judgement.
- Our audit scope covered 94% (2024: 88%) of the group's revenue, 85% (2024: 83%) of the group's loss before tax, and 86% (2024: 79%) of the group's net assets.
- Our audit work for all components was executed at levels of performance materiality applicable to each individual component which ranged from €2.6 million to €5.8 million.
- We also carried out analytical procedures at the group level to contribute to the overall audit evidence that the group financial statements are free from material misstatement and that audit risk for a significant class of transaction, account balance or disclosure, has been reduced to an acceptably low level.



7.2. OUR CONSIDERATION OF THE CONTROL ENVIRONMENT

We obtained an understanding of the group and its environment, including group-wide controls, and assessed the risks of material misstatement at a group level. A controls reliance approach to IT systems or business cycles has not been adopted. For significant risks, we evaluated the design and determined the implementation of relevant controls in place.

7.3 OUR CONSIDERATION OF CLIMATE-RELATED RISKS

In planning our audit, we have considered the potential impacts of the climate-related risks identified by the directors on the Group's business and its financial statements.

The Group has set out their carbon reduction target on page 82. The Group have also identified climate change and policy as part of their principal operational risks and uncertainties. They have set out the potential impacts of their physical risks and transitional risks on their business on page 79 to 81.

As part of our audit, we have obtained the directors' climate-related risk assessment and made inquiries of them to understand their process for considering the impact of climate-related risks. The Group reflected the impact of stated 2030 carbon reduction target on assumptions used in setting key estimates recorded in the financial statements in accordance with IFRS requirements.

We assessed if the assumptions used by the directors in the financial statements were consistent with their carbon reduction target and as set out in their accounting policies, on pages 152.

We have also read the Group's disclosure of climate-related information in the Annual Report listed on pages 70 to 88.

7.4 WORKING WITH OTHER AUDITORS

The group audit team exercised direction, supervision and review over the audit work performed by component audit teams in scope for the group audit. The group audit team communicated with component auditors by issuing group instructions, conducting site visits, frequent progress monitoring and reviewing component working papers at the planning, fieldwork, and completion stages of the audit.

Report on the audit of the financial statements (continued)

8. 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.

9. 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.

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.

10. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. This description forms part of our auditor's report.

11. 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.

11.1 IDENTIFYING AND ASSESSING POTENTIAL RISKS RELATED TO IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector and business performance including the design of the group's remuneration policies;
- Results of our enquiries of management, internal audit, in-house & external legal counsel, the directors and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- Any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- The matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, IT, and ESG specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: Revenue Recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the relevant laws and regulations applicable to the group (including its components) and the sector it operates including UK Companies Act 2006, pensions legislation, and tax legislation.

Report on the audit of the financial statements (continued)

In addition, we considered provisions of other laws and regulations that 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 the lenders covenants requirements, labour and employment practices, competition, anti-fraud and theft, Luxembourg MTF listing rules, anti-bribery, anti-corruption, data protection and data privacy and security and health and safety.

11.2. AUDIT RESPONSE TO RISKS IDENTIFIED

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, Internal Audit, in-house & external legal counsel, the directors and the Audit and Risk Committee concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with;
- In addressing the risk of fraud relating to revenue recognition, we pinpointed the risk of material misstatement to be around accrued revenue being recognised in accordance with IFRS 15. In addressing the assessed risk of material misstatement: we obtained an understanding of the material revenue streams and reviewed related accounting policies; we performed detailed walkthroughs of each material revenue stream, evaluated the design and determined the implementation of relevant controls in place; we used analytical procedures to compare revenue balances for the year against expectations; performed substantive testing on individual revenue streams, which included reconciling details to contracts, purchase orders, delivery notes, subsequent cash receipts; performed procedures on manual sales transactions which includes manual journals.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

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

In the light of the knowledge and understanding of the group and 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.

13. MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

13.1 ADEQUACY OF EXPLANATIONS RECEIVED AND ACCOUNTING RECORDS

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit; or
- 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.

We have nothing to report in respect of these matters.

13.2 DIRECTORS' REMUNERATION

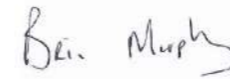
Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

Report on the audit of the financial statements (continued)

14. USE OF OUR REPORT

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Brian Murphy (Senior Statutory Auditor)

For and on behalf of Deloitte Ireland LLP
Statutory Auditor, Chartered Accountants
Dublin, Ireland
2 October 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2025

	Notes	2025 €000		2024 €000		2024 €000	
		Underlying	Non-underlying	Statutory	Underlying	Non-underlying	Statutory
Revenue from sale of goods and services	4	1,131,964	-	1,131,964	1,030,269	-	1,030,269
Material costs		559,565	-	559,565	506,025	-	506,025
Payroll	5, 6	337,606	13,007	350,613	298,615	39,732	338,347
Other operating costs		107,851	2,562	110,413	108,653	7,919	116,572
Other operating income	6	-	-	-	-	(10,210)	(10,210)
Costs before depreciations and amortisation		1,005,022	15,569	1,020,591	913,293	37,441	950,734
EBITDA ¹ (excluding corporate charges)	2, 6	126,942	(15,569)	111,373	116,976	(37,441)	79,535
Corporate charges	2	11,509	1,501	13,010	11,592	560	12,152
Depreciation and amortisation	7, 12	68,601	-	68,601	62,790	-	62,790
Operating profit/(loss)	6, 7	46,832	(17,070)	29,762	42,594	(38,001)	4,593
Loss on asset disposals	6	-	(3,273)	(3,273)	-	(586)	(586)
Finance income	9	2,835	-	2,835	4,394	-	4,394
Finance cost	10	(39,860)	-	(39,860)	(34,955)	-	(34,955)
Share of equity accounted investments	17	45	-	45	406	-	406
Profit/(loss) before tax		9,852	(20,343)	(10,491)	12,439	(38,587)	(26,148)
Income tax credit/(charge)	11	1,306	-	1,306	4,736	(443)	4,293
Profit/(loss) for the year from continuing operations		11,158	(20,343)	(9,185)	17,175	(39,030)	(21,855)
Discontinued operations	12	-	(12,450)	(12,450)	-	(33,181)	(33,181)
Profit/(loss) for the year		11,158	(32,793)	(21,635)	17,175	(72,211)	(55,036)

The figures for 2024 have been re-presented to reflect an adjustment for discontinued operations. Further information can be found in note 36 on page 209.

1. EBITDA is defined in Note 2 on page 157.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	2025 €000	2024 €000
Loss for the year	(21,635)	(55,036)
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Actuarial gain/(loss) recognised on pension schemes	177	(164)
Revaluation loss of land and buildings	(484)	(142)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	(389)	251
Other comprehensive income for the year	(696)	(55)
Total comprehensive income for the year	(22,331)	(55,091)
Attributable to:		
Owners of the company	(22,331)	(55,091)

The impact of tax on the other comprehensive income items was €nil (2024: €nil).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 €000	2024 €000
Assets			
Non-current assets			
Property, plant and equipment	13	45,269	55,837
Goodwill	15	118,240	119,088
Other intangible assets	16	104,758	136,456
Equity accounted investment	17	266	460
Right-of-use assets	19	80,830	94,396
Other non-current assets	21	3,497	11,935
Deferred tax assets	28	13,061	10,842
Retirement benefit surplus	29	858	137
		366,779	429,151
Current assets			
Trade and other receivables	21	125,825	140,957
Inventories	22	15,345	25,610
Cash and cash equivalents	24	131,471	156,131
Loan receivable from related party	35	29,955	33,278
Income tax receivable		225	1,059
		302,821	357,035
Assets classified as held for sale	12, 18	60,851	25,683
		363,672	382,718
Total assets		730,451	811,869
Liabilities			
Current liabilities			
Lease liabilities	20	21,757	23,723
Deferred income	23	8,887	7,195
Borrowings - related party	25, 35	210	4,868
Borrowings - 3rd party	25	102,116	114,346
Trade and other payables	26	301,659	336,104
Income tax payables		-	2,168
Provisions	27	4,070	15,881
		438,699	504,285
Liabilities directly associated with assets classified as held for sale	12, 18	90,813	51,036
		529,512	555,321

The notes on pages 148 to 219 from part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

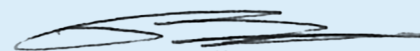
As at 30 June 2025

	Notes	2025 €000	2024 €000
Non-current liabilities			
Borrowings - third party	25	336,840	329,785
Lease liabilities	20	60,233	68,987
Deferred income	23	145	429
Provisions	27	10,687	12,593
Deferred tax liabilities	28	5,850	6,268
Retirement benefit deficit	29	4,442	4,386
		418,197	422,448
Total liabilities		947,709	977,769
Net liabilities		(217,258)	(165,900)
Equity			
Share capital	31	240,407	240,407
Capital reserve	32	142	142
Cumulative translation reserve	32	(1,751)	(1,456)
Revaluation reserve	32	5,036	5,520
Retained earnings	32	(92,008)	(70,456)
Equity pre-merger reserve		151,826	174,157
Unrecognised fair value merger reserve	33	(369,084)	(340,057)
Total equity		(217,258)	(165,900)

The notes on pages 148 to 219 from part of these financial statements.

The financial statements of PCC Global plc (registration number: 03526640) were approved and authorised for issue by the Board of Directors on 1 October 2025 and signed on its behalf by:

Jeremy Walters
Director



Martin Edstrom
Director



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Share capital €000	Capital reserve €000	Retained earnings €000	Revaluation reserve €000	Cumulative translation reserve €000	Total €000	Unrecognised fair value merger reserve €000	Total equity €000
Balance as at 1 July 2024	240,407	142	(70,456)	5,520	(1,456)	174,157	(340,057)	(165,900)
Loss for the year	-	-	(21,635)	-	-	(21,635)	-	(21,635)
Common control transaction (note 14)	-	-	-	-	-	-	(29,027)	(29,027)
Other comprehensive income for the year	-	-	83	(484)	(295)	(696)	-	(696)
Balance as at 30 June 2025	240,407	142	(92,008)	5,036	(1,751)	151,826	(369,084)	(217,258)

For the year ended 30 June 2024

	Share capital €000	Capital reserve €000	Retained earnings €000	Revaluation reserve €000	Cumulative translation reserve €000	Total €000	Unrecognised fair value merger reserve €000	Total equity €000
Balance as at 1 July 2023	240,407	142	(15,184)	5,662	(1,779)	229,248	(330,420)	(101,172)
Loss for the year	-	-	(55,036)	-	-	(55,036)	-	(55,036)
Common control transaction (note 14)	-	-	-	-	-	-	(9,637)	(9,637)
Other comprehensive income for the year	-	-	(236)	(142)	323	(55)	-	(55)
Balance as at 30 June 2024	240,407	142	(70,456)	5,520	(1,456)	174,157	(340,057)	(165,900)

The notes on pages 148 to 219 form part of these financial statements.

Supplementary information – unrecognised fair value merger reserve:

Management have used the retrospective presentation method or merger accounting for business combination under common control. Under merger accounting principles, the assets and liabilities of the subsidiaries are consolidated at carrying value in the group financial statements and the consolidated reserves of the group have been adjusted to reflect the statutory share capital of PCC Global plc, with the difference relating to fair value and presented in a merger reserve. Further information can be found in Note 14.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

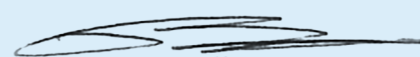
	Notes	2025 €000	2024 €000
Assets			
Non-current assets			
Intangible assets	4	2,458	1,326
Deferred tax assets	5	4,388	4,388
Investments in subsidiaries	6	464,661	449,364
Loan receivable from group undertakings	7	-	62,939
		471,507	518,017
Current assets			
Trade and other receivables	8	22,617	11,242
Loan receivable from group undertakings	7	139,526	76,821
Loan receivable from corporate group undertakings	14	19,483	17,246
Cash and cash equivalents	9	18,827	21,448
		200,453	126,757
Total assets		671,960	644,774
Liabilities			
Current liabilities			
Trade and other payables	10	20,193	10,503
Borrowings from group undertakings	7	26,552	6,727
Loan and borrowings	11	92,616	97,716
		139,361	114,946
Non-current liabilities			
Loan and borrowings	11	334,607	307,860
		334,607	307,860
Total liabilities		473,968	422,806
Net assets		197,992	221,968
Equity			
Share capital	12	240,407	240,407
Capital reserve	13	142	142
Cumulative translation reserve	13	(3)	(3)
Retained earnings	13	(42,554)	(18,578)
Total equity		197,992	221,968

In accordance with Section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own income statement and statement of comprehensive income. The company's loss for the year was €24.0m (2024: €18.3m).

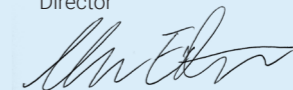
The notes on pages 148 to 219 form part of these financial statements.

These financial statements were approved by the Board of Directors of PCC Global plc (registered number 03526640) on 1 October 2025 and signed on its behalf by:

Jeremy Walters
Director



Martin Edstrom
Director



CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended 30 June 2025

	Notes	2025 €000	2024 €000
Loss before tax from continuing activities		(10,491)	(26,148)
Adjustment for:			
Depreciation of property, plant and equipment	13	12,527	12,978
Non-cash gains on acquisitions	6	-	(10,210)
Amortisation of intangible assets	16	32,757	28,900
Amortisation of right-of-use assets	19	29,412	30,077
Loss on assets disposal	6	3,273	5,056
Amortisation of government grants	7	(190)	(35)
Discontinued operations (loss after tax)	12,36	(12,450)	(33,181)
Share of profit of equity accounted investments	17	(45)	(406)
Net finance costs	9,10	37,025	32,620
Operating cash inflows before movements in working capital		91,818	39,651
Decrease in inventories		4,333	7,205
Decrease in receivables		18,724	11,377
(Decrease)/ Increase in payables		(9,636)	25,456
Increase in government grant	23	-	250
Increase/(decrease) in deferred income		1,342	(758)
Increase/(decrease) in provisions		103	(1,457)
Cash generated from operations		106,684	81,724
Interest paid		(28,573)	(30,869)
Interest income		51	-
Income tax (paid)/ received		(1,727)	174
Net cash generated by operating activities		76,435	51,029
Cash flows from investing activities			
Payments for property, plant and equipment		(12,451)	(10,680)
Payments for intangible assets		(18,642)	(26,463)
Proceeds from disposals intangible assets		26	-
Proceeds from disposal tangible assets		730	-
(Repayment of)/Proceeds from restructuring and onerous contract provision		(19,834)	1,496
Payments from merger of subsidiaries from related party, net of cash acquired	14	(28,384)	(5,654)
Payments for acquisition of subsidiaries, net of cash acquired	14	(1,441)	(42,985)
Dividends received from joint ventures	17	236	119
Net cash used in Investing activities		(79,760)	(84,167)

CONSOLIDATED STATEMENT OF CASH FLOW (continued)

For the year ended 30 June 2025

	Notes	2025 €000	2024 €000
Cash flows from financial activities			
Repayments of capital element of lease liabilities	20	(30,675)	(31,002)
Repayment of borrowings, third party		(18,842)	(13,620)
Repayment of borrowings, related party		(3,607)	(11,370)
Proceeds from borrowings		38,422	141,318
Repayment of bonds		(6,747)	(52,000)
Net cash (decrease)/increase generated by financing activities		(21,449)	33,326
Net (decrease)/increase in cash and bank overdrafts		(24,774)	188
Cash net of bank overdrafts at the beginning of the year		153,554	152,964
Net (decrease)/increase in cash and bank overdrafts		(24,774)	188
Effect of exchange rate changes on cash and bank overdrafts held in foreign currencies		(865)	402
Cash net of bank overdrafts at the end of the year		127,915	153,554

Supplementary information – analysis of net debt

	2024 €000	Cash flow €000	Exchange difference €000	Non cash €000	Acquisition movements €000	2025 €000
Cash and cash equivalents (note 24)	156,131	(24,517)	(836)	-	693	131,471
Bank overdrafts (note 25)	(2,577)	(950)	(29)	-	-	(3,556)
Cash net of bank overdrafts	153,554	(25,467)	(865)	-	693	127,915
Bank loans (note 25)	(83,477)	18,958	-	24,124	-	(40,395)
Revolving credit facilities (note 25)	(93,000)	(37,000)	-	-	-	(130,000)
Bonds net of unamortised issue costs (note 25)	(265,077)	6,747	-	(1,394)	-	(259,724)
Net loan with related party (note 35)	28,410	3,607	(834)	(1,439)	-	29,744
Invoice discounting (note 25)	-	(1,538)	36	-	(3,778)	(5,280)
Lease liabilities (note 20)	(92,710)	30,675	384	(15,605)	(4,734)	(81,990)
Net debt	(352,300)	(4,018)	(1,279)	5,686	(7,819)	(359,730)

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits. The effective interest rates on cash and cash equivalents are based on current market rates.

Non-cash movements include amortisation of bond issue costs of €1,393.8k (2024: €514.0k). Non-cash lease liabilities movements of €15.6m (2024: €26.7m) include asset additions, discontinued operations and remeasurements and are itemised in further detail in note 20.

Non-cash net loan with related party movements of €nil (2024: €5,701k) are related to loss allowance on related parties loans written off and €1.4m (2024: €nil) are related to discontinued operations during the year.

Non-cash bank loans movements of €24.1m (2024: €804k) mainly relate to liabilities which are directly associated with assets classified as held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. GENERAL INFORMATION

PCC Global Plc ('the company' and trading as 'Paragon') and subsidiaries controlled by the company (together, the 'group') are customer-focused, operating as a strategic partner to our clients and an extension of their businesses, guiding them to the solution that best fits their needs. Paragon simplifies the complexity of today's business landscape, and our decades of experience and innovative solutions will transform the journeys our clients provide throughout the lifecycle of their customer relationships.

PCC Global plc (registration number 03526640) is a public company limited by share capital, incorporated and domiciled in England and Wales under the Companies Act 2006. The registered office of the company is Lower Ground Floor, Park House, 16-18 Finsbury Circus, London, EC2M 7EB, UK. The financial statements were authorised for issue by the directors on 01 October 2025.

The nature of the group's operations and its principal activities are set on page 160.

The financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 and, with International Financial Reporting Standards as issued by the IASB.

The IASB has issued the following amendments which were effective for the group for the first time in the year ended 30 June 2025:

- Amendment to IFRS 16 – Leases on sale and leaseback;
- Amendment to IAS 1 – Non-current liabilities with covenant;
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- Amendment to IAS 7 and IFRS 7 - Supplier finance.

The adoption of the above amendments did not have a material impact on the group's Consolidated Financial Statements.

The following standards issued but not yet effective are not expected to have a material impact on the amounts recognised in the current period, and are not expected to significantly affect future periods:

- Amendments to IAS 21 - Lack of Exchangeability;
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards – Volume 11;
- IFRS 18 Presentation and Disclosure in Financial Statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

PCC Global plc group is made up of five divisions which are aligned by management control. These are Western Europe, DACH & CEE, BENE, UKIE and Brand Deployment. This is not based on geographical location but by management of operations. Each division provides a range of service to our clients to improve their communication with their customers.

2. ACCOUNTING POLICIES

The material accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

BASIS OF PREPARATION

These financial statements are presented in euro (€), which is the currency of the primary environment in which the group and company operate.

The financial statements have been prepared under the historical cost convention as modified by use of fair values for revaluation of buildings.

In the process of applying the group's accounting policies, management have made judgements as to the policies that have the most significant effect on the amounts recognised in the financial statements. The accounting estimates and assumptions that management considers to be its critical accounting estimations are detailed and explained in note 3 on page 158.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with international accounting standards in conformity with the UK- adopted International Accounting Standards as issued by the IASB, requirements of the Companies Act 2006, and under historical cost convention, modified for the revaluation of certain assets and liabilities at fair value.

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the company and all its subsidiary undertakings made up to 30 June 2025. Subsidiaries undertakings are those entities controlled by the group. Control exists where the group is exposed to or has the rights to variable returns from its involvement with, the investee and has the ability to use its power over the investee to affect its returns. The results of subsidiary undertakings acquired or disposed of during the period are included or excluded from the consolidated income statement from the effective date of acquisition or disposal.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The purchase method is used to account for the third-party acquisition of subsidiaries. Under the purchase method the cost of the acquisition is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred to former owners of the acquiree and the equity interests issued by the acquirer.

Identifiable assets, liabilities and contingent liabilities assumed in a business combination are measured in accordance with IFRS 3. All acquisition costs are expensed immediately.

Appropriate adjustments are made to achieve uniformity of accounting policies in the combining entities from the date of acquisition.

Intercompany transactions and balances between group entities are eliminated on consolidation. Where necessary, the accounting policies applied by subsidiaries have been changed to ensure consistency with the accounting policies applied by the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

BASIS OF CONSOLIDATION (continued)

Non-controlling interests represent the share of earnings or equity in subsidiaries that is not attributable, directly or indirectly, to shareholders of the group. The value of non-controlling interests in subsidiaries is calculated initially as their share of identifiable net assets and is subsequently adjusted by their share of changes in equity from the date of acquisition.

GOING CONCERN

The directors have performed an assessment of going concern, including a review of the group's current cash position, available banking facilities and financial forecasts for the remainder of the year 2025/26, including the ability to adhere to banking covenants. In doing so, the directors have considered the uncertain nature of the current local economic, current trading trends in our five divisions and extensive actions already undertaken to protect profitability and conserve cash. At the year end, the Group is in a net liability position of €217.3m (2024: net liability position of €165.9m), with net current liabilities of €165.8m (2024: net current liabilities of €172.6m). The Group has also experienced losses of €21.6m (2024: losses of €55.0m). The Group has an unrecognised fair value merger reserve of €369.1m. These factors have been carefully considered in the going concern assessment.

Directors and management are currently working on a refinancing programme. This will increase the liquidity of the business going forward. The bond that is due for repayment on the 6th April 2026 will be cleared by this refinancing programme. The negotiations are currently ongoing, however the directors and management are confident in completing it. The directors have confidence that if required, the group could repay the bond out of current liquidity availability.

In considering going concern, the directors have reviewed the group's future cash requirements and earnings projections. The directors believe these forecasts have been prepared on a prudent basis and have also considered the impact of a range of potential changes to trading performance.

The directors' forecasts until 31 December 2026 show sufficient cash will be generated from the group's operations to be able to repay the loans and other obligations as they fall due together with cash available and the utilised borrowing facilities available. On 4 April 2025, €5m was repaid. The remaining €84m will be repaid in three instalments of €10m on 6 October 2025, €15m on 6 January 2026, and the remaining €59m on 6 April 2026.

Therefore, the directors have concluded that the group will be able to operate within its current facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the group on a going concern basis and that there are no material uncertainties which give rise to a significant going concern risk.

The group has adequate financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. The group enjoys an excellent relationship and is in regular dialogue with its bankers and finance providers. The facilities available are estimated to be adequate to meet the group's needs.

The group has ample liquidity and a stable long-term source of funding.

FINANCIAL FORECASTS

Four scenarios were considered for the group in preparing our going concern assessment, being a management case showing FY 2026 in line with expectations and three other downside scenarios, and using one scenario which is severe, but plausible assumptions to the management base case. These forecasts have assessed the group's liquidity and ability to comply with lending covenants (underlying EBITDA is a key metric for one of the covenants). The forecast does not include any acquisitions.

The management case which is built up from detailed projections for each of the group's businesses and markets includes the following main assumptions:

- Our management case, prepared on a prudent basis, anticipates that volume would be steadily increase for the remainder of 2025 and into 2026. Key assumptions included in the management case are 2.5% revenue growth YoY and operating cost increase by 2% YoY;
- The downside case factors in a reduction in variable costs to align the costs with the lower volumes, such as reducing repairs and maintenance costs. The downside case included further reductions of 5% and 13% in turnover across the five divisions for the remainder of 2025 and on into 2026 to reflect a scenario of a deeper economic impact, and a slower recovery over the course of next year. Those projections showed that the group will continue to operate viably over that period;
- Notwithstanding the above, a severe, but plausible, reduction in EBITDA could result in a breach of banking covenants before management implement mitigating actions;
- Extra measures are available to management, such as reductions in support costs to reflect the impact of the extensive cost reduction initiatives implemented by the group, including the implementation of a recruitment freeze, deferral of executive bonuses and graduated salary reductions for support staff across the business; and
- Should any of the downside cases occur, management are confident that positive action could be taken to mitigate this position, and prevent any breach of covenants, such as: implementation of cost savings, restructuring and cash management.

OUTCOME OF ASSESSMENT

Overall, the group has remained profitable at the underlying EBITDA level, for the first two months of the 2026 financial year. The group is ahead of budget for the first two months and is on track to meet its covenants.

The directors are confident that the group and company are well positioned to manage its business risks and have considered a number of factors, including current trading performance, the outcomes of comprehensive forecasting, a range of possible future trading impacts, mitigating actions available to management and existing liquidity.

Having assessed the group's current and forecast trading position, the directors believe that the group will meet its obligations as and when they fall due for a period of at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements as detailed on pages 140 to 147.

The directors have concluded that the group will be able to operate within its current facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the group on a going concern basis and there are no material uncertainties which give rise to a going concern risk.

REVENUE RECOGNITION

Revenue is measured at the transaction price that is allocated to the relevant performance obligations, net of trade discounts, up-front payments, VAT and other sales-related taxes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

REVENUE RECOGNITION (continued)

A performance obligation is a promise in a contract with a customer to transfer to the customer either goods or services.

Revenue is recognised over time when a performance obligation is satisfied by the customer simultaneously receiving and consuming the benefits over the period of the contract.

When a payment is received in advance of a performance obligation being satisfied it is recorded on the Statement of Financial Position as deferred income. Revenue is then recognised at the point in time or over the period that the performance obligation is satisfied.

Additionally, a small proportion of Group revenue is received through rental income. This is mainly related to spare warehouse and office space leased to private individuals and companies. Rental income is recognised in the Consolidated Income Statement on a straight-line basis over the term of the lease.

The group revenue comprises of similar types of products and services across all five divisions.

Within Paragon group, revenue is recognised based on its revenue streams:

The Customer Engagement and Marketing revenues include creative and studio services, marketing planning, analytics execution and procurement, digital marketing, direct mail and marketing print, logistics, fulfilment and supply chain management and tech consulting and marketing services. Revenue is recognised as a point in time.

Business Process and Transactions revenues include transaction services, secure and regulatory communications, strategic and security document printing, document solutions, omnichannel inbound, BPO/BPS physical and digital, postal optimisation, consulting and integration. Revenue is recognised over time.

The group has elected to use the practical expedient in IFRS 15.B16 to recognise revenue as they have a right to consideration in an amount that corresponds directly with the value to the customer of the group's performance completed to date.

Digital Customer Experience revenues include data insights, data management, secure data processing and archiving, data compliance, digital platform development and data technology services. Revenue is recognised as a point in time.

In all cases, the performance obligation is generally defined at the level of each good/service and is not bundled.

Revenue is recognised when control of the asset is transferred and this typically occurs on delivery, with revenue recognised at that point in time. No other performance obligations have been identified. Modifications are treated as amendments to existing contracts. Customer advance payments are recognised as deferred income liabilities until the performance obligations have been completed and revenue recognised. Customers are not offered a contract with significant funding components. There are no warranties in place.

NON-UNDERLYING ITEMS

The Group has adopted an income statement format that seeks to highlight significant items within the Group results for the year. Such items may include impairment of assets, including significant adjustments arising from the re-assessment of asset lives, adjustments to contingent consideration, significant acquisition integration costs, restructuring costs including termination benefits, profit or loss on disposal or termination of operations, significant reorganisation programmes that may span over a reporting period(s), significant acquisition costs, litigation settlements, legislative changes, gains or losses on defined benefit pension plan restructuring, external events including disasters relating to weather, pandemics, wars and other acts of God and natural disasters, and profit or loss on disposal of investments. Certain items may span over a reporting period(s).

Judgement is used by the Group in assessing the particular items which by virtue of their scale and/or nature should be disclosed in the income statement and notes as exceptional items. Such items may include significant restructuring and integration costs, profits or losses on disposal or termination of operations or significant contracts, litigation costs and settlements, profit or loss on disposal of investments,

losses. The directors use judgement in assessing the particular items, which by virtue of their scale and nature, are disclosed in the Income Statement and note 6 as non-underlying items.

INTANGIBLE ASSETS

Goodwill

Goodwill represents the excess of fair value attributed to investments in businesses over the fair value of the identifiable net assets where relevant, including intangible assets, at the date of their acquisition.

IFRS 3 requires fair values to be finalised as soon as you have the required information or know that there will be no further information forthcoming. It allows only for a maximum of one year from date of acquisition if needed. Goodwill is not amortised but reviewed for impairment annually in accordance with the impairment of goodwill policy set out on page 151.

Other Intangible Assets - software

Computer software that is not integral to an item of property, plant or equipment is classified as an intangible asset and is held on the Consolidated Statement of Financial Position at cost less amortisation and impairment. These assets are amortised on a straight-line basis over their estimated useful lives, which is generally three to five years.

Other intangible assets - development expenditure

Expenditure incurred in the development of products or enhancements to existing product ranges is capitalised as an intangible asset only if all the criteria below are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- its intention to complete the intangible asset and use or sell it.
- its ability to use or sell intangible assets.
- how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria are expensed in the Consolidated Income Statement as incurred. Capitalised development costs are amortised on a straight-line basis over their estimated useful economic lives, which vary between three and five years, once the product or enhancement is available for use. Product research costs are written off as incurred.

Other intangible assets – customer relationships

Customer relationships identified as separable intangible assets in the context of business combinations are capitalised at their fair value at the date of acquisition. They are fully amortised over their estimated useful lives which is generally three to fifteen years.

Other intangible assets – licences

Licences are recorded at fair value at the date of acquisition. They are fully amortised over their estimated useful lives, which is generally three to five years

Other intangible assets - third party technology contract

The intangible asset related to third party technology contract The intangible asset related to third party technology contract includes the transition and transformation of the group's technology structure to future operating model. The contract is initially recognised at cost and amortised on a straight-line basis over the 8-year useful life of the contact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

PROPERTY, PLANT AND EQUIPMENT

Costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All repair and maintenance costs are charged to the Consolidated Income Statement during the period in which they are incurred.

Freehold land is not depreciated.

Depreciation is charged, other than on freehold land, so as to write off the cost or valuation of assets evenly over their estimated useful lives, as follows:

- Freehold buildings 10 to 40 years;
- Plant and machinery 3 to 10 years;
- Fixture, fittings and equipment 2 to 5 years.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement.

REVALUATION

Land and buildings are stated at fair value less any subsequent accumulated depreciation and impairment losses. Revaluations are carried out regularly by independent valuers, so that the carrying amount of the group's property portfolio does not differ materially from its fair value at the balance sheet date. If an item is revalued, the entire class of assets to which that asset belongs is also revalued.

Revalued assets are depreciated in the same way as noted above. If a revaluation results in an increase in value, it will be credited to other comprehensive income and accumulated in equity under the heading 'revaluation reserve' unless it represents the reversal of a revaluation decrease of the same asset previously recognised as an expense, in which case it will be recognised in profit or loss. A decrease arising as a result of a revaluation will be recognised as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

When a revalued asset is disposed of, any revaluation surplus may be transferred directly to retained earnings, or it may be left in equity under the heading 'revaluation surplus'. The transfer to retained earnings should not be made through profit or loss.

In prior year, the group revalued the land and buildings using an independent valuation. This is in line with the policy of reviewing property valuation every two years.

INVESTMENT IN JOINT VENTURES

Entities in which the group holds an interest on a long-term basis and are jointly controlled by the group under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

IMPAIRMENT

The carrying amounts of the group's intangible assets, other than goodwill, right-of-use assets and property, plant and equipment are reviewed at each Consolidated Statement of Financial Position date to find out whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Goodwill is tested for impairment at the reporting date regardless of whether or not there is any impairment indicator.

An impairment charge is recognised in the Consolidated Income Statement whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount.

Impairment charges recognised for CGUs are allocated first to reduce the carrying amount of any goodwill allocated to that CGU and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

CALCULATION OF RECOVERABLE AMOUNT

The recoverable amount of assets is the greater of their fair value less costs to sell and their value in use. The net present value of future cash flows, to determine value in use, is derived from the underlying assets using a projection period of up to five years for each cash-generating unit. After the projection period, a steady growth rate representing an appropriate long-term growth rate for the industry is applied.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

REVERSALS OF IMPAIRMENT

An impairment charge for goodwill is not subsequently reversed. For other assets, an impairment charge is reversed if there has been a change in the estimates used to find out the recoverable amount, but only to the extent that the new carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment charge had been recognised.

A reversal of an impairment loss is recognised as income immediately in the Consolidated Income Statement.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those production overheads that have been incurred in bringing the inventories to their present location and condition. Cost is valued on a first in, first out ('FIFO') basis. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in selling and distribution.

TAX

The tax expense in the Consolidated income statement comprises current tax and deferred tax.

Current tax is the expected tax payable on the taxable profit for the period. Taxable profit differs from net profit as reported in the Consolidated Income Statement because it excludes items of income and expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the Consolidated Statement of Financial Position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise on goodwill or from the initial recognition (other than business combinations) of other assets or liabilities in a transaction that affects neither the tax profit nor the accounting profit. Deferred tax

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

TAX (continued)

on transactions such as leases and decommissioning obligations, where both an asset and liability are recognised, is accounted for in accordance with amendments of IAS 12.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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.

The carrying amount of deferred tax assets is reviewed at each Consolidated Statement of Financial Position date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax is charged or credited to the Consolidated Income Statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current assets against current 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.

PROVISIONS

Provisions are recognised when the group has a present obligation as a result of a past event, and it is probable that the group will be required to settle the obligation, and its value can be reliably estimated. Where the time value of money is material, provisions are discounted at a pre-tax rate that reflects current market assessments of the time value of money (i.e. a risk-free rate) and the risks specific to liability. Also, the rate must not reflect any risks for which the future cash flows estimates have been adjusted. When a provision needs to be released, the provision is taken back to the Consolidated Income Statement within the line where it was initially booked.

Restructuring provisions are recognised only when the group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of colleagues affected, a detailed estimate of the associated costs, and an appropriate timeline and the people affected have been notified of the plan's main features.

CLIMATE CHANGE CONSIDERATIONS

In preparing these consolidated financial statements, the potential impacts of climate change risks, particularly in the context of the TCFD Statement in the Strategic Report on pages 75 to 81, have been considered. This primarily focused on the impact on profit and loss, capital expenditure, increase regulatory reporting and a carbon tax of the group over short, medium and long-term timeframes. There has been no material impact on the financial statements for the years ending 30 June 2025 and 2024. The potential implications of climate change risks on the financial statements will continue to be monitored and assessed in future periods.

PROVISIONS FOR DILAPIDATIONS

Dilapidations are the provisions recorded for the costs of returning properties held under lease to the state of repair at the inception of the lease. These provisions are expected to be utilised on the termination of the underlying leases.

The calculation of these provisions requires judgements to be made on the level of dilapidations that have arisen and estimates on the costs of returning the properties to their state of repair at the inception of the lease.

RETIREMENT BENEFIT COSTS

The group accounts for retirement benefit costs in accordance with IAS 19 Employee Benefits.

For defined contribution plans, contributions are charged to the consolidated income statement as payable in respect of the accounting period.

For defined benefit plans the amounts charged to operating profit are the current service costs, past service costs, administrative expenses and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the consolidated income statement when the related plan amendment occurs. Net interest expense is calculated by applying the discount rate to the recognised overall surplus or deficit in the plan.

Actuarial gains and losses are recognised immediately in other comprehensive income.

Where defined benefit plans are funded, the assets of the plan are held separately from those of the group, in separate independently managed funds. Pension plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the plan liabilities. The actuarial valuations are obtained at least annually and are updated at each balance sheet date.

Recognition of a surplus in a defined benefit plan is limited based on the economic gain the group is expected to benefit from in the future by means of a refund or reduction in future contributions to the plan, in accordance with IAS 19.

The group operates both defined benefit and defined contribution schemes for its people.

Defined contribution pension scheme

The group operates defined benefit schemes, where both employee and employer are required to make contributions with the employer's contributions for each employee determined by the level of contribution made by the employee. The employer's contributions are charged to profit and loss in the year in which the contributions are made.

Defined benefit pension scheme

The group operates three defined benefit pension schemes which require contributions to be made to separately administered funds. The cost of providing benefits under the plans are determined using independent actuarial valuations. These are recognised in accordance with IAS 19. Past service costs resulting from enhanced benefits are recognised on a straight-line basis over the vesting period or immediately if the benefits have vested.

Re-measurement gains and losses, and taxation thereon, are recognised in other comprehensive income and are not reclassified to profit and loss in subsequent periods. Re-measurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest) and changes in the amount of any asset restrictions.

Actuarial gains and losses may result from differences between the actuarial assumptions underlying the plan liabilities and actual experience during the year or changes in the assumptions used in the valuation of the plan liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

RETIREMENT BENEFIT COSTS (continued)

The aggregate defined benefit liability or asset recognised in the Statement of Financial Position comprises the present value of the benefit obligation using a discount rate based on appropriate high quality corporate bonds, at the reporting date, minus any past service costs not yet recognised, minus the fair value of the plan assets, if any, at the reporting date. Where the plans are in surplus, the asset recognised is limited to the amount which the group expects to recover by way of refunds or reduction in future contributions.

TERMINATION PAYMENTS

Certain European countries in which the group operates oblige the employer to provide lump sum termination payments.

The provisions have been calculated with reference to specified individuals who are entitled to this arrangement. The calculation of retirement benefit obligations requires estimates to be made of discount rates, inflation rates, future salary and pension increases and mortality. Eventual settlement of this provision is dependent on the final retirement date for each individual concerned.

FOREIGN CURRENCIES

Transactions in foreign currencies other than the Euro are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated into Euro at the exchange rate ruling at that date.

Foreign currency differences arising on translation or settlement of monetary items are recognised in the Consolidated Income Statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and not retranslated at each period end. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Euro at exchange rates ruling at the date the fair value was determined. Exchange differences arising on translation of foreign operations are recognised in Other Comprehensive Income and recorded within cumulative translation reserves.

On consolidation, the assets and liabilities of the group's foreign operations are translated into Euros at the rates prevailing at the Consolidated Statement of Financial Position date. Income and expense items and the cash flows of foreign operations are translated at the average exchange rates for the period. Exchange differences arising on retranslation of non-monetary assets and liabilities are recognised directly within cumulative translation reserves. Exchange differences arising on non-monetary assets and liabilities that are fair valued are recognised in accordance with the gain or loss on fair value.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

PCC Global Plc consolidated financial statements are presented in Euros, which is the parent company's functional currency and presentation currency. For each entity, the group determines the functional currency and items included in the financial statements of each entity which are measured using that functional currency, which is the currency of the primary economic environment in which the entity operates. The group uses the direct method of

consolidation and on disposal of operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognised.

On the partial disposal of a subsidiary that includes a foreign operation, the entity shall re-attribute the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income to the non-controlling interests in that foreign operation. In any other partial disposal of a foreign operation the entity shall reclassify to profit or loss only the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income.

The direct method is the method of consolidation in which the financial statements of the foreign operation are translated directly into the functional currency of the ultimate parent.

FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are measured initially at fair value. 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 financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

Financial assets – recognition and measurement

Financial assets are recognised when the entity becomes a party to the contract and, therefore, has a legal right to receive cash.

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at a fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The group classifies its financial assets in the following measurements categories:

- Those measured at amortised cost,
- Those to be measured subsequently at fair value, either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)

Financial assets at amortised costs

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

FINANCIAL ASSETS (continued)

Financial assets at amortised costs (continued)

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial asset at FVTOCI

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial assets at FVTPL

Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. FVTPL is a residual category for financial assets.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade debtors and accrued income. 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. The group always recognises lifetime ECL for trade debtors and accrued income using the simplified approach under IFRS9. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial instruments, the group employs the general approach and recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Derecognition of financial assets

The group 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. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group

continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well through the effective interest method.

Financial liabilities measured subsequently at amortised cost using the effective interest method

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 (including all fees and points paid or received that form an integral part of effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of a financial liability

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

TRADE RECEIVABLES

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach required by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Therefore, the group does not trade charges in credit risk but recognises a loss allowance based on the financial asset's lifetime expected credit loss. The group measures expected credit losses based on ageing of the receivable, based on the group's historical experience and informed credit assessment.

The group's allowance of expected credit loss as at 30 June 2025 amounted to 5.5% of gross trade receivables (2024: 5.1%). Customer credit risk is managed centrally according to established policies, procedures and controls. Customer credit quality is assessed in line with strict credit rating criteria and credit limits established where appropriate.

Outstanding customer balances are regularly monitored and a review for indicators of impairment (evidence of financial difficulty of the customer, payment default, breach of contract etc.) is carried out at each reporting date.

PREPAYMENTS

Prepayments are typically related to third-party expenses that are incurred in the amount of the prepayment to suppliers for the group's operating services in future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits.

FACTORING AND INVOICE DISCOUNTING ARRANGEMENTS

The group is party to a debt factoring arrangement which enables it to accelerate cash flows associated with trade receivables, where advances received are without recourse. Where trade receivable balances have been sold and the risk and rewards have been transferred to the factors, the majority of the balance is received in cash immediately. The remaining balance is held within the trade receivable balance and cash received once the factor has collected the payment from the customer.

TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

BORROWINGS

Interest-bearing debt is recorded at the proceeds received, net of direct issue costs.

Finance costs of borrowing are recognised in the consolidated income statement over the term of those borrowings.

DEFERRED CONSIDERATION

Deferred consideration is initially recognised as the present value of the expected future payments. This is initially measured at fair value then subsequently at amortised cost. It is subsequently remeasured at each reporting period with the change in fair value relating to changes in expected future payments recorded in the Consolidated Income Statement. Changes in fair value relating to the unwinding of discount to present value are recorded as a finance expense. Where discounting is required, deferred consideration is discounted at the group's prevailing cost of borrowing.

CONTINGENT CONSIDERATION

Contingent consideration is accounted for in accordance with IFRS 3 Business Combinations. Contingent consideration only applies to situations where contingent payments are not dependent on future employment of vendors and any such payments are expensed when they relate to future employment, with the associated liability recognised in accordance with IAS 19 Employee benefits.

Future anticipated payments to vendors in respect of contingent consideration (earnout agreements) are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent on the future financial performance of the interest acquired (over the periods specified in the purchase agreement following the year of acquisition) and assume the operating companies improve profits in line with directors' estimates. The directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

Subsequent adjustments to fair value are recorded in the consolidated income statement.

LEASES

The group enters into leases for a range of assets, principally relating to property and machinery. Property leases consist of sites and office buildings and have varying terms, renewal rights and escalation clauses, including periodic rent reviews. Leases of machinery include those used for production of finished goods.

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. All leases are accounted for by recognising a right-of-use asset and a lease liability unless they are for leases of low value assets or for a duration of 12 months or less and there must not be an option to purchase the asset.

The group has elected to apply the recognition exemptions for short-term and low value leases and recognises the lease payments associated with these leases as an expense within the Consolidated Income Statement on a straight-line basis over the term of the lease.

The group recognises a right-of-use asset and a lease liability at the lease commencement date which is the date at which the asset is made available for use by the group.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for, lease payments made at or before commencement of the lease, initial direct costs incurred; and the amount of any dilapidations provisions recognised where the group is contractually required to dismantle, remove or restore the leased asset. Right-of-use assets are disclosed under four separate categories in the financial statements. These include land and buildings, plant and machinery and other (made up of fixtures & fittings and software).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate for the same term as the underlying lease. Lease payments included in the measurement of lease liabilities comprise fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate as at the commencement date. Lease modifications result in remeasurement of the lease liability. Other variable lease payments are expensed in the period to which they relate.

The group's weighted average incremental borrowing rate for all leases has been calculated by country. Leases have been grouped according to location, type and lease length.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, if rarely, this is judged to be shorter than the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

LEASES (continued)

When the group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate of index is revised. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the revised remaining lease term.

The practical expedient has been employed such that leases where the contractual term ends within 12 months of the date of initial application and the lease agreement does not contain a purchase option, have been accounted for as short-term leases.

The group has elected to rely on its assessment on whether a lease is onerous under IAS37: Provisions, Contingent Assets, and Contingent Liabilities immediately before the date of initial application and included an adjustment to the right-of-use asset in accordance with this. The weighted average incremental borrowing rate for leases included in continuing operations is listed above.

EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in a number of property leases throughout the group. They are used to maximise operational flexibility in terms of managing the assets used in the group's operations. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not ended).

In determining whether a renewal or termination option will be taken, the following factors are normally the most relevant:

- The future intended use of the leased asset and future developments, and significant events within our control;
- If there are significant penalties to end (or not to extend), the group is typically reasonably certain to extend (or not end);
- Strategic importance of the asset to the group;
- Past practice; and
- Costs and business disruption to replace the asset.

The lease term is reassessed if an option is exercised (or not exercised) and this decision has not already been reflected in the lease term as part of a previous determination. The assessment of reasonable certainty is revised only if a significant change in circumstances occurs, which affects this assessment, and this is within the control of the lessee.

THE GROUP AS LESSOR

Rental income from operating leases which are less than 12 months in duration is recognised on a straight-line basis over the term of the relevant lease within revenue on the Consolidated Income Statement. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased

asset and are recognised on a straight-line basis over the term of the leases. The group does not act as a lessor on any lease which are longer than 12 months in duration.

BUSINESS COMBINATIONS

Business combination not under common control

The group accounts for acquisitions in accordance with IFRS 3 Business Combinations. IFRS 3 requires the acquiree's identifiable assets, liabilities and contingent liabilities (other than non-current assets or disposal groups held for sale) to be recognised at fair value at acquisition date. In assessing fair value at acquisition date, management make their best estimate of the likely outcome where the fair value of an asset or liability may be contingent on a future event. In certain instances, the underlying transaction giving rise to an estimate may not be resolved until some years after the acquisition date. IFRS 3 requires the release to profit of any acquisition reserves which subsequently become excess in the same way as any excess costs over those provided at acquisition date are charged to profit. At each period end management assess provisions and other balances established in respect of acquisitions for their continued probability of occurrence and amend the relevant value accordingly through the consolidated income statement or as an adjustment to goodwill as appropriate under IFRS 3. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below).

Subsequent adjustments to the fair value are recorded in the consolidated income statement within revaluation and retranslation of financial instruments. The effect of any revisions to fair value adjustments that had been determined provisionally at the immediately preceding balance sheet date are accounted for as revisions to goodwill, as permitted by IFRS 3 Business Combinations.

Where a business combination is achieved in stages, the group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the group attains control) and the resulting gain or loss, if any, is recognised in the Consolidated Income Statement. Amounts arising from interests in the acquiree before the acquisition date that have previously been recognised in other comprehensive income are reclassified to the Consolidated Income Statement, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- Right-of-use asset and lease liabilities are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

BUSINESS COMBINATIONS (continued)

facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

The value of non-controlling interests in subsidiaries is calculated initially as their share of identifiable net assets or fair value and is subsequently adjusted by their share of changes in equity since the date of acquisition.

Predecessor accounting (unrecognised fair value merger transactions)

The merger accounting method (predecessor accounting) is used for internal group reorganisations (common control transactions).

Where a business combination involves the acquisition of assets and liabilities which constitute a business, all of the combining entities or businesses are ultimately controlled by the same party of parties both before and after the combination, and that control is not transitory (that is, a common control transaction), a predecessor accounting is applied to the combination. In applying predecessor accounting, the following is recognised in the separate financial statements:

- The assets and liabilities of the acquiree are recognised at the acquisition date carrying values;
- The consideration is recognised either as a decrease in cash or an increase in liabilities, at the actual value of consideration given;
- The difference between the consideration and the carrying value of the net assets acquired is recognised directly in equity, in an unrecognised fair value merger reserve;
- Comparatives are not restated to include the acquired business; and
- Profit and loss is recognised for post-acquisition earnings only

GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received government. Grants in relation to income are credited in the Consolidated Income Statement for the year.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the group should purchase, construct or otherwise acquire non-current assets including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

ASSETS HELD FOR SALE

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for sale in its present condition. Management must be committed to the sale in order the assets held for sale to qualify for recognition.

The liabilities associated with assets disposal group classified as held for distribution are presented separately from other liabilities in the consolidated statement of financial position.

Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell

ALTERNATIVE PERFORMANCE MEASURES

The group presents alternative performance measures, including EBIT & EBITDA, Underlying EBIT/EBITDA, proforma sales, EBIT & EBITDA and net debt. They are used by management for internal performance analyses; the presentation of these measures facilitates comparability with other companies, although management's measures may not be calculated in the same way as similarly titled measures reported by other companies; and these measures are useful in connection with discussions with the investment community.

EBIT/EBITDA

EBITDA is earnings before corporate charges, interest, tax, depreciation and amortisation. It also includes all restructuring and non-underlying items and any gains/(losses) arising on/ or from acquisitions (including gains on bargain purchases).

Underlying EBIT/EBITDA

Underlying EBIT and EBITDA is stated after adjusting for items which in the opinion of the directors are non-underlying due to their nature, size or incidence. While costs/gains of this nature can reoccur, they have been highlighted to provide a better understanding of the underlying performance of this trading group.

Proforma sales, EBIT, EBITDA and underlying EBITDA

The Consolidated Income Statement includes the impact of acquisitions from their effective date of acquisition. Proforma amounts reported in the 2025 Financial Highlights of the Strategic Report include in the directors' opinion the full year impact of acquisitions that were made during the year based on an estimate of performance had these entities benefited from being part of the Paragon group for the full year.

Free cash flow

Free cashflow is the cash a company can generate after accounting for capital expenditure needed to maintain or maximise its asset base.

Net debt

Net debt includes cash and cash equivalents less bank overdrafts, bank loans, related party loans, bonds net of unamortised issue costs and lease liabilities.

Reconciliation of profit before taxation to EBITDA can be found in the financial review section on page 19 and calculation of underlying EBITDA can be found in Note 2 on page 157.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

2. ACCOUNTING POLICIES (continued)

GAIN ON ACQUISITION

If the fair value of the net identifiable assets of the subsidiary acquired is more than the cost of the acquisition and the measurement of all amounts has been reviewed, the difference is recognised directly in Consolidated Income Statement as a bargain within other operating income. Please see note 14 to the financial statements for further detail about gain on acquisition.

NON-CONTROLLING INTERESTS

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholders' share of changes in equity since the date of the combination.

DISCONTINUED OPERATIONS

Discontinued operations are reported when a component of the group has been disposed of, or when a sale is highly probable, and its operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the group and is classified as held for sale or has been disposed of. The group classifies a non-current asset or disposal group as held for disposal if its carrying value will be recovered through a sales transaction or distribution to shareholders rather than continuing use. In the Consolidated Income Statement, discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations. Corresponding notes to the Consolidated Income Statement exclude amounts for discontinued operations, unless stated otherwise.

CORPORATE CHARGES

Corporate charges from the entities controlled by the ultimate parent company, including brand and other corporate charges are recognised in profit or loss on a receipt of an invoice. Corporate charges include professional fees incurred for raising of financing opportunities, which are non-operating.

Corporate charges relating to raising of finance are recognised in profit or loss on a straight-line basis over the term of the borrowings they relate to.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's and group's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and the estimates and underlying assumptions are reviewed on an ongoing basis.

GROUP

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

GOODWILL

The amount of goodwill recognised as a result of business combination not under common control is dependent on the purchase price allocation to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management's judgement. Allocation of the purchase price affects the results of the group as finite lived intangible assets are amortised, whereas indefinite lived intangible assets, including goodwill, are not amortised and could result in differing amortisation charges based on the allocation to indefinite lived and finite lived intangible assets. See note 15 for further details.

GOODWILL IMPAIRMENT

Goodwill is tested annually for impairment or more frequently when there is an indication that the related cash-generating units (CGU) may be impaired. Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units (CGU) to which the goodwill has been allocated. The value-in-use requires the directors to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. Note 15 provides further details of the key assumptions used for the value-in-use calculation and sensitivities applied.

INTANGIBLE ASSETS

Other intangible assets include the amount spent on the acquisition of brand names and customer bases. The fair value of these assets is determined by discounting estimated future net cash flows generated by the asset where no active market for these assets exists. The use of different assumptions for the expectations of future cashflows and the discount rate would change the valuation of the intangible assets. During the first 12 months of ownership, intangible assets are reviewed to determine whether any additional information exists that could require amendments to the original assessment. Management has performed subsequent review and deemed the prior period's treatment reasonable.

NON-UNDERLYING ITEM PRESENTATION

IAS 1 'Presentation of Financial Statements' requires material items to be disclosed separately in a way that enables the users to assess the quality of a reporting entity's profitability. These items are commonly referred to as 'non-underlying' items, but this is not a concept defined by IFRS and therefore there is a level of judgement involved in determining what to include in profit before tax before underlying items. We consider items which are non-recurring and/or significant in size or in nature to be suitable for separate presentation. Please see note 6 to the financial statements for further details in relation to non-underlying items.

EXTENSION OPTION FOR LEASES

Many of the group's leases have options to renew or end. The group applies judgement in evaluating the length of the lease. Management considers all relevant factors and, in particular, if an economic incentive exists to renew or end. The assessment of whether the group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised. The group periodically assesses this, or more frequently if circumstances change.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

CALCULATION OF INCREMENTAL BORROWING RATE

Under IFRS 16 'Leases', discount rates are used to determine the present value of the lease payments to value the lease liability and applicable right-of-use asset. This discount rate can be either the interest rate implicit in the lease or the lessee's incremental borrowing rate (IBR). This rate directly impacts the carrying value of the lease liability and right-of-use assets. When the rate of interest implicit in the lease was not readily determinable, the group used the IBR (Incremental Borrowing Rate) approach. The conclusions in the IBR approach are based upon the assumption that the current level of management expertise and effectiveness would continue to be maintained for the subject entities and that the character and integrity of the enterprise through any sale, reorganisation, exchange, or diminution of the owners' participation would not be materially or significantly changed.

The incremental borrowing rate is derived from contractual lease rates. Management reviewed the data provided by the group's operations throughout in order to conclude using a build-up approach that takes into consideration the lessee's risk profile and the specific lease characteristics. These characteristics include the type of leased assets, the term of the lease and the currency of the lease.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period, that may have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

USEFUL LIFE OF INTANGIBLE ASSETS

The group's management determines the estimated useful lives and related amortisation charges for its intangible assets. This estimate is based on the historical experience of the actual useful lives of the intangible assets of similar nature and functions. Management will change the amortisation charge where useful lives are different from the previously estimated lives.

DEFERRED TAX ASSETS

The realisation of deferred tax assets is dependent on the generation of sufficient future taxable profits. The group recognises deferred tax assets to the extent that it is probable that sufficient taxable profits will be available in the future. Please see note 28 to the financial statements for further details.

FORECASTS AND DISCOUNT RATES

The carrying values of goodwill is dependent on estimates of future cash flows arising from the group's operations which are discounted to arrive at a net present value. As a result, estimates of future cash flows are required, together with an appropriate discount factor for the purpose of determining the present value of those cash flows (value in use). Assessment for impairment involves comparing the carrying amount of an asset with its recoverable amount (being the higher of value in use and fair value less costs to sell). Both the cash flows and the discount rate involve a significant degree of estimation uncertainty. Please see note 15 to the financial statements for further details.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

4. SEGMENT INFORMATION

The group is a leading provider of transformational business services, delivering business-critical products and services that achieve enhanced performance for our clients. We are agile and flexible to market demands, delivering our solutions through seven business lines and operating across five key regions: the UKIL; BENE; DACH and CEE; Western Europe and BD (Brand Deployment).

The group's operating and reporting segments in the current year corresponds to the five key regions described above. IFRS 8 Operating Segments requires operating segments to be identified on the same basis as is used internally for the review of performance and allocation of resources by the Chief Executive Officer and Chief Financial Officer (the Chief Operating Decision Maker), which reviews revenue and Underlying EBITDA (excluding corporate charges) by region. The group's costs, finance income, tax charges, non-current liabilities, net assets and capital expenditure are only reviewed at a consolidated level and therefore have not been allocated between region in the analysis below.

An analysis of the group's revenue operations as defined by IFRS 15 – 'Revenue from Contracts with Customers'. 'Revenue' is as follows:

	2025 €000	2024 €000
UKIL	581,625	546,372
Western Europe	148,919	146,429
DACH & CEE	153,417	166,683
BENE	66,679	71,051
BD	177,980	90,852
Third party revenue	1,128,620	1,021,387
Related party	3,344	8,735
Rental income	-	147
Total revenue from continuing operations	1,131,964	1,030,269
Total revenue from discontinued operations (See note 12)	249,092	266,834
Total revenue	1,381,056	1,297,103

UKIL includes UK, Luxembourg, Bulgaria and Ireland
DACH & CEE includes Germany, Poland, Sweden and Czech Republic
Western Europe includes France, Spain, Italy and Romania
BENE includes Belgium and the Netherlands
BD includes the operation in Europe, Asia and United States

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

4. SEGMENT INFORMATION (continued)

An analysis of the group's underlying EBITDA (excluding corporate charges) :

Continuing operations	2025 €000	2024 €000
UKIL	83,667	79,019
Western Europe	21,992	18,658
DACH & CEE	8,913	10,500
BENE	7,614	7,905
BD	10,954	5,915
Corporate & other entities	(6,198)	(5,021)
Total underlying EBITDA (excluding corporate charges)	126,942	116,976

The group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time.

	2025 €000	2024 €000
External revenue by timing of revenue		
Good and services transferred at point of time	432,012	334,004
Goods and services transferred over time	699,952	696,265
Continuing operations	1,131,964	1,030,269
Discontinued operations (note 12)	249,092	266,834
Total revenue	1,381,056	1,297,103

A reconciliation of underlying EBITDA to operating profit/(loss) is included in the financial overview section in the Strategic report on page 19.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

5. STAFF COSTS

The average monthly number of persons employed by the group (including executive directors) during the year, analysed by category was as follows:

	2025 No.	2024 No.
Production	6,365	6,100
Management and administration	1,529	1,472
	7,894	7,572

Staff costs include:

Continuing operations	2025 €000	2024 €000
Wages and salaries	306,002	293,708
Social security costs	37,021	37,274
Other pension costs	7,590	7,365
	350,613	338,347

Included within the aggregate payroll costs are non-underlying items (Note 6) of €5,778,000 (2024: €39,732,000) which include redundancy cost of €3,528,000 (2024: €17,929,000).

Payroll costs of €73.7m (2024: €83.8m) were included in discontinued operations in note 12. €4.0m related to non-underlying items (2024: €19.1m) were included in the payroll costs for discontinued operations.

Details of the compensation of key management personnel for the purposes of the disclosure requirements under IAS 24 are provided in note 35.

Compensation for directors includes:

	2025 €000	2024 €000
Remuneration	1,007	1,271
Compensation for loss of office	-	147
Company contributions paid to money purchase scheme	21	25
Directors fees	-	43
	1,028	1,486
Members of money purchase pension schemes	1	1

Remuneration of certain group and company directors for the current and prior year was borne by other group undertakings defined in note 35 and it is not practical to allocate the time the directors and key management personnel defined in note 35 spent on the PCC Global plc group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

6. NON-UNDERLYING ITEMS

The identification of non-underlying items is a judgement in terms of which costs or credits otherwise impact the comparability of the group's results year on year. Non-underlying items are those which in the opinion of the directors are non-underlying due to their nature, size or incidence.

Non-underlying items include gains/losses on disposal of investments and subsidiaries, gains/losses on remeasurement of equity interests arising from a change in scope of ownership, impairment of investment, litigation settlement, restructuring and transformation costs, goodwill impairment, impairment of acquired intangible assets, intangible asset impairment, property-related restructuring costs and share of adjusting items for joint venture.

While costs of this nature can re-occur, they have been highlighted to provide a better understanding of the underlying performance of this trading group. Non-underlying items disclosed on the face of the Consolidated Income Statement are as follows:

Non-underlying items that arose are as follows:

	2025 €000	2024 €000
Redundancy and related charges (a)	5,778	39,732
Costs of industrial relocation, restructuring and consolidation (b)	4,023	3,048
Acquisition costs (g)	221	2,125
Other (d)	5,547	2,746
Gain on acquisition (e)	-	(10,210)
Non-underlying net expenses impacting EBITDA	15,569	37,441
Corporate charges (c)	1,501	560
Loss on asset disposals (f)	3,273	586
Non-underlying net expense	20,343	38,587
Discontinued operations (note 12)	12,450	33,181
Income tax charge	-	443
	32,793	72,211

Costs of industrial relocation, restructuring and consolidation, acquisition costs and other are included within other operating costs in the consolidated income statement.

- Redundancy and related charges include the redundancy, payroll cost for redundant roles and related charges that arise from the closure of locations and the reduction of staff resources at various locations in the UK, Germany, Netherlands and France (2024: UK, Germany, Netherlands and France). Payroll costs associated with redundant roles are costs related to roles that are not replaced due to optimisation of operational activities;
- Costs of industrial relocation, restructuring and consolidation includes the charges arising from the closure of locations, relocation of activities between sites in the UK;
- Corporate charges relating to professional fees in relation to refinancing;
- Amounts included in other non-underlying items are costs to establish new operations, and claims;
- Gain on bargain purchase;
- Loss on asset disposal in the current year arose on the sale of property, plant and equipment.
- Acquisition costs relate to third party legal and professional fees occurred in relation to acquisitions. It also includes costs related to integration of newly acquired subsidiaries, costs incurred by newly acquired subsidiaries that do not relate to the current financial reporting period; and
- Loss allowance on financial assets relate to related parties loans written off during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

7. OPERATING PROFIT/(LOSS)

Operating loss has been arrived at after charging/(crediting):

	2025 €000	2024 €000
Audit and non-audit fees (note 8)	1,289	1,289
Foreign exchange loss	1,095	404
Non-underlying net expenses (note 6)	15,569	37,441
Lease charges (note 20)	3,452	2,915
Cost of inventories recognised as expense (note 22)	379,451	392,188
Loss allowance on trade receivables (note 21)	1,435	2,092
Depreciation of property, plant and equipment (note 13)	12,527	12,978
Amortisation of intangible assets (note 16)	32,757	28,900
Amortisation of government grants (note 23)	(190)	(35)
Amortisation of right-of use assets (note 19)	29,412	30,077
Depreciation and amortisation	74,506	71,920

Details of the prior year re-representation are provided in note 36.

8. AUDITOR'S REMUNERATION

	2025 €000	2024 €000
Audit fees:		
Fees payable to the company's auditor for the statutory audit of the company account	629	629
The audit of the financial statements of the subsidiaries pursuant to legislation	660	660
Non-audit fees to group auditors:		
Audit related assurance services	-	-
Audit and non-audit fees	1,289	1,289

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

9. FINANCE INCOME

Continuing operations	2025 €000	2024 €000
Foreign exchange gains on retranslation on intercompany loan balances	-	1,099
Interest from corporate group undertakings (note 35)	2,149	2,433
Other interest income	113	131
Interest from other parent group undertaking (note 35)	573	731
	2,835	4,394

10. FINANCE COST

Continuing operations	2025 €000	2024 €000
Bond interest		
Bond interest before amortisation of capitalised bond issue costs	12,143	12,098
Amortisation of capitalised bond issue costs	1,311	1,168
Total Bond interest	13,454	13,266
Bank loans and overdrafts	432	1,594
Term loan interest	2,882	2,675
Interest on factoring	1,710	1,846
Finance charge on factoring	7,594	7,369
Revolving credit facilities	7,571	3,956
Foreign exchange losses on retranslation on intercompany loan balances	2,298	-
Finance charge on lease liabilities (note 20)	3,273	3,377
Net interest on retirement pensions and defined benefit schemes	166	141
Other finance costs	480	731
	39,860	34,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

11. INCOME TAX

The group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance. Income tax on the profit/(loss) as shown in the Consolidated Income Statement is as follows:

Continuing operations	2025 €000	2024 €000
Current tax		
Current period	17	1,052
Adjustment for current tax on prior periods	(126)	459
Total current tax charge	(109)	1,511
Origination and reversals of temporary differences	(2,708)	(4,954)
Adjustments for deferred tax on prior periods	1,511	(850)
Total deferred tax credit (note 28)	(1,197)	(5,804)
Total income tax credit	(1,306)	(4,293)

The credit can be reconciled to the profit/(loss) before tax as shown in the Consolidated Income Statement as follows:

Continuing operations	2025 €000	2024 €000
Loss before tax from continuing operations	(10,549)	(26,148)
Tax calculated at corporate tax rate of 25% (2024: 25%)	(2,637)	(6,537)
Non-taxable income	(3,081)	(3)
Non-deductible expenses *	6,629	1,641
Effect of changes in tax rates	(44)	(19)
Losses carried forward not recognised	196	362
Utilisation of previously unrecognised losses	(159)	(267)
Effect of higher tax rate overseas	117	(351)
Foreign exchange difference	(5)	(5)
Other charges	705	705
Adjustments for prior periods	(3,027)	181
Total income tax credit	(1,306)	(4,293)
Effective tax rate on profit before tax	12%	16%

*Non-deductible expenses are wholly and exclusively for business expenses that include legal fees on acquisition, customer entertainment.

See note 12 for details on income tax on discontinued operations.

Factors affecting the tax charge in future year

In the UK Government's Finance Act (No.2) 2023, legislation was enacted introducing a 15% global minimum corporate income tax rate, in line with the Organisation for Economic Cooperation and Development's (OECD) Pillar Two model framework. The Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions where the group operates.

The group is in scope of the legislation and has performed a number of preliminary assessments of the group's potential exposure to Pillar Two income taxes based on financial information of the constituent entities in the group. Based on the assessments performed, the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

11. INCOME TAX (continued)

Pillar Two effective tax rates in all jurisdictions in which the group operates are expected to be either above 15% or covered by exemptions provided within the rules. Therefore, it is not expected that the legislation will have a material impact on the group tax charge.

The group has applied the mandatory exception to the requirements in IAS 12 that an entity does not recognise and does not disclose information about deferred tax assets and liabilities related to the OECD pillar two income taxes.

12. DISCONTINUED OPERATIONS

On 27 June 2024 and 28 June 2025, the board resolved to dispose of certain group's operations. The disposal is consistent with the group's long-term policy to focus its activities on the group's other businesses. These print and direct marketing operations, which are expected to be sold within 12 months, have been classified as a disposal group held for sale and presented separately in the statement of financial position. The proceeds of disposal are expected to exceed the carrying amount of the related net liabilities and accordingly no impairment losses have been recognised on the classification of these operations as held for sale.

The prior year Consolidated Income Statement has been re-presented to exclude the discontinued operations from continuing operations for comparative purposes.

Discontinued operations	2025 €000		2024 €000		2024 €000	
	Underlying	Non-underlying	Statutory	Underlying	Non-underlying	Statutory
Revenue from sale of goods and services (note 4)	249,092	-	249,092	266,834	-	266,834
Material costs	140,973	-	140,973	145,175	-	145,175
Payroll	69,724	3,954	73,678	64,670	19,122	83,792
Other operating costs	37,158	2,408	39,566	51,702	2,508	54,210
Costs before depreciations and amortisation	247,855	6,362	254,217	261,547	21,630	283,177
EBITDA	1,237	(6,362)	(5,125)	5,287	(21,630)	(16,343)
Depreciation and amortisation	5,904	-	5,904	9,130	-	9,130
Operating loss	(4,667)	(6,362)	(11,029)	(3,843)	(21,630)	(25,473)
Loss on asset disposals	-	203	203	-	951	951
Other non-operating expenses	-	11	11	-	(5,701)	(5,701)
Finance income	136	-	136	3	-	3
Finance cost	(2,471)	-	(2,471)	(2,528)	-	(2,528)
Loss before tax	(7,002)	(6,148)	(13,150)	(6,368)	(26,380)	(32,748)
Income tax expenses/(credit)	700	-	700	(433)	-	(433)
Loss for the year	(6,302)	(6,148)	(12,450)	(6,801)	(26,380)	(33,181)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

12. DISCONTINUED OPERATIONS (continued)

Discontinued operations	2025 €000	2024 €000
Cash flows from discontinued operations		
Net cash inflows from operating activities	(2,300)	5,980
Net cash outflows from investing activities	(1,505)	(75)
Net cash outflows from financing activities	(1,003)	(4)
Net cash inflows	(4,808)	5,901

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

Discontinued operations	2025 €000	2024 €000
Property, plant and equipment (note 13)	18,581	6,356
Goodwill (note 15)	3,033	1,148
Other intangible assets (note 16)	1,677	876
Right-of-use assets (note 19)	12,036	4,408
Other non-current assets	1,529	252
Trade and other receivables	10,216	7,774
Inventories	13,708	4,752
Deferred tax assets	54	-
Loan receivable from related parties	-	100
Total assets classified as held for sale	60,834	25,666
Trade and other payables	43,985	31,305
Deferred income	951	472
Provision	10,977	11,761
Tax liabilities	34	96
Deferred tax liabilities	-	1,082
Bank overdrafts and loans	25,368	1,244
Lease liabilities (note 19)	9,498	3,537
Loan payable from related parties	-	1,539
Liabilities directly associated with the assets held for sale	90,813	51,036
Net liabilities of disposal group	(29,979)	(25,370)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

13. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €000	Plant and machinery €000	Fixtures, fittings and equipment €000	Total €000
Financial year ended 30 June 2024				
Opening net carrying value	29,237	30,224	2,586	62,047
Reclassification from/(to) intangibles	(673)	(119)	683	(109)
Additions	1,088	2,857	6,735	10,680
Acquisitions	-	2,249	303	2,552
Revaluation	53	-	-	53
Depreciation	(1,953)	(5,701)	(5,324)	(12,978)
Transferred to assets classified as held for sale (note 12)	(1,289)	(4,670)	(397)	(6,356)
Exchange movements	(61)	(20)	29	(52)
Net carrying value at 30 June 2024	26,402	24,820	4,615	55,837
At 30 June 2024				
Cost or revalued cost	38,851	174,698	15,836	229,385
Accumulated depreciation	(12,449)	(149,878)	(11,221)	(173,548)
Net carrying value	26,402	24,820	4,615	55,837
Financial year ended 30 June 2025				
Opening net carrying value	26,402	24,820	4,615	55,837
Reclassification	58	-	(58)	-
Additions	2,932	9,389	1,483	13,804
Acquisitions (note 14)	715	567	89	1,371
Disposals	(75)	(601)	(40)	(716)
Transferred to assets classified as held for sale (note 12)	(4,598)	(6,813)	(815)	(12,225)
Depreciation	(2,944)	(8,004)	(1,579)	(12,527)
Exchange movements	(85)	(176)	(13)	(274)
Net carrying value at 30 June 2025	22,405	19,182	3,682	45,269
At 30 June 2025				
Cost or revalued cost	29,670	55,500	12,164	97,334
Accumulated depreciation	(7,265)	(36,318)	(8,482)	(52,064)
Net carrying value	22,405	19,182	3,682	45,269

Depreciation of property, plant and equipment of €12,527,000 (2024: €12,978,000) includes €10,217,000 (2024: €9,058,000) arising from continuing operations and €2,310,000 (2024: €3,920,000 arising from discontinued operations, see note 12 for further details. Additions of property, plant and equipment of €13,804,000 (2024: €10,680,000) includes €10,725,000 (2024: €9,658,000) arising from continuing operations and €3,079,000 (2024: €1,022,000) arising from discontinued operations.

The group has freehold land, included within land and buildings, with a carrying value of €3,195,000 (2024: €2,533,000), which has not been depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying value of land and buildings would have been as follows if the group had not revalued them:

At 30 June 2025	2025 €000
Cost	39,185
Accumulated depreciation	(21,759)
Carrying value	17,426

14. ACQUISITIONS

Acquisition of entities under common control

On 30 August 2024, the group acquired the entire issued share capital of OTGI Limited. On 31 May 2025, the group acquired the assets and liabilities in relation to the distribution business of stationery and office supplies of OT Group Limited. The acquisition enables the group to create new client relationships and create and achieve synergies with the existing business lines.

On 31 May 2025, the group acquired the entire issued share capital of Service Graphics Limited and its subsidiary (SG Print Dublin Limited). The acquisition enables the group for the possibility to expand the existing client base and additional synergies for potential cost saving.

The acquisition was considered as business combinations under common control as Service Graphics Limited and its subsidiary (SG Print Dublin Limited), OTGI Limited and OT Group Limited are both ultimately controlled by Grenadier CFH Sàrl. The acquisitions were accounted for using predecessor accounting.

In applying predecessor accounting, the assets and liabilities of the acquiree are recognised at the acquisition date carrying values, the consideration is recognised either as a decrease in cash or an increase in liabilities, at the actual value of consideration given and the difference between the consideration and the carrying value of the net assets acquired is recognised directly in equity, in a unrecognised fair value merger reserve.

In calculating the unrecognised fair value merger reserve arising on this acquisition under common control, the carrying value of the assets and liabilities has been recognised on acquisition. The carrying value of assets and liabilities acquired are summarised in the following tables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

14. ACQUISITIONS (continued)

	Service Graphics Limited and SG Print Dublin Limited	OTGI Limited	Assets and liabilities in relation to distribution business of OT Group Limited	
	Carrying value €000	Carrying Value €000	Carrying Value €000	Carrying Value €000
Property, plant and equipment	1,043	238	90	1,371
Right-of-use assets	4,661	-	-	4,661
Other intangible assets	296	64	1,441	1,801
Customer relationships	-	201	-	201
Retirement benefit surplus	550	-	-	550
Deferred tax assets	2,612	-	-	2,612
Non-current assets	9,162	503	1,531	11,196
Trade and other receivables	9,867	2,154	29,374	41,395
Loan receivables	15,027	-	-	15,027
Cash and cash equivalents	184	455	54	693
Inventories	868	419	1,981	3,268
Current assets	25,946	3,028	31,409	60,383
Total assets	35,108	3,531	32,940	71,579
Trade and other payables	14,446	6,287	13,789	34,522
Loan payable	21,965	-	-	21,965
Provisions	841	-	-	841
Lease liabilities	4,742	-	-	4,742
Deferred tax liability	484	144	-	628
Total liabilities	42,478	6,431	13,789	62,698
Net assets	(7,370)	(2,900)	19,151	8,881
Consideration	12,283	-	25,031	37,314
Unrecognised fair value merger reserve (note 33)	19,653	2,900	5,880	28,433

The fair value of acquired trade receivables is materially equal to the gross contractual amounts receivable. A provision for expected credit loss of €1,479,000 is included in the trade and other receivable in the table above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

14. ACQUISITIONS (continued)

The consideration of entire issued share capital of OTGI Limited and the assets and liabilities in relation to the distribution business of stationery and office supplies of OT Group Limited comprised a cash payment of €25,031,000. All acquisition costs were included in other operating costs in the income statement.

The consideration of acquiring Service Graphics Limited and its subsidiary, SG Print Dublin Limited comprised a cash payment of €4,046,000 and a deferred payment of €8,237,000, which will be paid within 1 year. All acquisition costs were included in other operating costs in the income statement.

For the acquisition in relation to entire issued share capital of OTGI Limited and the assets and liabilities in relation to the distribution business of stationery and office supplies of OT Group Limited, revenue of €10,248,000, loss of €980,000 and a loss on UEBITDA of €333,000 have been achieved. This has been included in the financial statements since the date of acquisition. The estimated annual impact of this acquisition had it been made at the start of the financial year would have been revenue of €56,678,000, profit of €327,000 and UEBITDA of €1,952,000.

For the acquisition in relation to entire issued share capital of Service Graphics Limited and its subsidiary, revenue of €4,325,000, loss of €112,000 and an UEBITDA of €229,000 have been achieved. This has been included in the financial statements since the date of acquisition. The estimated annual impact of this acquisition had it been made at the start of the financial year would have been revenue of €57,541,000, profit of €2,739,000 and UEBITDA of €6,796,000.

During the current year, the group has settled the third-party acquisitions below which are completed in the current and previous financial period.

- Minc Group BV (acquired in the 2023 financial year) – the group has paid €533,000 deferred consideration during the current financial year
- The group has paid a total consideration of €908,000 for two entities acquired in the Western Europe region during the 2025 financial year.

Other unrecognised fair value merger reserve movements during the year:

During the current year, the group recognised additional unrecognised fair value merger reserve on the following acquisition completed in 2024. The additional unrecognised fair value merger reserve arose on lease liabilities adjustments recognised in the current year.

- ZenOffice Limited €594,000.

Goodwill movements during the year::

During the current year, the group recognised additional goodwill on €2.1m goodwill on the following acquisition completed in 2024. The additional goodwill arose on provision adjustments recognised in the current year.

- PS Holdings Limited: €2,048,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

15. GOODWILL IMPAIRMENT

Goodwill acquired in business combinations is allocated, at acquisition, to the cash-generating units (CGUs) that are expected to benefit from the business combination. The CGUs represent the lowest level within the group at which the associated goodwill is monitored for internal management purposes.

	2025 €000
Cost and carrying amount of goodwill	
At 30 June 2023	76,687
Acquisitions	41,196
Transferred to assets classified as held for sale (note 12)	(1,148)
Foreign currency translation	2,353
At 30 June 2024	119,088
Acquisitions	2,048
Transferred to assets classified as held for sale (note 12)	(1,885)
Foreign currency translation	(1,011)
At 30 June 2025	118,240
Goodwill by CGU	
UKIL	40,909
Western Europe	21,260
BENE	4,362
DACH & CEE	11,624
BD	40,085
At 30 June 2025	118,240

The group provides a range of services to our clients to improve their communications with their customers (five CGUs). The key cash generating units (CGUs) are determined based on consideration including regions under common leadership team and key customers under common sales team. Performance is reported and monitored against specific performance criteria for each CGU as a whole.

For the purpose of impairment testing, the key assumptions applied to these CGUs were:

Post-tax discount rate

The post-tax rate, being the Board's estimated discount rates, have been used in discounting all projected cash flows is as per below.

	Post tax discount rates
UKIL	8.6% (2024: 12.4%)
Western Europe	10.2% (2024: 13.4%)
DACH & CEE	11.3% (2024: 12.5%)
BD	13.5% (2024: N/A)
BENE	11.7% (2024: 13.3%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

15. GOODWILL IMPAIRMENT (continued)

Post-tax discount rate (continued)

The Board considers these post-tax discount rates to be calculated using appropriate methodology and reference to market yields of long-term government bonds. These rates are already in the higher end of the spectrum amongst its peers, and the Board views these rates as accurately reflecting the return expected by a market participant. The Board has considered whether to risk-affect the discount rate used for the different brands. Given the nature of each business, that they operate in well-developed territories and are largely similar businesses dependent on the mature economies in which they operate, the Board has considered no risk adjustment to the individual discount rates is required.

Cash flow projections

The recoverable amounts of all CGUs have been determined from value-in-use calculations based on the post-tax operating profits before non-cash transactions including amortisation and depreciation taken from the most recent financial budgets approved by management for the next financial year. The Board-approved budgets are based on assumptions of client wins and losses, rate card changes and cost inflation as well as any other one-off items expected in the year for that particular CGU. The cash flow forecasts extrapolate the FY26 budgeted cash flows for the following four years based on the estimated regional growth rates, which is applied to revenue and costs. This rate does not exceed the average long-term growth rate for the relevant markets. The value-in-use is compared with the combined total of goodwill, intangible assets and tangible fixed assets. The growth rate is then applied into perpetuity after five years.

Goodwill impairment testing

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. Impairment of goodwill occurs when the carrying value of a CGU is greater than the present value of the cash that it is expected to generate (i.e. the recoverable amount). The group reviews the carrying value of each CGU at least annually or more frequently if there is an indication that the CGU may be impaired.

The recoverable amount of each CGU is based on a value in use computation, which has been calculated over a five-year period. The cash flow forecasts employed for this computation are extracted from budgets and specifically exclude future acquisition activity. The weighted average long-term growth rate used in the impairment testing is noted below.

The present value of the future cash flows is calculated using a post-tax discount rate representing the group's estimated post-tax weighted average cost of capital, adjusted to reflect risks associated with each CGU.

Key assumptions include management's estimates on sales growth and discount rates. Cash flow forecasts and key assumptions are generally determined based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business. The prior year assumptions were prepared on the same basis.

Applying these techniques, no impairment charge arose in 2025 (2024: €nil).

Sensitivity analysis

The group has performed sensitivity analysis on the assumptions used in the value-in-use calculations. The group has performed two scenarios.

Firstly, with all other variables unchanged, if revenue and costs do not grow past the FY27 budget and there is no growth in perpetuity, no material impairment would be required. Secondly, with all other variables unchanged, if the post-tax discount rate increased as per the table below, no impairment would be required.

	Post tax discount rates	Reduction in cash flows
UKIE	41% (2024: 23%)	81% (2024: 59%)
Western Europe	23% (2024: 49%)	58% (2024: 71%)
BENE	100% (2024: 100%)	100% (2024: 100%)
BD	20% (2024: N/A)	36% (2024: N/A)
DACH & CEE	42% (2024: 100%)	76% (2024: 91%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

16. INTANGIBLE ASSETS

	Development expenditure €000	Software €000	Customer relationships €000	Licences and other intangibles €000	Total €000
Financial year ended 30 June 2024					
Opening net carrying value	1,018	18,932	51,393	16,304	87,647
Reclassification	-	4,777	-	-	4,777
Additions	5,148	31,212	-	5,614	41,974
Acquisitions	21	130	26,793	3,198	30,142
Amortisation	(987)	(11,848)	(9,521)	(6,544)	(28,900)
Transferred to assets classified as held for sale (note 12)	-	(876)	-	-	(876)
Foreign exchange movements	10	1,508	1,005	(831)	1,692
Net carrying value at 30 June 2024	5,210	43,835	69,670	17,741	136,456
At 30 June 2024					
Cost	7,414	88,191	129,382	39,970	264,957
Accumulated amortisation	(2,204)	(44,356)	(59,712)	(22,229)	(128,501)
Net carrying value	5,210	43,835	69,670	17,741	136,456
Financial year ended 30 June 2025					
Opening net carrying value	5,210	43,835	69,669	17,741	136,455
Additions	5,143	9,924	-	3,704	18,771
Reclassification	-	(15,151)	-	-	(15,151)
Acquisitions (note 14)	-	1,801	201	-	2,002
Disposal	-	(3,118)	-	-	(3,118)
Amortisation	(2,253)	(14,182)	(9,603)	(6,719)	(32,757)
Transferred to assets classified as held for sale (note 12)	(2)	(218)	-	(581)	(801)
Foreign exchange movements	(111)	(119)	(438)	25	(643)
Net carrying value at 30 June 2025	7,987	22,772	59,829	14,170	104,758
At 30 June 2025					
Cost	12,258	77,113	131,456	42,338	263,165
Accumulated amortisation	(4,271)	(54,341)	(71,627)	(28,168)	(158,407)
Net carrying value	7,987	22,772	59,829	14,170	104,758

Amortisation of intangible assets of €32,757,000 (2024: €28,900,000) includes €32,415,000 (2024: €28,656,000) arising from continuing operations and €342,000 (2024: €244,000) arising from discontinued operations, see note 12 for further details.

Addition of intangible assets of €18,771,000 (2024: €41,974,000) includes €18,541,000 (2024: €41,504,000) arising from continuing operations and €230,000 (2024: €470,000) arising from discontinued operations.

Amortisation is the reduction reflected in the carrying value of the asset as a consequence of the regular use of that asset by the organisation.

Customer relationships refer to intangible assets that arise from entity acquisitions, which bring a number of customer agreements. Licences and other intangibles primarily include intangible assets that arise from entity acquisitions, such as brands and trademarks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

17. EQUITY ACCOUNTED INVESTMENTS

	2025		2024	
	Joint ventures €000	Total €000	Joint ventures €000	Total €000
At 1 July	460	460	520	520
Share of results	45	45	406	406
Dividend received	(236)	(236)	(119)	(119)
Dividend declared but yet received	-	-	(354)	(354)
Foreign exchange translation gains	(3)	(3)	7	7
At 30 June	266	266	460	460

A joint venture is where the Paragon group has joint control over an entity with another partner(s).

Interests in joint ventures consists €266,000 (2024: €460,000) for the group's investment in DSI Billing Services Limited.

The group assesses assets for indicators of impairment annually. Management have examined all circumstances surrounding the equity accounted investments and did not find any indicators (either internal or external) of impairment as at the year end date (2024: €nil).

18. ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

Assets held for sale	2025 €000	2024 €000
At 1 July	25,683	17
Transfer to assets held for sale	35,168	25,666
At 30 June (Note 12)	60,851	25,683

Liabilities directly associated with assets classified as held for sale	2025 €000	2024 €000
At 1 July	51,036	-
Transfer due to liabilities directly associated with assets classified as held for sale	39,777	51,036
At 30 June (Note 12)	90,813	51,036

Non-current assets and non-current liabilities are classified as held for sale if their carrying amount will be recovered principally through sale rather than continuing use. They are available for immediate sale and the sale is highly probable. Director expect the sale to be completed within the next 12 months.

The prior and current year asset held for sales include the Paragon Romorantin property held by WE (Western Europe) division. The sale of the property was delayed, expected to be completed during the next financial year and therefore remain as held for sale at 30 June 2025.

In the current year, management have taken the decision to dispose of non-core assets and liabilities in the WE (Western Europe), UKIE and DACH (Germany). Therefore, non-current assets related to those parts of the operations have been transferred to assets held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

19. RIGHT-OF-USE ASSETS

The Consolidated Statement of Financial Position includes the following amounts relating to leases:

Right-of-use assets	ROU land and buildings €000	ROU plant and machinery €000	Total €000
Financial year ended 30 June 2024			
Opening net carrying value	75,777	23,944	99,721
Additions	16,790	12,809	29,599
Acquisitions	806	(5,474)	(4,668)
Transfers	1,088	246	1,334
Disposals	(1,016)	(1,745)	(2,761)
Transferred to assets classified as held for sale (note 12)	(2,668)	(1,740)	(4,408)
Modification to lease terms	1,644	2,886	4,530
Amortisation	(17,571)	(12,506)	(30,077)
Exchange movements	906	220	1,126
At 30 June 2024	75,756	18,640	94,396
At 30 June 2024			
Cost	115,355	41,742	157,097
Accumulated amortisation	(39,599)	(23,102)	(62,701)
Carrying amount	75,756	18,640	94,396
Financial year ended 30 June 2025			
Opening carrying amount	75,756	18,640	94,396
Additions	13,470	6,733	20,203
Acquisitions (note 14)	3,295	1,366	4,661
Disposals	(3,872)	(1,027)	(4,899)
Transferred to assets classified as held for sale (note 12)	(7,891)	263	(7,628)
Modification to lease terms	3,929	26	3,955
Amortisation	(17,843)	(11,569)	(29,412)
Exchange movements	(363)	(83)	(446)
At 30 June 2025	66,481	14,349	80,830
At 30 June 2025			
Cost	110,695	41,293	151,988
Accumulated amortisation	(44,214)	(26,944)	(71,158)
Carrying amount	66,481	14,349	80,830

Amortisation of right-of-use assets of €29,412,000 (2024: €30,077,000) includes €26,160,000 (2024: €25,111,000) arising from continuing operations and €3,252,000 (2024: €4,966,000) arising from discontinued operations, see note 12 for further details.

Addition of right-of-use assets of €20,203,000 (2024: €29,599,000) includes €14,063,000 (2024: €28,055,000) arising from continuing operations and €6,140,000 (2024: €1,544,000) arising from discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

20. LEASES

Lease liabilities	Land and buildings €000	Other €000	Total €000
Cost			
At 1 July 2023	73,101	21,402	94,503
Additions	13,379	10,439	23,818
Acquisitions	1,088	246	1,334
Disposals	(1,331)	(813)	(2,144)
Interest	2,970	957	3,927
Modification to lease terms	1,761	2,889	4,650
Transferred to liabilities directly associated with assets classified as held for sale (note 12)	(2,519)	(1,018)	(3,537)
Transfers	(323)	323	-
Repayments	(18,956)	(12,046)	(31,002)
Exchange movements	765	396	1,162
At 30 June 2024	69,935	22,775	92,710
Current	14,642	9,081	23,723
Non-current	55,293	13,694	68,987
At 30 June 2024	69,935	22,775	92,710
Cost			
At 1 July 2024	69,935	22,775	92,710
Additions	11,651	6,383	18,034
Acquisitions (note 14)	3,362	1,380	4,742
Disposals	(3,730)	(655)	(4,385)
Interest	3,003	951	3,954
Modification to lease terms	3,929	26	3,955
Transferred to liabilities directly associated with assets classified as held for sale (note 12)	(5,777)	(184)	(5,961)
Repayments	(19,749)	(10,926)	(30,675)
Exchange movements	(298)	(86)	(384)
At 30 June 2025	62,325	19,665	81,990
Current	13,768	7,989	21,757
Non-current	48,557	11,676	60,233
At 30 June 2025	62,325	19,665	81,990

Finance Charge of €3,954,000 (2024: €3,927,000) includes €3,273,000 (2024: €3,539,000) arising from continuing operations and €681,000 (2024: €388,000) arising from discontinued operations, see note 12 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

20. LEASES (continued)

The Consolidated Income Statements include the following amount relating to leases:

Continuing operations	2025 €000	2024 €000
Amortisation charges		
Right-of-use assets (note 19)	26,160	25,111
Finance costs		
Interest on lease liabilities	3,273	3,377
Operating expenses		
Expenses relating to short-term lease	-	15
Expenses relating to lease of low value assets	3	-
Expenses relating to variable lease payments not included with lease liabilities	3,449	2,900
Lease charges (note 7)	3,452	2,915

As at 30 June 2025, the group's remaining contractual maturities on IFRS 16 leases were as follows:

At June 2025	Land and buildings €000	Other €000	Total €000
Not later than one year	15,520	9,817	25,337
After one year but not more than five years	41,704	20,349	62,053
After five years	24,933	1,114	26,047
Total undiscounted cashflows	82,157	31,280	113,437

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

20. LEASES (continued)

As at 30 June 2024, the group's remaining contractual maturities on IFRS 16 leases were as follows:

At June 2024	Land and buildings €000	Other €000	Total €000
Not later than one year	16,004	11,256	27,260
After one year but not more than five years	49,042	20,165	69,207
After five years	26,637	892	27,529
Total undiscounted cashflows	91,683	32,313	123,996

Operating lease commitments consisted of total future minimum lease payments of €nil (2024: €19,000) for short-term leases and €58,000 (2024: €4,000) for low value leases which were not accounted for under IFRS 16 'Leases'.

21. TRADE AND OTHER RECEIVABLES

The following are included in trade and other receivables:

Amounts falling due within one year

Amounts falling due within one year	2025 €000	2024 €000
Trade and other receivables		
Amounts receivable for the sale of goods and services	62,294	58,552
Expected loss allowance	(3,404)	(2,975)
Trade receivables	58,890	55,577
Other receivables	7,302	11,773
Supplier advances	10,923	4,754
Amount due from corporate group undertakings (note 35)	271	253
Amount due from other group undertakings (note 35)	441	4,332
Amount due from joint venture (note 35)	717	734
Accrued income	26,446	43,568
Prepayments	20,835	19,966
	125,825	140,957

The group is party to a debt factoring arrangement where advances received are without recourse. Where receivable balances have been sold, the risk and rewards have been transferred to the factors. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

Accrued revenue is unbilled revenue with no substantive task before billing. Accrued revenue is balances due from customers for contracted work performed. Accrued revenue is recognised when a performance obligation has been satisfied but has not yet been billed. Any amount previously recognised as an accrued income is reclassified to trade receivables at the point at which it is invoiced to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

21. TRADE AND OTHER RECEIVABLES (continued)

Amounts falling due after more than one year

	2025 €000	2024 €000
Other non-current assets		
Other receivables (see below)	859	799
Prepayments	2,638	11,136
	3,497	11,935

Other non-current assets include the group's French operations for which there is a requirement to make contributions to a French state fund on an annual basis. There are two treatments available for the contributions made to the fund. The first is to receive a one-off taxable income deduction in the year of payment. The other option is to be refunded by the French state, on an interest free basis, after a period of 20 years. The group has adopted the latter treatment, where contributions made to the fund will be refunded after 20 years. This receivable has been discounted and reflects the fair value of the amounts receivable. The group made a payment to the French state fund in the current year of €61,000 (2024: €66,000).

The current amount of trade and other receivables are denominated in the following currencies:

	2025 €000	2024 €000
Euro	36,790	48,519
Sterling	62,392	61,695
US Dollar	6,835	6,752
Romanian Leu	5,122	5,135
Czech Koruna	756	1,682
Swedish Krona	661	2,372
Polish Zloty	6,215	6,197
Hong Kong Dollar	720	1,552
Bulgarian Lev	1,212	1,067
Turkish Lira	2,215	2,246
Chinese Yuan	16	4
Hungarian Forint	531	1,141
Serbian Dinar	988	1,265
Emirati Dirham	261	227
Ukrainian Hryvnia	833	1,103
Indian Rupee	278	-
	125,825	140,957

Trade and other receivables are reviewed regularly for indication of any credit loss issues to assess the likelihood of expected credit losses. The group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss allowance for all trade receivables that do not have a financing component. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, such as current relationship with the customer, industry in which the customer operates, geographical location of customers, historical information on payment patterns, terms of payment and the days past due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

21. TRADE AND OTHER RECEIVABLES (continued)

Expected credit losses (continued)

Given the short-term nature of the group's trade receivables and accrued income, which are mainly due from large national or multinational companies, the group's assessment of expected credit losses includes provisions for specific clients and receivables where the contractual cash flow is deemed at risk. Considerations include the current economic environment and along with historical loss rates for each category of customers adjusted for forward-looking information. Additional allowance are made based on the assessment of recoverability of aged receivables over one year where sufficient evidence of recoverability is not evident.

The directors of the group always measure loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the customer communication industry.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the amounts due from customers under contracts.

The accrued revenue primarily relates to the group's right to consideration for work completed but not billed at the reporting date on consulting and agency, customer communications, supply chain management, workplace solutions, business process outsourcing revenue streams.

Expected credit losses on unbilled costs, related parties, joint ventures and other debtors were immaterial for the years presented.

Bad debts are written off as uncollectible when there is strong objective evidence that there will be no recoverable element of the debt and all methods of recovery have been exhausted.

The expected credit loss of €3,405,000 (2024: €2,975,000) is equivalent to 5% (2024: 5%) of gross trade receivables.

	Current	1 to 90 days past due	More than 90 days past due	2025 Total	Current	1 to 90 days past due	More than 90 days past due	2024 Total
	€000	€000	€000	€000	€000	€000	€000	€000
Trade receivables	46,008	3,774	12,512	62,294	29,964	19,428	9,160	58,552
Loss allowance	-	245	3,160	3,405	-	203	2,772	2,975
ECL%	0%	6%	25%	5%	0%	1%	30%	5%

Expected credit losses on amounts due from related party, joint ventures and other receivables were immaterial for the years presented.

Movement in the allowance for expected credit losses

Amounts falling due within one year	2025 €000	2024 €000
Balance at beginning of year	2,975	4,641
Charged to the income statement (Continuing operations) (note 7)	1,435	2,092
Allowance acquired from acquisition	1,479	-
Utilisations and other movements	(944)	(2,505)
Foreign exchange movements	(16)	(8)
Release to the income statement	(154)	(120)
Transferred to assets classified as held for sale	(1,370)	(1,125)
Balance at end of year	3,405	2,975

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

22. INVENTORIES

	2025 €000	2024 €000
Raw materials and consumables	3,098	8,557
Work in progress	8,476	11,227
Finished goods and goods for resale	3,771	5,826
	15,345	25,610

There was no write-down of inventories in either year. Inventories included in material costs in the year amounted to €379,451,000 (2024: €392,187,800).

23. DEFERRED INCOME

Amounts related to deferred income recognised in the Consolidated Statement of Financial Position:

	2025 €000	2024 €000
Advanced billing and other deferred income	8,486	6,804
Government grants	335	526
Deferred gains on property sale and lease back	210	294
	9,032	7,624
Within one year	8,887	7,195
Beyond one year	145	429
	9,032	7,624

Advance billings and other deferred income are current and will be recognised as revenues and collected in the next 12 months.

A deferred income is recognised for revenue relating to consulting and agency, customer communications, lead supply, supply chain management, workplace solutions, business process outsourcing and print solutions revenue streams. at the time of the initial sales transaction and is released over the service period. In certain cases, payments are received from customers prior to the satisfaction of a performance obligation and are recognised as deferred income on the group's Statement of Financial Position.

The following tables show how much the revenue recognised in the current reporting period related to brought-forward deferred revenue. There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

	2025 €000	2024 €000
Revenue recognised that was included in the deferred income balance at the beginning of the year	7,195	5,939

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

23. DEFERRED INCOME (continued)

The movement of government grants are disclosed in the below.

Government grants	2025 €000	2024 €000
At 1 July	526	6
Addition	-	250
Released during the year	(190)	(35)
Foreign exchange movements	-	55
Proceeds from government grants received	-	250
At 30 June	335	526

The above grants have no unfulfilled obligations and contingencies.

24. CASH AND CASH EQUIVALENTS

	2025 €000	2024 €000
Cash and cash equivalents	131,471	156,131
Cash and cash equivalents	131,471	156,131

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits. The carrying amounts of short-term deposits assets approximate their fair value at year end was €nil (2024: €nil). Included are restricted cash balances €6,656,000 (2024: €7,305,000) arising from the group factoring facility.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

25. SOURCES OF FINANCE

Borrowings

The following table summarises the debt financing of the group, and changes during the year:

	2025 €000	2024 €000
Bank loans	40,395	83,477
Revolving credit facilities	130,000	93,000
Bonds	264,000	269,000
Unamortised debt issue costs	(4,276)	(3,923)
Loan with other group undertakings (note 35)	210	4,739
Loan with corporate group undertakings (note 35)	-	129
Bank overdrafts	3,557	2,577
Factored receivables with recourse	5,280	-
	439,166	448,999

The borrowings are repayable as follows:

	2025 €000	2024 €000
Within one year	102,326	119,214
Between two and five years	336,659	329,785
Beyond five years	181	-
	439,166	448,999

Related party loans

Related party loans are payable on demand, interest rate is charged between 6.13% to 7.17% (2024: 6.92%).

Bank loans

Bank loans comprise fixed terms bank loans and other credit facilities.

In 2022, the group has borrowed two bank loans of €10m and €5m in France. The loans bear interest at 4.5% and 4.1% respectively and are 90% guaranteed by the French State.

The €10m loan will be repaid through four annual repayments of €2.5m in 2027, 2028, 2029 and 2030. The €5m loan will be repaid through sixteen quarterly repayments of €315,000 starting from September 2026.

On 6 October 2023, the group entered a €50m term loan with a maturity on 30 July 2028. The term loan bears interest at 3 months EURIBOR, plus a margin varying between 2.5% to 3.5% per annum dependent on total leverage. The term loan has a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the borrower quarterly and covenants are tested twice a year through LTM tests.

Other credit facilities

In 2020, the group borrowed €35m in France as part of the French State response to Covid-19. These loans are 80% guaranteed by the French State and can be repaid over five years. The balance at the end of the financial year was €1.0m (2024: 16.6m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

25. SOURCES OF FINANCE (continued)

Bonds

On 30 July 2021 the bond notes originally held by Grenadier Holdings Plc (a related party outside of the PCC Global plc group) were transferred to the group. The following are the dates on which these were issued:

- On 16 December 2016, the group raised €52m on loan notes that were admitted to trading on the Luxembourg MTF market. There are 520 bond notes with a face value of €100,000 each. The bond notes were repaid on 11 October 2023.
- On 7 April 2018, the group raised €89m on bond notes that were admitted to trading on the Luxembourg MTF market. There are 890 bond notes with a face value of €100,000 each. On 4 April 2025, €5m was repaid. The remaining €84m will be repaid in three instalments of €10m on 6 October 2025, €15m on 6 January 2026, and the remaining €59m on 6 April 2026.
- On 30 July 2021, the group raised €139m of bond notes that were admitted to trading on the Luxembourg MTF market. There are 1,390 bond notes with a face value of €100,000 each. The repayment date is 30 July 2028.
- On 20 December 2021, the group raised €41m of bond notes that were admitted to trading on the Luxembourg MTF market. There are 410 bond notes with a face value of €100,000 each. The repayment date is 30 July 2028.

The bond notes bear a fixed interest rate between 4.25% and 7.21% per annum subject to a margin grid. This instrument meets the definition of floating charge under IFRS9. The bond notes are secured on investments of the company. The issuance costs have been capitalised and are being amortised to net finance costs over the life of the bond notes. The bond notes have a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the holders quarterly and covenants are tested twice a year through LTM tests.

Revolving credit facility

On 6 October 2023, the group entered a €130m revolving credit facility with a maturity on 30 July 2026 (extendable by 1+1 year). The whole revolving credit facility has been utilised as at 30 June 2025. The undrawn balance on the revolving credit facility as at 30 June 2024 was €93m.

The revolving credit facility bears interest at 3 months EURIBOR, plus a margin varying between 2.5% to 3.5% per annum dependent on total leverage. The revolving credit facility has a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the borrower quarterly and covenants are tested twice a year through LTM tests.

Bank overdrafts

Bank overdrafts are repayable on demand. The average effective interest rate on bank overdrafts approximates 5% (2024: 7%) per annum.

Factored receivables with recourse

Interest of Factored receivable with recourse charged at 1.4% over base rate and are secured on trade receivables. This facility has no fixed term and has a limit of €11.7m (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

26. TRADE AND OTHER PAYABLES

	2025 €000	2024 €000
Amount falling due within one year		
Trade payables	178,683	211,742
Other taxes and social security	26,905	29,334
Holiday accrual	2,901	3,667
Amounts due to corporate group undertakings (note 35)	11,585	7,516
Amounts due to other group undertakings (note 35)	2,697	7,894
Payables for purchase of intangible assets	275	17,957
Customer advances	10,687	12,469
Other payables	10,353	11,764
Accruals for goods and services	49,225	32,878
Deferred consideration	8,348	783
Contingent consideration	-	100
	301,659	336,104

The deferred and contingent consideration is payable as follows:

	2025 €000	2024 €000
Within one year	8,348	883
	8,348	883

Deferred consideration of €0.5m for the acquisition of Minc Groupe BV was paid in February 2025.

Future anticipated payments due to vendors in respect of contingent consideration (earnout agreements) are recorded at fair value, alignment, evenly split which is the present value of the expected cash outflows of the obligations. Contingent consideration is dependent on the future financial performance of the entity and it is assumed that future profits are in line with directors' estimates. The directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

As of 30 June 2025, the undiscounted amount of future payments that could be required under the earnout agreements for acquisitions is €nil (2024: €100k). The deferred consideration as of 30 June 2025 mainly related to the €8.3m acquisition of Service Graphics Limited and its subsidiary, SG Print Dublin Limited, which will be repaid within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

27. PROVISIONS

	Retirement provision €000	Restructuring €000	Dilapidations €000	Other €000	Total €000
Balance as at 30 June 2023	9,722	7,539	3,817	1,068	22,146
Utilised during the period	(412)	(3,902)	(1,479)	(7,044)	(12,837)
Exchange movements	-	55	99	496	650
Addition of right of use assets	-	-	3,285	-	3,285
Charge/(credit) during the period	(1,338)	13,403	136	674	12,875
Interest charged during the year	-	-	714	-	714
Reclassification	-	74	-	(74)	-
Transferred to liabilities directly associated with assets classified as held for sale (note 12)	(1,685)	(7,578)	(985)	(1,513)	(11,761)
Acquisitions	-	-	-	13,402	13,402
Balance as at 30 June 2024	6,287	9,591	5,587	7,009	28,474
Utilised during the period	(1,922)	(11,373)	(1,467)	(8,926)	(23,688)
Exchange movements	-	116	(71)	52	97
Addition of right of use assets	-	-	2,074	-	2,074
Charge during the period	2,835	460	427	382	4,104
Interest charged during the year	-	-	23	-	23
Transferred to liabilities directly associated with assets classified as held for sale (note 12)	(1,433)	3,396	(1,477)	298	784
Acquisitions (note 14)	-	54	787	2,048	2,889
Balance as at 30 June 2025	5,767	2,244	5,883	863	14,757
Current	246	1,677	1,454	693	4,070
Non-current	5,521	567	4,429	170	10,687
Balance as at 30 June 2025	5,767	2,244	5,883	863	14,757
Current	308	7,352	1,311	6,910	15,881
Non-current	5,979	2,239	4,276	99	12,593
Balance as at 30 June 2024	6,287	9,591	5,587	7,009	28,474

Retirement provision

Certain European countries in which the group operates oblige the employer to provide lump sum termination payments. The provisions have been calculated with reference to specified individuals who are entitled to this arrangement and are based on a detailed plan agreed between management and employee representatives. Current provisions represent the anticipated settlement costs in the next twelve months.

Restructuring provisions

This provision includes redundancy and related charges incurred on the closure or restructuring of Group operations. Restructuring provisions are recognised when the group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of people affected, a detailed estimate of the associated costs and an appropriate timeline and the colleagues affected have been notified of the plan's main features. The calculation of restructuring provisions requires estimates in some circumstances to be made about the amounts and timing of resulting payments. Current provisions represent the anticipated payments to occur in the next twelve months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

27. PROVISIONS (continued)

Dilapidations provisions

Dilapidations are the provisions recorded for the costs of returning properties held under lease to the state of repair at the inception of the lease. These provisions are expected to be utilised on the termination of the underlying leases. The calculation of these provisions requires judgements to be made on the level of dilapidations that have arisen and estimates on the costs of returning the properties to their state of repair at the inception of the lease. Current provisions represent the anticipated payments to occur in the next twelve months.

Other provisions

Other provisions primarily relate to onerous contracts and legal provisions as well as various items that do not fall within the group's categories above. Current provisions represent the anticipated settlement costs in the next twelve months.

28. DEFERRED TAX

	2025 €000	2024 €000
Deferred tax assets	13,061	10,842
Deferred tax liabilities	(5,850)	(6,268)
Net Deferred tax asset	7,211	4,574
Assets at the beginning of the year	4,574	5,111
Credit to the Consolidated Income Statement	1,978	5,301
Acquisitions (note 14)	1,984	(6,794)
Transfer to liabilities directly associated with assets classified as held for sale (note 12)	(1,200)	1,082
Exchange rate differences	(125)	(126)
Assets at the end of the year	7,211	4,574

Credit to the Consolidated Income Statement of deferred tax of €1,978,000 (2024: €5,301,000) includes €1,197,000 (2024: €5,804,000) arising from continuing operations and €781,000 (2024: Charge to the Consolidate Income Statement of €503,000) arising from discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

28. DEFERRED TAX (continued)

The individual movement in the deferred tax assets/(liabilities) is as follows:

	Property plant and equipment €000	Intangible assets €000	Tax losses €000	Other temporary differences €000	Total €000
Balance at 30 June 2023	2,141	(13,086)	14,607	1,449	5,111
Credit to the Consolidated Income Statement	2,260	861	912	1,268	5,301
Acquisitions (note 14)	-	(6,794)	-	-	(6,794)
Transfer to liabilities directly associated with assets classified as held for sale (note 12)	-	-	71	1,011	1,082
Exchange rate differences	-	(19)	-	(107)	(126)
Balance at 30 June 2024	4,401	(19,038)	15,590	3,621	4,574
Credit to the Consolidated Income Statement	135	604	3,421	(2,182)	1,978
Acquisitions (note 14)	-	1,984	-	-	1,984
Transfer to liabilities directly associated with assets classified as held for sale (note 12)	-	-	-	(1,200)	(1,200)
Exchange rate differences	-	-	-	(125)	(125)
Balance at 30 June 2025	4,536	(16,450)	19,011	114	7,211

The group has tax losses arising in the UK of €102.0m (2024: €102.9m) that are available indefinitely for offset against future taxable profits and €31.5m (2024: €31.4m) of tax losses and other temporary differences arising in overseas territories that are available to carry forward indefinitely and tax losses of €nil (2024: €nil) which are due to expire within five years.

Deferred tax assets are recognised to the extent that it is probable (or "more likely than not") that sufficient taxable profits will be available to utilise the carry forward of unused tax losses. The group has €14.7m (2024: €18.3m) at the tax rate, worth of deferred tax losses not recognised. The group has recognised deferred tax assets on losses of €19.0m (2024: €15.6m). The increase in losses primarily arose in the WE (Western Europe), UKIE and DACH (Germany) region as a result of steps that were part of the group's continuing restructuring programme.

At the reporting date, the aggregate amount of the temporary differences in relation to the investment in subsidiaries for which deferred tax assets (2024: deferred tax assets) have not been recognised was €14.8m (2024: €14.8m). The group is in control of its future distribution policy. As no future distributions are planned no deferred taxes have been calculated on any potential withholding taxes that could arise on distributions.

In recognising the deferred tax asset, management have reviewed the forecast for each of the subsidiaries for which a deferred tax asset has been recognised and are satisfied that sufficient taxable profits are forecast and available to utilise the asset. In making this assessment, management note that historic losses are reflective of acquisition and restructuring activity, including the hive-up of operations. Further, the duration of customer relationships and current trading performance support the recognition of the asset. Forecasts used in making this assessment are consistent with those used for other areas of estimation within these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT

Companies within the group operate a large number of pension plans, the forms and benefits of which vary with conditions and practices in the countries concerned.

Defined contribution schemes

All defined contribution schemes are funded by the payment of contributions to independently administered funds and the assets of the scheme are held separately from those of the group. The pension cost charges included in the Income Statement during the year and contribution amounts payable at the end of the year are summarised by country in the table below. Contribution amounts payable are included within other payables.

	Pensions cost charges		Contribution amounts payable	
	2025 €000	2024 €000	2025 €000	2024 €000
UK	5,412	5,358	1,154	183
The Netherlands	1,250	1,430	3	-
Poland	111	105	-	-
Ireland	92	164	-	2
Germany	96	159	-	-
Spain	5	5	-	-
USA	4	18	6	6
China	22	22	-	-
Italy	8	9	-	-
Ukraine	1	1	-	-
Sweden	14	40	-	-
	7,015	7,311	1,163	191

Defined benefit scheme

A subsidiary company operates three final salary defined benefit pension plans in Germany, which are the Allianz scheme, Swiss Life scheme and Weingarten Scheme. A subsidiary company acquired in the current financial year operates one final salary defined benefit pension plans in United Kingdom, which is the Service Graphics Ltd Pension Plan. The pension costs are assessed in accordance with the advice of local independent qualified actuaries. The latest full actuarial valuations for the various pension plans were carried out on 30 June 2025.

These valuations have been updated by the local actuaries to 30 June 2025. The implications of IFRIC 14 have been allowed for where relevant, in particular with regard to the asset ceiling/irrecoverable surplus.

Expected return on assets and interest on obligations are recorded under investment income. The actuarial gain for the four schemes recognised in the Consolidated Statement of Other Comprehensive Income is €177,000 (2024: loss of €164,000).

The three final salary defined benefit pension plans expose the group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk:

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability but this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

The actuarial valuation of the four schemes are assessed by local independent qualified actuaries were carried out as at 30 June 2025. The principal assumptions used for the purpose of the actuarial valuations were as follows:

	2025 per annum			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Discount rate	3.30%	3.50%	3.60%	5.70%
Inflation	0.00%	3.50%	0.00%	RPI inflation: 2.90% CPI inflation: 2.50%
Expected rate of salary increase	0.00%	0.00%	3.00%	2.50%
Rate of increase of pensions in payment	0.00%	2.00%	3.00%	2.90%

	2024 per annum		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Discount rate	3.50%	3.80%	3.60%
Inflation	0.00%	3.80%	0.00%
Expected rate of salary increase	0.00%	3.00%	3.00%
Rate of increase of pensions in payment	0.00%	2.00%	1.50%

Demographic assumptions

The life expectancies underlying the value of the accrued liabilities used for the purpose of the actuarial valuations of the three schemes in Germany for both years were based on Richttafeln 2018 G Von Klaus Huebeck. For the scheme in United Kingdom, it was based on S4PMA/S4PFA. The life expectancy assumptions used for the purpose of the actuarial valuations were as follows:

	2025			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Life expectancy for a current 65-year-old	21.9 years	21.9 years	21.9 years	21.3 years
Life expectancy at age 65 for a current 45-year-old	23.3 years	23.3 years	23.3 years	22.6 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	2024		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Life expectancy for a current 65-year-old	21.9 years	21.9 years	21.9 years
Life expectancy at age 65 for a current 45-year-old	23.3 years	23.3 years	23.3 years

The amount recognised in the Consolidated Statement of Financial Position for the scheme assets and liabilities are as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Present value of funded operations	(510)	(2,068)	(4,171)	(5,606)
Fair value of scheme assets	644	1,797	-	6,330
Year-end assets/(liabilities)	134	(271)	(4,171)	724

	2024		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Present value of funded operations	(459)	(2,116)	(3,978)
Fair value of scheme assets	596	1,711	-
Year-end assets/(liabilities)	137	(405)	(3,978)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

Amounts recognised in the Consolidated Income Statement for the defined benefit schemes are as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Service cost	-	(8)	(39)	-
Interest charge on obligations	(18)	(72)	(127)	(308)
Interest income from scheme assets	22	58	-	336
	4	(22)	(166)	28

	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Service Cost	-	(10)	(41)
Interest charge on obligations	(20)	(77)	(134)
Interest income from scheme assets	25	64	-
	5	(23)	(175)

Amounts recognised in other Comprehensive Income for the defined benefit schemes are as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Actuarial (loss)/gain on defined benefit obligation	(3)	27	(71)	460
Actual (loss)/return on plan assets	7	65	-	(309)
	4	93	(71)	151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Actuarial (loss)/gain on defined benefit obligation	(18)	(97)	(68)
Actual (loss)/return on plan assets	4	(4)	-
	(14)	(101)	(68)

Defined benefit scheme (continued)

Changes in the present value of defined benefit obligations are as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Opening defined benefit obligation	459	2,116	3,978	6,099
Service cost	-	8	39	-
Interest cost	15	72	127	308
Actuarial losses/(gains)	14	(27)	71	(460)
Benefits paid	(42)	(102)	(47)	(329)
Closing defined benefit obligation	446	2,067	4,168	5,618

	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Opening defined benefit obligation	466	2,030	3,845
Service cost	-	10	41
Interest cost	17	77	134
Actuarial losses/(gains)	18	97	68
Transfer payment	-	-	(22)
Benefits paid	(42)	(98)	(88)
Closing defined benefit obligation	459	2,116	3,978

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

Changes in the fair value of scheme assets are as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Opening fair value of scheme assets	596	1,711	-	6,641
Interest income	20	-	-	336
Actual return/(loss) on plan assets	7	58	-	(309)
Contribution by employer	-	65	-	-
Interest on effect of asset ceiling restriction	12	-	-	-
Actuarial gain	-	65	-	-
Benefits paid	(56)	(102)	-	(329)
Closing fair value of scheme assets	579	1,797	-	6,339

	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Opening fair value of scheme assets	605	1,733	-
Interest income	22	-	-
Actual return on plan assets	5	64	-
Contribution by employer	-	16	-
Interest on effect of asset ceiling restriction	19	-	-
Actuarial losses	-	(4)	-
Benefits paid	(55)	(98)	-
Closing fair value of scheme assets	596	1,711	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

The fair value of the scheme assets at the Consolidated Statement of Financial Position date is analysed as follows:

	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Bonds	579	1,797	-	1,092
Equity instruments	-	-	-	1,449
Gilts	-	-	-	2,063
DCFS	-	-	-	1,702
CASH	-	-	-	33
	579	1,797	-	6,339

Fair value of the scheme assets

	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Bonds	596	1,711	-
	596	1,711	-

The plan asset have quoted prices in active markets and will be subjected to the risk of volatility.

The following table presents a sensitivity analysis for significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date.

This sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	(Decrease)/increase in defined benefit obligation			
	2025 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Sensitivity analysis				
Discount rate increase by 50 basis point	-	-	(93)	(281)
Discount rate decrease by 50 basis point	-	-	98	281

	(Decrease)/increase in defined benefit obligation		
	2024 €000		
	Allianz scheme	Swiss Life scheme	Weingarten scheme
Sensitivity analysis			
Discount rate increase by 50 basis point	-	-	(99)
Discount rate decrease by 50 basis point	-	-	105

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The group's corporate treasury function provides services to the businesses, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyse exposures by degree and magnitude of risk. These risks include credit risk, liquidity risk, market and currency risk and interest rate risk. Risk is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. Each individual within the group is accountable for the risk exposure relating to his or her responsibilities.

Liquidity risk management

Ultimate 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 group's short, medium and long-term funding and liquidity risk management requirements. The group 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.

The group's exposure to liquidity risk arises mainly from the management of working capital and management of loans and borrowings with maturity of less than 12 months. The majority of the group's financial liabilities mature in less than one year, as disclosed in note 25, whilst the profile of the group's loans and borrowings is disclosed in note 25. At the reporting period end the group had net liabilities of €217.3m (2024: €165.9m) and net current liabilities of €165.8m (2024: €172.6m), mainly due to recognition of unrecognised fair value merger reserve on acquisitions of businesses under common control. See note 33 for further details.

The following are the contractual undiscounted cash flow maturities of financial liabilities, including contractual interest payments and excluding the impact of discounting and netting agreements.

		Due within 1 year €000	Due between 2 and 5 years €000	Due in more than 5 years €000	Total undiscounted cash €000	Impact of discounting and netting €000	Carrying amount €000
30 June 2025							
Non derivative financial liabilities							
Lease liabilities	Level 2	25,337	62,053	26,047	113,437	(31,447)	81,990
Borrowings	Level 2	123,898	371,863	208	495,969	(56,803)	439,166
Trade and other payables	Level 3	266,406	-	-	266,406	-	266,406
Deferred consideration	Level 3	8,348	-	-	8,348	-	8,348
		423,989	433,916	26,255	884,160	(88,250)	795,910

		Due within 1 year €000	Due between 2 and 5 years €000	Due in more than 5 years €000	Total undiscounted cash €000	Impact of discounting and netting €000	Carrying amount €000
30 June 2024							
Non derivative financial liabilities							
Lease liabilities	Level 2	27,260	69,207	27,529	123,996	(31,286)	92,710
Borrowings	Level 2	136,823	381,396	14,309	532,528	(83,529)	448,999
Trade and other payables	Level 3	305,887	-	-	305,887	-	305,887
Deferred consideration	Level 3	783	-	-	783	-	783
Contingent consideration	Level 3	100	-	-	100	-	100
		470,853	450,603	41,838	963,294	(114,815)	848,479

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

The significant unobservable input used in the fair value of measurement of deferred consideration payable is future incremental EBITDA¹. A significant decrease in EBITDA¹ would result in a decrease in deferred consideration. At the Consolidated Statement of Financial Position date the group has recorded a level of deferred consideration payable in accordance with agreed EBITDA¹ targets.

Commodity price risk management

The group is exposed to commodity price risk on paper as a result of its operations. However, given the size of the group's operations, the costs of continually managing exposure to commodity price risk exceeds any significant potential benefits. The risk is mitigated due to the ongoing centralisation of the group procurement team and also certain inputs being rechargeable directly to clients. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature.

Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk management

The group has significant operations within the Euro area and also the rest of the world and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to sterling. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, unrecognised firm commitments and investments in foreign operations.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. group treasury is responsible for managing the net position in each currency via foreign exchange contracts transacted with financial institutions.

The group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The group's policy is to manage the currency exposure arising from the net assets of the group's foreign operations primarily through borrowings denominated in the relevant foreign currencies.

The group's policy is not to hedge net investments in subsidiaries or the translation of profits or losses generated in overseas subsidiaries.

¹ EBITDA is defined in note 2 on page 157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

Currency risk management (continued)

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2025	2024	2025	2024
Currency				
Sterling	1.19	1.16	1.17	1.18
Swedish Krona	0.09	0.09	0.09	0.09
Norwegian Kroner	0.09	0.09	0.08	0.09
Romanian Leu	0.20	0.20	0.20	0.20
Polish Zloty	0.23	0.23	0.24	0.23
Czech Koruna	0.04	0.04	0.04	0.04
Australian Dollar	0.60	0.62	0.56	0.62
US Dollar	0.92	0.93	0.85	0.93
Hong Kong Dollar	0.12	0.12	0.11	0.12
Indian Rupee	0.01	0.01	0.01	0.01
Bulgarian Lev	0.51	0.51	0.51	0.51
Canadian Dollar	0.66	0.68	0.62	0.68
China Renminbi	0.13	0.13	0.12	0.13
Emirati Dirham	0.25	0.25	0.23	0.25
Hungarian Forint	0.002	0.003	0.003	0.003
Serbian dinar	0.01	0.01	0.01	0.01
Turkish Lira	0.03	0.03	0.02	0.03
Ukrainian Hryvnia	0.02	0.02	0.02	0.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis

A 10% weakening of these currencies at 30 June 2025 and 30 June 2024 would have had the following effect on profit on ordinary activities before tax:

	2025 €000	2024 €000
Sterling	(1,856)	(1,286)
Swedish Krona	187	41
Polish Zloty	25	(44)
Czech Koruna	(19)	(154)
Romanian Leu	(170)	170
US Dollar	(43)	56
Bulgarian Lev	(8)	27
Emirati Dirhams	65	(17)
Hong Kong Dollar	(45)	(20)
Serbian Dinar	(8)	9
Turkish Lire	(42)	1
Hungarian Forint	11	-
Indian Rupee	(8)	-
Ukrainian Hryvnia	(10)	-
	1,921	(1,217)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk management

All material financial assets and liabilities are maintained at floating rates of interest. Where necessary, floating to fixed interest rate swaps can be used to fix the interest rate.

The group carries a cash flow risk on part of borrowings held at floating rates. The group is not subject to fair value interest rate risk as the majority of debt is held at floating rates.

An analysis of financial assets and liabilities exposed to interest rate risk is set out below:

Financial assets subject to interest rate risk

	2025 €000	2024 €000
Euro	78,318	92,766
Sterling	44,955	58,334
US Dollar	4,300	1,975
Romanian Leu	433	592
Swedish Krona	526	484
Polish Zloty	1,226	667
Czech Koruna	71	299
Indian Rupee	-	3
Bulgarian Lev	174	-
Emirati Dirham	23	26
Turkish Lira	630	520
Serbian Dinar	168	172
Chinese Yuan	54	14
Ukrainian Hryvnia	592	109
Hungarian Forint	-	167
Hong Kong Dollar	1	3
	131,471	156,131

The group's financial assets comprise cash and cash equivalents, all of which attract interest at floating rates on EURIBOR, SOFR or equivalent measures.

Financial liabilities subject to interest rate risk

	2025 €000	2024 €000
Euro bank and bond borrowings	433,676	443,711
Czech Koruna bank borrowings	-	420
	433,676	444,131

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

Interest rate sensitivity analysis

The analysis shows the extra charge to the Consolidated Income Statement assuming that the amount of the liability outstanding at the Consolidated Statement of Financial Position date was outstanding for the entire period.

	2025 €000	2024 €000
100% movement in 3 month EURIBOR and SOFR	1,629	3,198

Credit risk management

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The demographics of the group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. Geographically, there is no concentration of credit risk.

In order to minimise the credit risk, the group has established a credit policy that ensures that sales are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions and the group has policies that limit the amount of credit exposure to any one financial institution.

The group factors trade receivable balances. The risk of trade receivables passes to the factoring company once the trade receivable invoice is with the factoring company. Factoring is at EURIBOR +0.65% and SOFR +0.65%. This decreases the group's bad debt risk.

Reporting of financial instruments fair values

The carrying value approximates fair value for all financial assets and liabilities, other than those associated with the group's borrowings in the Consolidated Statement of Financial Position.

Fair value hierarchy

Fair value hierarchy levels are based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Contingent consideration

Future anticipated payments to vendors in respect of contingent consideration (earnout agreements) are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent on the future financial performance of the interests acquired (typically over a four- to five-year period following the year of acquisition) and assume the operating companies improve profits in line with directors' estimates. The directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

The fair value of contingent consideration is based on the present value of the expected payment, discounted using an appropriate market discount rate at the reporting date.

Deferred consideration

Deferred consideration is initially based on the present value of the expected payment, discounted using an appropriate market discount rate at the reporting date. It is subsequently measured at amortised cost.

Trade and other receivables and payables

Due to their short maturities, trade and other payables, and trade and other receivables have been stated at their book values which approximate to their fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

30. FINANCIAL RISK MANAGEMENT (continued)

Non derivative financial liabilities

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the appropriate rate of interest at the reporting date.

Foreign exchange risk management

The group investments and activities are mainly located within the Eurozone as well as the UK. Cover is arranged through a combination of internal hedging of risks by matching sales and purchases where practical and forward contracts were considered necessary.

Credit risk management

Group policies are aimed at ensuring this credit is maintained at adequate levels for the purpose of funding the business operations.

Additionally, policies are aimed at minimising losses from credit risk and require that credit terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Exposure to credit risk is also mitigated by the group invoice factoring facility (without recourse) as it is the financial institution that bears the risks of PCC Global plc payment. Individual exposure is monitored with customers subject to credit limits to ensure that the group's exposure to bad debts is not significant. Goods may be sold on a cash-with-order basis to mitigate credit risk. An appropriate level of credit insurance cover has been arranged in the UK to ensure that we have a cost-effective means of protection against increased credit risks in the current economic environment.

In determining the recoverability of a trade receivable, the group considers any change in the quality of the trade receivable from the date the credit was initially granted up to the reporting date, payment history, current relationship, latest market intelligence and the availability of credit insurance.

Capital management

The group manages its capital to ensure that entities in the group will each be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the group consists of debt, which includes the borrowings disclosed in the Consolidated Statement of Cash Flow, cash and cash equivalents, and equity attributable to equity holder of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity. The above risks are adhered by the group in the current and the prior financial period.

31. SHARE CAPITAL

	No.	2025 €000	No.	2024 €000
Allotted, called up and fully paid				
Ordinary shares of €1 each	240,407,210	240,407	240,407,210	240,407

The company has unlimited authorised share capital.

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

32. RESERVES

Revaluation reserve

The revaluation reserve arose on the revaluation of all the group property portfolio during the year ended 30 June 2025 and 30 June 2024. Movement of €484k during the year is the building revaluation surplus transferred to retained earnings (2024: €142k).

	2025 €000	2024 €000
Revaluation reserve	5,036	5,520

Cumulative translation reserve

The cumulative translation reserve includes amounts relating to foreign translation differences arising on the retranslation of reserves due to the group's presentation in Euro.

	2025 €000	2024 €000
Cumulative translation reserve	(1,751)	(1,456)

Retained earnings

This reserve records the cumulative amount of profits and losses less any dividend distributions made.

	2025 €000	2024 €000
Retained earnings	(92,008)	(70,456)

Capital reserve

Capital reserve relates to PCC Global plc redenomination of shares completed on 31 May 2019.

Dividends paid

There is no dividend paid in the current financial year (2024: €nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

33. UNRECOGNISED FAIR VALUE MERGER RESERVE (predecessor accounting)

Unrecognised fair value merger reserve

	2025 €000	2024 €000
Unrecognised fair value merger reserve	(369,084)	(340,057)

Management uses predecessor accounting for acquisition of entities under common control where the ultimate shareholders remain the same both before and after the transaction.

In applying predecessor accounting, the following is recognised in the separate financial statements:

- The assets and liabilities of the acquiree are recognised at the acquisition date fair values;
- The consideration is recognised either as a decrease in cash or an increase in liabilities, at the actual value of consideration given;
- The difference between the consideration and the carrying value of the net assets acquired is recognised directly in equity, in a unrecognised fair value merger reserve;
- Comparatives are not restated to include the acquired business; and
- Profit and loss is recognised for post-acquisition earnings only.

€28.4m increase in unrecognised fair value merger reserve in the current year relates to the acquisition of entire issued share capital of OTGI Limited and the assets and liabilities in relation to the distribution business of stationery and office supplies of OT Group Limited, and 100% shares of Service Graphics Limited and its subsidiary, SG Print Dublin Limited. See note 14 for further details.

€594k increase in unrecognised fair value merger reserve in the current year relates to the acquisition of ZenOffice Limited completed in 2024. See note 14 for further details.

34. CONTINGENT LIABILITY

In FY23, one of our clients unilaterally moved to dissolve and end our contract with them based on their view that deliveries were delayed. We fundamentally disagree with this decision and have refuted the client's authority to dissolve the contract. The matter proceeded to litigation, and the initial judgement by the Court was rendered against the Company.

The Company is currently appealing the judgement. The financial impact of this matter is considered immaterial to the financial statements, and accordingly, no adjustment has been recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

35. RELATED PARTY TRANSACTIONS

Corporate group undertakings

Transactions and year-end balances with corporate companies Grenadier Holdings Limited and Grenadier Holding Service Co Ltd, controlled by the ultimate parent company CFH Sarl Luxembourg, were:

	2025 €000	2024 €000
Corporate fees	11,509	11,593
Net interest income (note 9)	2,149	2,433
Amount due from corporate group undertakings (note 21)	271	253
Loan receivable from corporate group undertakings	19,871	19,083
Amount owed to corporate group undertakings (note 26)	(11,585)	(7,516)
Loan owed to corporate group undertakings (note 25)	-	(129)

Other group undertakings

Transactions and year-end balances with the companies which are commonly controlled by the ultimate parent company CFH Sarl Luxembourg ("other parent group undertakings") were:

	2025 €000	2024 €000
Sales	3,344	8,735
Purchases	(1,965)	(1,682)
Net interest income (note 9)	573	731
Amount due from other group undertakings (note 21)	441	4,332
Loan receivable from other group undertakings	10,084	14,195
Amount owed to other group undertakings (note 26)	(2,697)	(7,894)
Loan owed to other group undertakings (note 25)	(210)	(4,739)

Joint ventures

Transactions and year-end balances with joint ventures were:

	2025 €000	2024 €000
Sales	7,244	7,511
Amounts due from joint ventures	717	734

Interests in joint ventures includes the group's investment in DSI Billing Services Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

35. RELATED PARTY TRANSACTIONS (continued)

Key management personnel

Key management personnel are assessed as those who have the authority and responsibility for planning, directing and controlling the activities of the group. The roles which were determined as key management personnel were the Board, CEOs of each region and the group CEO, COO and CFO.

The aggregate cost of employing all key management personnel was:

	2025 €000	2024 €000
Short-term employee benefits	3,143	2,786
Post-employments benefits	170	162
Termination benefits (redundancy cost)	-	264
Director's fees	297	43
	3,610	3,255

36. PRIOR YEAR RE-PRESENTATION

During the year, the group discontinued Print & direct marketing operations. The prior year Income statement has been re-presented to exclude the discontinued operations from continuing operations for comparative purposes.

The impact of the re-presentation is as follows:

	As originally reported €000	Adjustments €000	Re-presented €000
Revenue from sale of goods and services	1,179,137	(148,868)	1,030,269
Material costs	588,308	(82,283)	506,025
Payroll costs	378,341	(39,994)	338,347
Other operating costs	140,381	(23,809)	116,572
Depreciation and amortisation	68,445	(5,655)	62,790
Loss on asset disposals	645	(1,231)	(586)
Other non-operating expenses	(5,701)	5,701	-
Finance cost	(37,017)	2,062	(34,955)
Finance income	4,397	(3)	4,394
Income tax credit	3,821	472	4,293

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

37. EVENTS AFTER THE REPORTING DATE

On 30 Aug 2025, PCC Global plc acquired the full share capital of Computershare Communication Services GmbH, a company incorporated in Germany for consideration of €5.3m. No further information can be given as the initial accounting for this business combination is incomplete at the date these financial statements are authorised.

38. PARENT AND ULTIMATE PARENT UNDERTAKING

As at the reporting date, PCC Global plc is the largest parent undertaking of the group to consolidate these financial statements. PCC Global plc is a company incorporated in the United Kingdom and registered in England and Wales. The registered address is Park House, 16-18 Finsbury Park, London, EC2M 7EB. PCC Global plc is the largest and smallest group in which the company is consolidated.

The ultimate controlling party of PCC Global plc is Patrick James Crean, by virtue of his indirect shareholding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES

Details of the investments in subsidiaries in which the group or the company holds nominal value of any class of share capital were as follows:

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Footnote	18.874 mm
Direct shareholdings					
Paragon Holdings Netherlands BV	Netherlands	Ordinary	100%		Holding Company
Paragon Germany GmbH	Germany	Ordinary	100%		Trading
Paragon Poland Sp z.o.o.	Poland	Ordinary	100%		Trading
MeillerGHP AB	Sweden	Ordinary	100%		Trading
Paragon Customer Communications Limited	England	Ordinary	100%		Holding Company
Stat Company Limited	England	Ordinary	100%		Holding Company
Paragon Global Brands Holdings Limited	England	Ordinary	100%		Holding Company
Paragon Customer Communications Czech Republik AS	Czech	Ordinary	100%		Trading
Paragon Print BV	Netherlands	Ordinary	100%		Holding Company
Indirect shareholdings					
Paragon France SAS	France	Ordinary	100%		Holding Company
Paragon Transaction SAS	France	Ordinary	100%		Trading
Paragon Business Process Services SAS	France	Ordinary	100%		Trading
Paragon Editique SAS	France	Ordinary	100%		Trading
Paragon Direct Marketing SAS	France	Ordinary	100%		Trading
Paragon Supply Services SAS	France	Ordinary	100%		Trading
Bretagne Routage SAS	France	Ordinary	100%		Trading
Taylor Data Mailing Logistique SRL	Belgium	Ordinary	100%		Trading
Cloud Factory Business Services SAS	France	Ordinary	100%		Trading
D'Haussy Solutions International SAS	France	Ordinary	100%		Dormant
Paragon Customer Communications Romania SRL	Romania	Ordinary	100%		Trading
PCC International France SAS	France	Ordinary	100%		Trading
PCC International Germany GmbH	Germany	Ordinary	100%		Trading
Paragon Customer Communications Spain S.L.	Spain	Ordinary	100%		Trading
Paragon Customer Communications Italy s.r.l.	Italy	Ordinary	100%		Trading

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Footnote	Nature of business
Indirect subsidiaries (continued)					
Paragon Customer Communications Weingarten GmbH	Germany	Ordinary	100%		Merged into Paragon Germany GmbH
Paragon Services Poland SP z.o.o.	Poland	Ordinary	100%		Trading
Paragon Realty Czech s.r.o.	Czech	Ordinary	100%		Dormant
Paragon Customer Communications Netherlands BV	Netherlands	Ordinary	100%		Trading
Paragon Customer Communications Belgium NV	Belgium	Ordinary	100%		Trading
Paragon Communicatie Services BV	Netherlands	Ordinary	100%		Trading
MINC Groupe BV	Netherlands	Ordinary	100%		Holding Company
MINC Fulfilment BV	Netherlands	Ordinary	100%		Trading
MINC E-Commerce BV	Netherlands	Ordinary	100%		Trading
MINC Direct Marketing BV	Netherlands	Ordinary	100%		Trading
Print Trade Suppliers Limited	England	Ordinary	100%		Trading
PCC Realty (UK) Limited	England	Ordinary	100%		Trading
Lateral Holdings Limited	England	Ordinary	100%		Dormant
Lateral Group Limited	England	Ordinary	100%		Dormant
Paragon Customer Communications (London) Limited	England	Ordinary	100%		Trading
DG3 Group (Holdings) Limited	England	Ordinary	100%		Dormant
With Reason Limited	England	Ordinary	100%		Dormant
The Lettershop Limited	England	Ordinary	100%		Trading
Paragon Peterborough Limited	England	Ordinary	100%		Dormant
Paragon Workplace Solutions Hong Kong Limited	Hong Kong	Ordinary	100%		Trading
Paragon Workplace Solutions LLC	USA	Ordinary	100%		Dormant
Paragon Customer Communications (Luxembourg) SA	Luxembourg	Ordinary	100%		Trading
Psona Ltd	England	Ordinary	100%		Dormant
Psona 12 Ltd	England	Ordinary	100%		Dormant
Editions Publishing Ltd	Scotland	Ordinary	100%		Dormant
Communis Inc	USA	Ordinary	100%		Holding Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Footnote	Nature of business
Indirect subsidiaries (continued)					
Editions Financial Inc	USA	Ordinary	100%		Trading
ZenOffice Limited	England	Ordinary	100%		Dormant from 01/07/24
Despark Bulgaria EAD	Bulgaria	Ordinary	100%		Trading
Paperhat India Pvt Limited	India	Ordinary	99%		In liquidation
TDM Log France SAS	France	Ordinary	100%		Dormant
Celerity IS Inc.	USA	Ordinary	100%		Trading
Paragon Customer Communications International Limited	England	Ordinary	100%		Dormant
Critical Mail Continuity Services Limited	England	Ordinary	100%		Trading
PCC GDS Limited	England	Ordinary	100%		Trading
Paragon Customer Communications Ireland Limited	Ireland	Ordinary	100%		Trading
Devonshire Appointments Ltd	England	Ordinary	100%		Trading
Devonshire Luxembourg S.à.r.l.	Luxembourg	Ordinary	100%		Trading
Paragon Transaction (UK) Limited	England	Ordinary	100%		Dormant
Communis Belgie NV	Belgium	Ordinary	100%		Trading
Communis Ceska Republika SRO	Czech Republic	Ordinary	100%		Trading
Communis France SARL	France	Ordinary	100%		Trading
Communis Deutschland GmbH	Germany	Ordinary	100%		Trading
Communis Hellas Marketing Services EPE	Greece	Ordinary	100%		Trading
Communis Marketing Services Hong Kong Ltd	Hong Kong	Ordinary	100%		Trading
Communis Magyorszag Kft	Hungary	Ordinary	100%		Trading
Communis Italia SRL	Italy	Ordinary	100%		Trading
Communis Nederland BV	Netherlands	Ordinary	100%		Trading
Communis Poland Sp z.o.o.	Poland	Ordinary	100%		Trading
Communis Portugal LDA	Portugal	Ordinary	100%		Trading
Communis Romania SRL	Romania	Ordinary	100%		Trading
Communis Marketing Services DOO Belgrad	Serbia	Ordinary	100%		Trading

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Footnote	Nature of business
Indirect subsidiaries (continued)					
Communis Slovakia SRO	Slovakia	Ordinary	100%		Trading
Communis Spain SL	Spain	Ordinary	100%		Trading
Communis Sverige AB	Sweden	Ordinary	100%		Trading
Communis Suisse Sarl	Switzerland	Ordinary	100%		In liquidation
Communis Turkey OHTP Limited	Turkey	Ordinary	100%		Trading
Communis Marketing Services LLC	United Arab Emirates	Ordinary	100%		Trading
Communis PS Ltd	England	Ordinary	100%		Trading
Communis Ukraine LLC	Ukraine	Ordinary	100%		Trading
Communis Adria LLC	Croatia	Ordinary	100%		Trading
PS Newco 1 Limited	England	Ordinary	100%		Holding Company
Communis Europe Limited	England	Ordinary	100%		Holding Company
Communis International Limited	England	Ordinary	100%		Holding Company
Vox Group Limited	England	Ordinary	100%		Holding Company
Vox Supply Partners Limited	England	Ordinary	100%		Trading
Vox SP Inc.	USA	Ordinary	100%		Trading
Vox Europe B.V.	Netherlands	Ordinary	100%		Trading
Vox DT Marketing Co. Ltd	Turkey	Ordinary	100%		Trading
Vox Supply Group Trading (Suzhou) Co., Ltd	China	Ordinary	100%		Trading
VOX Digital Partners Limited	England	Ordinary	100%		Dormant
Raudo Digital Limited	England	Ordinary	100%	(2)	Dissolved
Service Graphics Limited	England	Ordinary	100%	(1)	Trading
SG Print Dublin Limited	Ireland	Ordinary	100%	(1)	Trading
OTGI Limited	Ireland	Ordinary	100%	(1)	Trading
Document Channel SAS	France	Ordinary	100%	(1)	Trading
Paragon South Asia Services Private Limited	India	Ordinary	100%		Trading
V8TE SAS	France	Ordinary	100%	(1)	Trading

(1) Acquired in 2025
(2) Dissolved in 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Registered address
Paragon Holdings Netherlands BV	Maria Montessorilaan 25, 2719DB Zoetemeer, The Netherlands
Paragon Germany GmbH	Gutenbergstraße 3-5, 92421 Schwandorf, Germany
Paragon Poland Sp z o.o.	ul. Christo Botewa 4B, 30-798 Kraków, Poland
MeillerGHP AB	Förradsvägen 10, 14146 Huddinge, Sweden
Paragon Customer Communications Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Stat Company Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon Global Brands Holdings Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon France SAS	1 Rue de 1er Mai, 92000 Nanterre, France
Paragon Transaction SAS	32 Rue de Rivières Saint-Agnan, 58200 Cosne-Cosne-sur-Loire, France
Paragon Business Process Services SAS	274 Boulevard de Clémenceau, 59700 Marcq-en-Baroeul, France
Paragon Editique SAS	2 Rue de l'Erigny, 41000 Blois, France
Paragon Direct Marketing SAS	Zone Industrielle de la Vignette, rue d l'Avenir, 59126 Linselles, France
Paragon Supply Services SAS	Parc d'Activités de la Galance, Rue des Entreprises, 62221 Noyelles-sous-Lens, France
Bretagne Routage SAS	Avenue de l'Hippodrome Maure-de-Bretagne, 35330 Val d'Anast, France
Taylor Data Mailing Logistique	Chaussee de Lille 422B, 7501 Tournai, Belgium
Cloud Factory Business Services SAS	2 Rue D'Amsterdam, 91250 Tigery, France
D'Hausy Solutions International SAS	2 Rue de la Gravière, 67720 Weyersheim, France
Paragon Customer Communications Romania SRL	49-51A Drumul Garii Otopeni, 075100 Otopeni, Ilfov, Romania
PCC International France SAS	40 rue du Colisée, 75008 Paris, France
PCC International Germany GmbH	Mühlenstraße 57, 41352 Korschenbroich, Germany
Paragon Customer Communications Spain S.L.	Paseo de la Castellana 18, Madrid 28046, Spain
Paragon Customer Communications Italy s.r.l.	Via Privata delle Stelline 1, Milan, Italy
Paragon Customer Communications Czech Republik AS	Dr. Pavla Klementa 1082, 330 23 Nyrany, Česká Republika
Paragon Services Poland SP z.o.o.	ul. Bitwy Warszawskiej 1920 nr 7B, 02-366 Warsaw, Poland
Paragon Realty Czech s.r.o.	Dr. Pavla Klementa 1082, 330 23 Nyrany, Česká Republika
Paragon Customer Communications Netherlands BV	Maria Montessorilaan 25, 2719DB Zoetemeer, The Netherlands
Paragon Customer Communications Belgium NV	Dellestraat 35 bus 2, 3552 Heusden-Zolder, Belgium
Paragon Communicatie Services BV	Braillestraat 6, 2652XV Berkel en Rodrijs, The Netherlands
MINC Groupe BV	Rendementsweg 6, 3641SK Mijdrecht, The Netherlands
MINC Fulfilment BV	Oude Berghuizerweg 30, 7336AW Apeldoorn, The Netherlands
MINC E-Commerce BV	Rendementsweg 6, 3641SK Mijdrecht, The Netherlands
MINC Direct Marketing BV	Rendementsweg 6, 3641SK Mijdrecht, The Netherlands
Print Trade Suppliers Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
PCC Realty (UK) Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Lateral Holdings Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Lateral Group Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon Customer Communications (London) Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
DG3 Group (Holdings) Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Registered address
With Reason Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
The Lettershop Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon Peterborough Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon Workplace Solutions Hong Kong Limited	16th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong
Paragon Workplace Solutions LLC	251 Little Falls Drive, Wilmington, New Castle County, Delaware 19801, USA
Paragon Customer Communications (Luxembourg) SA	7 rue de Chaux, 5324 Contern, Luxembourg
Psona Ltd	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Psona 12 Ltd	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Editions Publishing Ltd	City Link Central, 145 Helen Street, Glasgow G51 3HD, United Kingdom
Communis Inc	Corporation Trust Center, 1209 Orange Street, Wilmington, 19801 Delaware, USA
Editions Financial Inc	79 Madison Avenue, New York, NY 10016, USA
Zen Office Limited	Unit1, Alexandria Court, Alexandria Drive, Ashton-under-Lyne OL7 0QN, United Kingdom
Despark Bulgaria EAD	9 Knyaz Aleksander Dondukov Korsakov Blvd, Fl. 4, Sofia 1000, Bulgaria
Paperhat India Pvt Limited	Level LG 02&03, Wing B, Art Guild House Phoenix Market City, LBS Marg Kurla (W) BKC Annexe, Mumbai, MH 400070 India
Celerity IS Inc.	84 State Street, Boston, MA 02109 USA
Paragon Customer Communications International Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Critical Mail Continuity Services Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
PCC GDS Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Paragon Customer Communications Ireland Limited	4060 Kingswood Road, Citywest Business Campus, Dublin D24, Ireland
Devonshire Appointments Ltd	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Devonshire Luxembourg S.à.r.l.	44 rue de l'Industrie, 8069 Strassen, Luxembourg
Paragon Transaction (UK) Limited	B1 Vantage Park, Old Gloucester Road, Hambrook, Bristol BS16 1GW, United Kingdom
Communis Belgie NV	Pegasus Park, De Kleetlaan 12A, 1831 Diagem, Belgium
Communis Ceska Republika SRO	Pobrezni 394/12, Karlin, 18600 Prague 8, Czech Republik
Communis France SARL	53 rue Boissiere, 75116 Paris, France
Communis Deutschland GmbH	Am Kronberger Hang 8, 65824 Schwalbach am Taunus, Germany
Communis Hellas Marketing Services EPE	1 Patroklou Str., P.C. 15125, Maroussi, Attica, Greece
Communis Marketing Services Hong Kong Ltd	37/F, One Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Communis Magyarorszag Kft	BalanceHall Ep4. m, Vaci-Ut 99 105, 1139 Budapest, Hungary
Communis Italia SRL	Via Alesandro Manzoni 38, CAP 20121 Milan, Italy
Communis Nederland BV	Sir Winston Churchillaan 299a, Monfor Offices 4th Floor, 2288DC, Rijswijk, The Netherlands
Communis Poland Sp z.o.o.	U. Inflancka 4, Warsaw 00-189, Poland
Communis Portugal LDA	Avenida do Brasil, n 15, 1°, Parish of Alvalade, 1749-112, Lisbon, Portugal
Communis Romania SRL	169A Calea Floreasca, Building A 4th Floor, Office 2081, District 1 Bucharest, Romania
Communis Marketing Services DOO Belgrad	Bulevar Mihajla Pupina 10B/1 Sprat 2, 11070 Belgrade, Serbia

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Registered address
Communis Slovakia SRO	Hodžovo nám. 1/A, 811 06 Bratislava, Municipal District of Staré mesto, Slovak Republic
Communis Spain SL	Calle Alcalá 58, Piso 1 Izquierda, 28014 Madrid, Spain
Communis Sverige AB	Birger Jarlsgatan 57B, 113 56 Stockholm, Sweden
Communis Suisse Sarl	11 Chemin du Faubourg-de-Cruseilles, 1227 Carouge, Switzerland
Communis Turkey OHTP Limited	Küçükbakkalköy Mah.Defne Sk. Flora Residence No:1/365 Ataşehir, Istanbul, Turkey
Communis Marketing Services LLC	The One Tower, Level 24 Office 4, Sheikh Zayed Road, Dubai, UAE
Communis PS Ltd	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Communis Ukraine LLC	M. Solovtsova Street, Building 2/Office 38, Pecherskyi District, Kyiv, Ukraine
Communis Adria LLC	Ulica Charlesa Darwina 4B, 10000 Zagreb, Croatia
PS Newco 1 Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Communis Europe Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Communis International Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Vox Group Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Vox Supply Partners Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Vox SP Inc.	Suite B121, 6323 North Avondale Avenue, Chicago, Illinois 60613, USA
Vox Europe B.V.	Sir Winston Churchillaan 299c, 2288DC, Rijswijk, The Netherlands
Vox DT Marketing Co. Ltd	Icerenkov Mah. Umut Sk., Quick Tower Sitesi No: 10-12, Kapi No:70 Ataşehir, Istanbul, Turkey
Vox Supply Group Trading (Suzhou) Co., Ltd	Unit 19, Room 3001, Building 1, 88 Huachi Street, SIP Suzhou, China
VOX Digital Partners Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Service Graphics Limited	1 Onslow Street, London EC1N 8AS, United Kingdom
SG Print Ireland Limited	Paragon Suite, IMI, Sandyford Road, Dublin 16, Ireland D16 X8C3
OTGi Limited	Paragon Suite, IMI, Sandyford Road, Dublin 16, Ireland D16 X8C3
Paragon Print BV	Loswal 38, 9206AH Drachten, The Netherlands
Document Channel SAS	21-23 rue de Vienne, 75008 Paris, France
Paragon South Asia Services Private Limited	No. 5-1815, Sadashiv Peth, Pune City, Pune- 411030, Maharashtra, India
V8TE SAS	5 allée de Tourny, 33000 Bordeaux, France

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

39. INVESTMENT IN SUBSIDIARIES (continued)

For the year ended 30 June 2025 the following subsidiaries of the company were entitled to exemption by parental guarantee from audit under section 479A of the Companies Act relating to subsidiary companies.

Subsidiary name	Company registration number
Paragon Transaction (U.K.) Limited	05258186
Lateral Holdings (UK) Limited	07656788
Lateral Group Limited	06498963
Devonshire Appointments Limited	02145418
Print Trade Suppliers Limited	08618197
PCC GDS Limited	05424810
The Lettershop Limited	00165672
DG3 Group (Holdings) Limited	04881124
PCC Realty (UK) Ltd	11895779
Critical Mail Continuity Services Ltd	03369486
Editions Publishing Limited	SC198718
Psona Limited	02036968
Psona 12 Limited	04536661
Paragon Customer Communications International Limited	06711794
ZenOffice Limited	01189115
Stat Company Limited	03869784
With Reason Limited	08029899
Vox Group Limited	06664025
Vox Supply Partners Limited	02955280
Communis PS Limited	13606790
Communis International Limited	09069329
Service Graphics Limited	00551336
Paragon Global Brands Holdings Limited	13802998
PS Newco 1 Limited	13802991
Communis Europe Limited	00249473

The registered address for the above subsidiaries except for the ones listed below is:
Lower Ground Floor, Park House, 16-18 Finsbury Circus, London, England, EC2M 7EB.

Paragon Transaction (U.K.) Limited: B1 Vantage Park Old Gloucester Road, Hambrook, Bristol, United Kingdom, BS16 1GW.

Editions Publishing Limited: City Link Central, 145 Helen Street, Glasgow G51 3HD

With Reason Limited: Fifth Floor, 85 Great Eastern Street, London, England, EC2A 3HY

Service Graphics Limited: 1 Onslow Street, London EC1N 8AS

The financial statements of the above entities can be obtained from the company's registered office:

Lower Ground Floor, Park House, 16/18 Finsbury Circus, London EC2M 7EB

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

40. INVESTMENTS IN JOINT VENTURES

Name of company	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Joint ventures				
DSI Billing Services Limited	England	Ordinary	50%	Trading



Parent Company Financial Statements

For the Year ended
30 June 2025

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PARENT COMPANY STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2025

	Notes	2025 €000	2024 €000
Assets			
Non-current assets			
Intangible assets	4	2,458	1,326
Deferred tax assets	5	4,388	4,388
Investments in subsidiaries	6	464,661	449,364
Loan receivable from group undertaking	7	-	62,939
		471,507	518,017
Current assets			
Trade and other receivables	8	22,617	11,242
Loan receivable from group undertakings	7	139,526	76,821
Loan receivable from corporate group undertakings	14	19,483	17,246
Cash and cash equivalents	9	18,827	21,448
		200,453	126,757
Total assets		671,960	644,774
Liabilities			
Current liabilities			
Trade and other payables	10	20,193	10,503
Borrowings from group undertakings	7	26,552	6,727
Loan and borrowings	11	92,616	97,716
		139,361	114,946
Non-current liabilities			
Loan and borrowings	11	334,607	307,860
		334,607	307,860
Total liabilities		473,968	422,806
Net assets		197,992	221,968
Equity			
Share capital	12	240,407	240,407
Capital reserve	13	142	142
Cumulative translation reserve	13	(3)	(3)
Retained earnings	13	(42,554)	(18,578)
Total equity		197,992	221,968

In accordance with Section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own income statement and statement of comprehensive income. The company's loss for the year was €24.0m (2024: €18.3m).

The notes on pages 225 to 233 from part of these financial statements.

These financial statements were approved by the Board of Directors of PCC Global plc (registered number 03526640) on 1 October 2025 and signed on its behalf by:

Jeremy Walters
Director

Martin Edstrom
Director

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Share capital €000	Capital reserve €000	Cumulation translation reserve €000	Retained earnings €000	Total equity €000
Balance as at 1 July 2024	240,407	142	(3)	(18,578)	221,968
Loss for the year	-	-	-	(23,976)	(23,976)
Other comprehensive income for the year	-	-	-	-	-
Balance as at 30 June 2025	240,407	142	(3)	(42,554)	197,992

For the year ended 30 June 2024

	Share capital €000	Capital reserve €000	Cumulation translation reserve €000	Retained earnings €000	Total equity €000
Balance as at 1 July 2023	240,407	142	(3)	(286)	240,260
Loss for the year	-	-	-	(18,292)	(18,292)
Other comprehensive income for the year	-	-	-	-	-
Balance as at 30 June 2024	240,407	142	(3)	(18,578)	221,968

The notes on pages 225 to 233 form part of these financial statements.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. ACCOUNTING POLICIES

BASIS OF PREPARATION

PCC Global plc ("the company") is a public company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006. The registered address of the company is shown on page 215.

The Financial Statements are presented in euros (€EUR), rounded to the nearest thousand, unless otherwise stated. These Financial Statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and with the requirements of the Companies Act 2006 as applicable to companies reporting under this standard.

The audit fee for the parent company is €5k and is payable to Deloitte Ireland LLP the statutory auditor.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 'Reduced Disclosure Framework':

- The requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- The requirement in paragraph 38 of IAS 1 Presentation of Financial statements to present comparative information for paragraph 79(a)(iv) of IAS 1;
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- The requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- The requirements of IAS 7 Statement of Cash Flows;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- The requirements of paragraphs;
- 118(e) of IAS 38 Intangible Assets; and
- The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets Financial instruments and capital disclosures.

The material accounting policies adopted by the company have been consistently applied and are set out below.

GOING CONCERN

These financial statements have been prepared on a going concern basis. As at 30 June 2025, the company was in a net current asset

position of €61.1m (2024: €11.8m net current asset position). After due consideration, the directors consider that the company has adequate resources to meet its liabilities as they fall due and remain in operation for the going concern assessment period. Despite the net current liability position, Directors and management are currently working on a refinancing programme. This will increase the liquidity of the business going forward.

The bond that is due for repayment on the 6th April 2026 will be cleared by this refinancing programme. The negotiations are currently ongoing, however the directors and management are confident in completing it. The directors have confidence that if required, the group could repay the bond out of current liquidity availability.

Accordingly, the Board is satisfied that it is appropriate to adopt the going concern basis of accounting in preparing these parent company Financial Statements.

INTANGIBLE ASSETS – SOFTWARE

Computer software that is not integral to an item of property, plant or equipment is classified as an intangible asset and is held on the Statement of Financial Position at cost less amortisation and impairment, if any. These assets are amortised on a straight-line basis over their estimated useful lives, which is generally three to five years.

INVESTMENTS

Investments are stated at cost less accumulated allowance for impairment if any. The carrying values of current/non-current assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Assessment for impairment involves comparing the book value of an asset with its recoverable amount (being the higher of value in use and fair value less costs to sell).

An investment is derecognised on disposal or when no future economic benefits are expected to arise. Any gain or loss arising on the derecognition of the investment is included in the income statement in the period of derecognition.

IMPAIRMENT OF FINANCIAL ASSETS

The company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimate.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value and subsequently stated at amortised cost.

TRADE RECEIVABLE

Trade receivables do not carry any interest and are initially measured at the transaction price and subsequently held at amortised cost.

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

1. ACCOUNTING POLICIES (continued)

IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

• CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits.

• TRADE CREDITORS

Trade creditors are initially recognised at fair value, which is usually the original invoice amount and are subsequently held at amortised cost.

LOANS AND BORROWINGS

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Income Statement.

TAX

The tax expense in the Income Statement comprises current tax and deferred tax.

Current tax is the expected tax payable on the taxable profit for the period. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income and expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the Statement of Financial Position date.

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

Deferred tax is calculated on an undiscounted basis.

FOREIGN CURRENCIES

Transactions in foreign currencies other than Euros are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated into Euros at the exchange rate ruling at that date.

Foreign currency differences arising on translation or settlement of monetary items are recognised in the Income Statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and not retranslated each period end.

The company financial statements are prepared in Euros as the majority of the company's transactions are denominated in Euros.

REVENUE RECOGNITION

Revenue is comprised of management fee income resulting from the recharge of expenses to entities across the PCC Global plc group. Revenue is recognised when the service is provided, which for recharges, means recognising the income at the same time the associated costs are incurred.

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

In the application of the company's accounting policies, which are described in Note 3 in the consolidated financial statements, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and the estimates and underlying assumptions are reviewed on an ongoing basis.

INVESTMENTS IN SUBSIDIARIES

Investments are stated at cost less provision for diminution in value. The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Assessment for impairment involves comparing the book value of an asset with its recoverable amount (being the higher of value in use and fair value less costs to sell).

An investment is derecognised upon disposal or when no future economic benefits are expected to arise. Any gain or loss arising on the derecognition of the investment is included in the income statement in the period of derecognition.

INTERCOMPANY BALANCES

The directors have reviewed the recoverability of the intercompany balances and no expected credit losses have been assessed in relation to these balances.

FORECASTS AND DISCOUNT RATES

The carrying values of investments on the Statement of Financial Position are dependent on estimates of future cash flows arising from group operations which, in some circumstances, are discounted to arrive at a net present value.

Value in use is determined with reference to projected future cash flows discounted at an appropriate rate. Both the cash flows and the discount rate involve a significant degree of estimation uncertainty.

DEFERRED TAX ASSETS

The realisation of deferred tax assets is dependent on the generation of sufficient future taxable profits. The Group recognises deferred tax assets to the extent that it is probable that sufficient taxable profits will be available in the future. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

3. STAFF COSTS

Staff costs presented in this note reflect the total wage, social security charges and pension relating to employees of the company.

Average monthly number of employees (including Executive Directors):

	2025 No. of employees	2024 No. of employees
Management and administration	14	12
	14	12

Employee benefits expense:

	2025 €000	2024 €000
Wages and salaries	3,283	2,956
Social security costs	419	306
Other pension costs	145	46
	3,847	3,308

Information on the emoluments of the directors who served during the year is included in note 5 on page 162.

4. INTANGIBLE ASSETS

Software	2025 €000	2024 €000
Opening carrying value 1 July	1,326	1,456
Additions	1,865	681
Amortisation	(733)	(811)
Net carrying value at 30 June	2,458	1,326
At 30 June		
Cost	4,987	3,122
Accumulated amortisation	(2,529)	(1,796)
Net carrying value	2,458	1,326

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

5. DEFERRED TAX ASSET

The individual movement in the deferred tax assets is as follows:

	2025 €000	2024 €000
Assets at the beginning of year	4,388	4,442
Charge to the Income Statement	-	(54)
Assets at the end of year	4,388	4,388

	Property, plant & equipment €000	Losses and other deductions €000	Total €000
Balance at 30 June 2023	525	3,917	4,442
Charge to the Income Statement	(54)	-	(54)
Balance at 30 June 2024	471	3,917	4,388
(Charge)/credit to the Income Statement	(225)	225	-
Balance at 30 June 2025	246	4,142	4,388

The company has continued to recognise a deferred tax asset on unutilised losses carried forward. This is on the basis that it is probable that future taxable profit will be available against which the unutilised tax losses and credits can be set against by way of group relief. This is supported by the latest group profit and cash flow forecasts approved by the Board, which show improved trading performance. Other temporary differences related to interest expenses.

6. INVESTMENT IN SUBSIDIARIES

Details of the investments in subsidiaries in which the company holds nominal value of any class of share capital are disclosed in note 39 of the consolidated financial statements.

The movement of the investment in subsidiaries are disclosed in the below:

	2025 €000	2024 €000
At 1 July	449,364	419,441
Additions	26,794	-
Acquisitions	-	36,050
Impairment	(11,497)	(6,206)
Exchange movements	-	79
At 30 June	464,661	449,364

During the year, the company carried out an impairment review to assess the recoverable amount of its investments. The review led to the recognition of impairment loss of €11.5m (2024: €6.2m) for the investment in DACH & CEE.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

During the current financial year, PCC Global plc made a capital contribution to the following subsidiaries:

- Paragon Customer Communications Czech Republik AS – the capital contribution comprised €9,154,000 intercompany loan assignment agreements.
- Paragon Germany GmbH – the capital contribution comprised €17,640,000 intercompany loan assignment agreements.

For the year ended 30 June 2025, the following subsidiaries of PCC Global plc were entitled to exemption by parental guarantee from audit under section 479A of the UK Companies Act. Further details can be found in note 39 in the consolidated financial statements.

Subsidiary name	Company registration number
Paragon Transaction (U.K.) Limited	05258186
Lateral Holdings (UK) Limited	07656788
Lateral Group Limited	06498963
Devonshire Appointments Limited	02145418
Print Trade Suppliers Limited	08618197
PCC GDS Limited	05424810
The Lettershop Limited	00165672
DG3 Group (Holdings) Limited	04881124
PCC Realty (UK) Ltd	11895779
Critical Mail Continuity Services Ltd	03369486
Editions Publishing Limited	SC198718
Psona Limited	02036968
Psona 12 Limited	04536661
Paragon Customer Communications International Limited	06711794
Zen Office Limited	01189115
Stat Company Limited	03869784
With Reason Limited	08029899
Vox Group Limited	06664025
Vox Supply Partners Limited	02955280
Communis PS Limited	13606790
Communis International Limited	09069329
Service Graphics Limited	00551336
Paragon Global Brands Holdings Limited	13802998
PS Newco 1 Limited	13802991
Communis Europe Limited	00249473

Information regarding the registered office for the subsidiaries listed above can be found in the Consolidated Financial Statements in note 39 on page 215.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

7. LOAN RECEIVABLE AND BORROWING FROM GROUP UNDERTAKINGS

Amounts falling due to and from group undertakings within one year:

	2025 €000	2024 €000
Loan receivable from group undertakings	139,526	76,821
	139,526	76,821

	2025 €000	2024 €000
Borrowings from group undertakings	26,552	6,727
	26,552	6,727

Loan receivable from group undertakings are unsecured, interest bearing, have no fixed date of payment and are repayable on demand. Interest rate is charged between 6.13% and 7.17% (2024: 4.50% and 7.18%).

Borrowings from group undertakings are unsecured, interest bearing, have no fixed date of payment and are repayable on demand. Interest rate is charged between 6.13% and 7.18% (2024: 5.19% and 6.92%).

IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

Amounts falling from group undertakings in more than one year:

	2025 €000	2024 €000
Loan receivable from group undertakings	-	62,939
	-	62,939

Loan receivable from group undertakings comprise intercompany loans with companies within the group. IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

Loan receivable from group undertakings and related parties are measured at fair value.

Loan receivable from group undertakings are repayable on demand, interest rate is charged between 6.13% and 7.17% (2024: 6.92% and 7.17%).

8. TRADE AND OTHER RECEIVABLES

	2025 €000	2024 €000
Amounts due from group undertakings	22,495	10,949
Prepayments and accrued income	122	293
	22,617	11,242

Amount due from group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. IFRS9 credit losses have been assessed as immaterial in relation to these balances.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

9. CASH AND CASH EQUIVALENTS

	2025 €000	2024 €000
Cash and cash equivalents	18,827	21,448

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits.

10. TRADE AND OTHER PAYABLES

Amounts falling due within one year

	2025 €000	2024 €000
Trade creditors	1,585	52
Amounts due to group undertakings	1,104	320
Amounts due to corporate group undertakings (note 14)	4,324	832
Amounts due to other corporate group undertakings	61	-
Accruals	13,119	9,299
	20,193	10,503

11. LOANS AND BORROWINGS

The following table summarises the debt financing of the company, and changes during the year:

	2025 €000	2024 €000
Term loans	37,500	47,500
Revolving credit facilities	130,000	93,000
Bonds	264,000	269,000
Unamortised debt issue costs	(4,277)	(3,924)
	427,223	405,576

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

11. LOANS AND BORROWINGS (continued)

The borrowings are repayable as follows:

	2025 €000	2024 €000
Within one year	92,616	97,716
Between two and five years	334,607	307,860
Beyond five years	-	-
	427,223	405,576

Bonds

On 30 July 2021 the bond notes originally held by Grenadier Holdings Plc (a related party outside of the PCC Global plc group) were transferred to the group. The following are the dates on which these were issued.

- On 16 December 2016, the group raised €52m on loan notes that were admitted to trading on the Luxembourg MTF market. There are 520 bond notes with a face value of €100,000 each. The bond notes were repaid on 11 October 2023.
- On 7 April 2018, the group raised €89m on bond notes that were admitted to trading on the Luxembourg MTF market. There are 890 bond notes with a face value of €100,000 each. On 4 April 2025, €5m was repaid. The remaining €84m will be repaid in three instalments of €10m on 6 October 2025, €15m on 6 January 2026, and the remaining €59m on 6 April 2026..
- On 30 July 2021, the group raised €139m of bond notes that were admitted to trading on the Luxembourg MTF market. There are 1,390 bond notes with a face value of €100,000 each. The repayment date is 30 July 2028.
- On 20 December 2021, the group raised €41m of bond notes that were admitted to trading on the Luxembourg MTF market. There are 410 bond notes with a face value of €100,000 each. The repayment date is 30 July 2028.

The bond notes bear a fixed interest rate between 4% and 5% per annum subject to a margin grid. This instrument meets the definition of floating charge under IFRS9. The bond notes are secured on investments of the company. The issuance costs have been capitalised and are being amortised to net finance costs over the life of the bond notes. The bond notes have a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the holders quarterly and covenants are tested twice a year through LTM tests.

Revolving credit facility

On 6 October 2023, the group entered a €130m revolving credit facility with a maturity on 30 July 2026 (extendable by 1+1 year). The whole revolving credit facility has been utilised as at 30 June 2025. The undrawn balance on the revolving credit facility as at 30 June 2024 was €93m.

The revolving credit facility bears interest at 3 months EURIBOR, plus a margin varying between 2.5% to 3.5% per annum dependent on total leverage. The revolving credit facility has a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the borrower quarterly and covenants are tested twice a year through LTM tests.

Term loan

On 11 September 2023 a term loan of €50m was extended to PCC Global plc by five global banks. The term loan bears interest at 3 months EURIBOR, plus a margin varying between 2.5% to 3.5% per annum dependent on total leverage. The term loan has a net debt to EBITDA, interest cover and leverage ratio covenants. Management information are provided to the borrower quarterly and covenants are tested twice a year through LTM tests.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

12. SHARE CAPITAL

Cash and cash equivalents	No.	2025 €000	No.	2024 €000
Allotted, called up and fully paid				
Ordinary shares of €1 each	240,407,210	240,407	240,407,210	240,407

The company has unlimited authorised share capital.

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

13. RESERVES

Retained earnings

This reserve records the cumulative amount of profits and losses less any dividend distributions made.

Cumulative translation reserve

The cumulative translation reserve includes amounts relating to foreign translation differences arising on the retranslation of reserves due to the group's presentation currency in Euro.

Capital reserve

Capital reserve relates to PCC Global plc redenomination of shares completed on 31 May 2019.

14. RELATED PARTY TRANSACTIONS

Corporate group undertakings

Transactions and year-end balances with corporate companies Grenadier Holdings Limited and Grenadier Holding Service Co Ltd, controlled by the ultimate parent company CFH Sarl Luxembourg, were:

	2025 €000	2024 €000
Corporate fees	(11,509)	(9,249)
Interest income	2,024	2,401
Loan receivable from corporate group undertakings	19,483	17,246
Amounts owed to corporate group undertakings	(4,324)	(832)

Amounts due from and due to corporate group undertakings are unsecured, interest bearing, have no fixed date of repayment and are repayable on demand. Interest rate is charged between 6.13% to 6.92% (2024: 6.92%). IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

As at reporting date, PCC Global plc is the largest parent undertaking of the group to consolidate these financial statements. PCC Global plc is a company incorporated in the United Kingdom and registered in England and Wales. The registered address is Park House, 16-18 Finsbury Park, London, EC2M 7EB. PCC Global is the largest and smallest group in which the company is consolidated.

The ultimate controlling party of PCC Global plc is Patrick James Crean, by virtue of his indirect shareholding.

15. EVENTS AFTER THE REPORTING DATE

On 30 Aug 2025, PCC Global plc acquired the full share capital of Computershare Communication Services GmbH, a company incorporated in Germany for consideration of €5.3m. No further information can be given as the initial accounting for this business combination is incomplete at the date these financial statements are authorised.



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