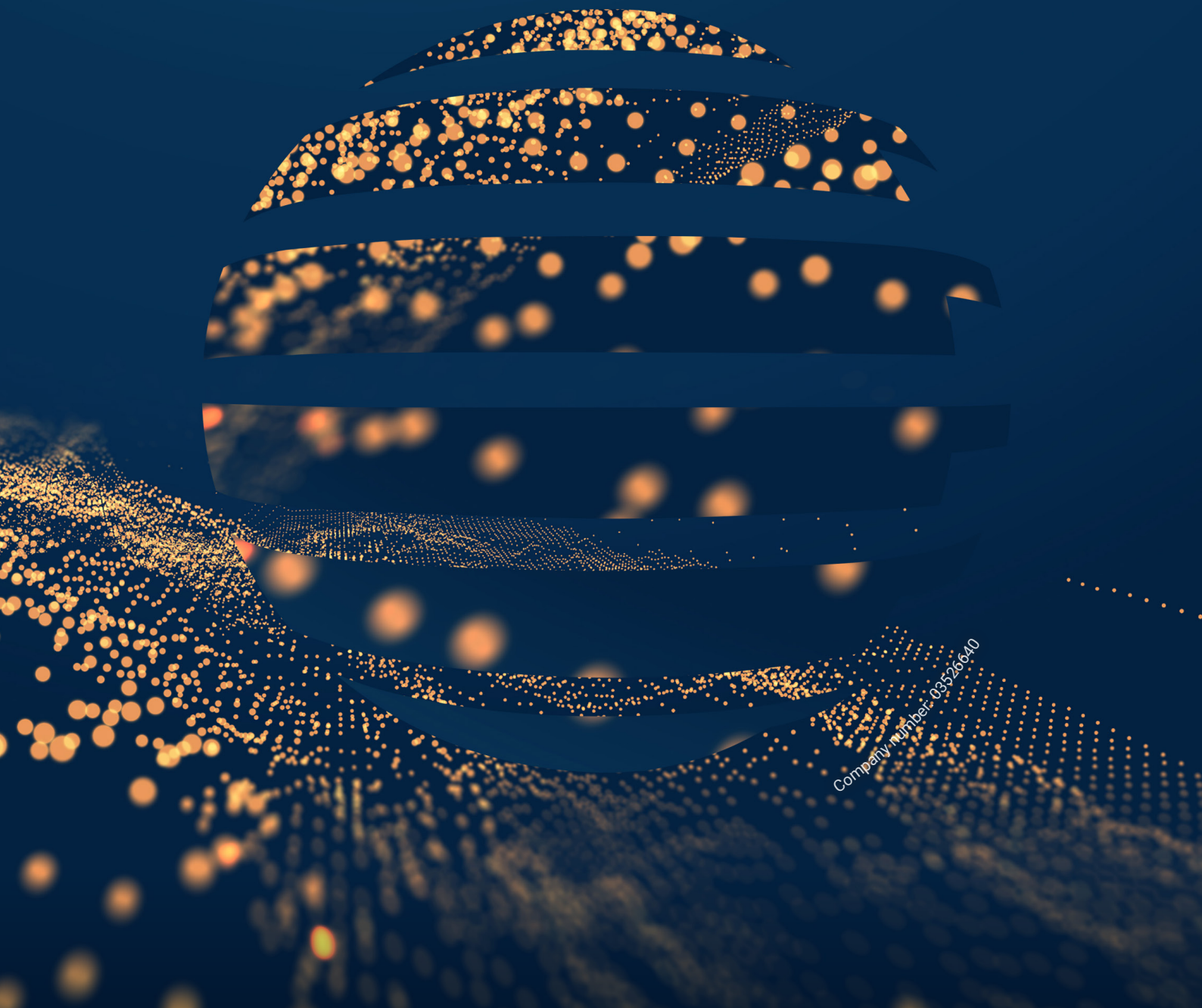
PARAGON



Company number: 03526640

ANNUAL REPORT

2026

Contents

1. Strategic Report 6

1.1 2026 Financial Highlights 6

1.2 Chair's Statement 8

1.3 Statement from our CEO 10

1.4 Financial Overview 14

1.5 Divisional Business Reviews 20

1.5.1 Outsourced Services 20

1.5.2 Brand Services 24

1.6 Non-financial and Sustainability Information Statement 28

1.6.1 Climate-Related Financial Disclosure (CFD) 41

1.6.2 SECR 52

1.7 Principal Risks and Uncertainties 60

1.8 Section 172 Statement 64

2. Directors' Report 70

2.1 Corporate Governance Statement 74

3. Auditors Report 78

3. Report on the audit of the financial statements 78

4. Financial Statements 90

4.1 Consolidated Income Statement 90

4.2 Consolidated Statement of Other Comprehensive Income 91

4.3 Consolidated Statement of Financial Position 92

4.4 Consolidated Statement of Changes in Equity 94

4.5 Parent Company Statement of Financial Position 95

4.6 Consolidated Statement of Cash Flow 96

4.7 Notes to the Consolidated Financial Statements 98

5. Parent Company Financial Statements 174

5.1 Parent Company Statement of Financial Position 174

5.2 Parent Company Statement of Changes in Equity 175

5.3 Notes to the Parent Company Financial Statements 176

1. STRATEGIC REPORT

2026 Financial Highlights

REVENUE
€1.12bn*
YoY Growth 1%*

OUTSOURCED SERVICES GROSS REVENUE
€768.0m***

BRAND SERVICES GROSS REVENUE
€523.6m***

UNDERLYING EBITDA**
€129.1m*
YoY Growth 6.2%*

BUSINESS ACQUISITIONS
3

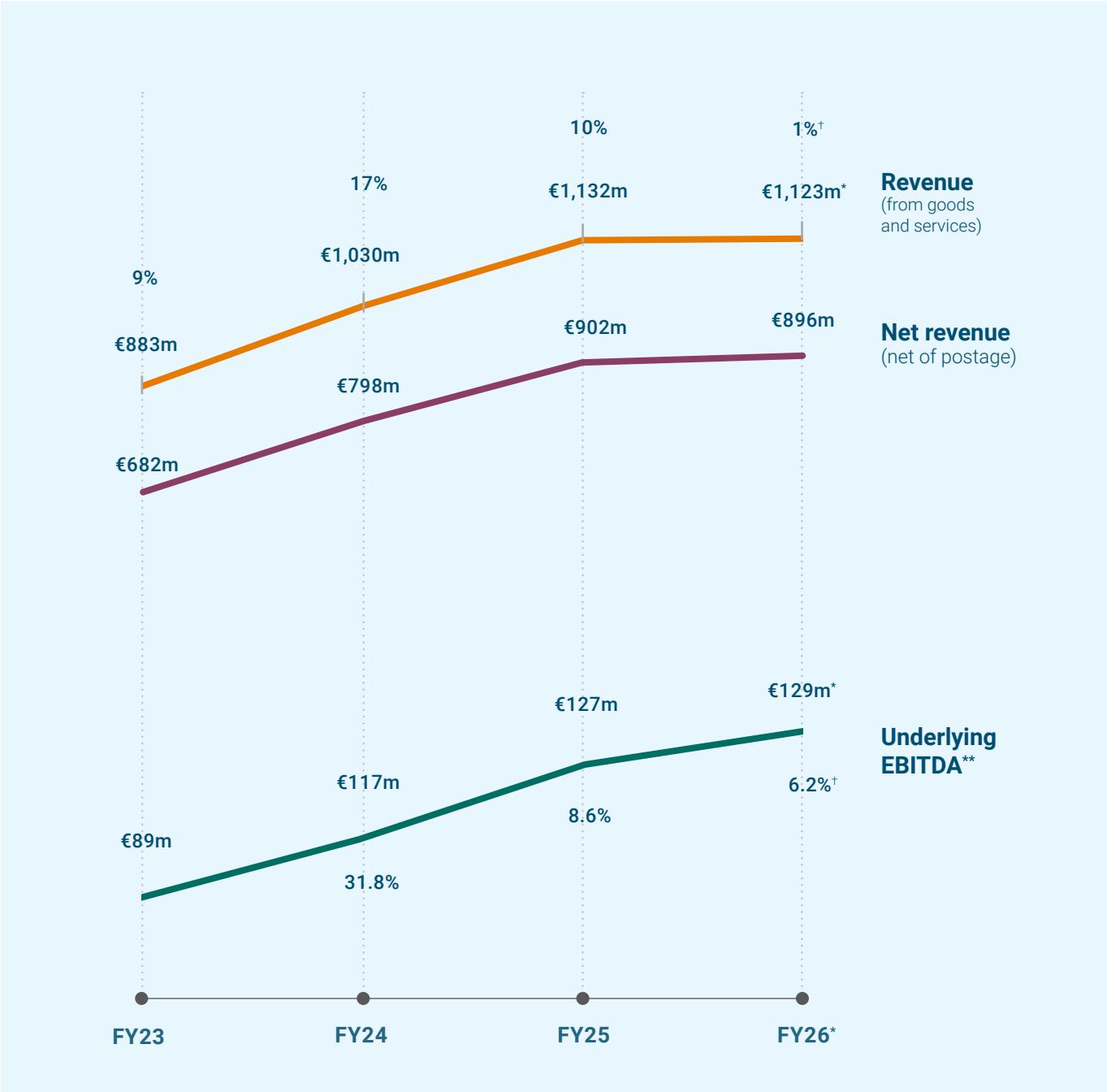
CASH ON HAND
€86.3m

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

* On a constant currency basis
** Underlying EBITDA is defined in Note 2 on page 108
*** Unadjusted for eliminations

Paragon delivers stable revenues and sustained UEBITDA growth



* Figures adjusted on a constant currency basis
** Underlying EBITDA is defined in Note 2 on page 108
† Annual growth rate on a constant currency basis

"These results are in line with our expectations and demonstrate the long-term resilience of the Group."

Chair's Statement

Introduction

I am pleased to introduce Paragon's Annual Report for the 2026 financial year which evidences the Group's ability to deliver stable revenues and strong underlying EBITDA[1] growth in a challenging global environment. These results are in line with our expectations and demonstrate the long-term resilience of the Group and the critical nature of the services we provide. Paragon's executive team continue to provide the leadership and strategic decision-making that is required to navigate today's challenging markets.

On behalf of the Board, I would like to thank our colleagues, whose commitment and professionalism have been central to the progress we have made this year. The transformation of our revenue mix towards higher margin services and disciplined cost control has delivered underlying EBITDA[1] growth of over 6% compared to last year (on a constant currency basis). This has had a significant impact on the Group's performance, resulting in more than 8% CAGR in EBITDA[2] over the last 4 years.

We remain focussed on growth by delivering for our clients and managing costs tightly. The trust our clients place in us, together with the continued commitment of our teams, gives me confidence in the Group's future prospects. This is reflected in a strong and growing pipeline, which positions us well for further organic growth in FY27.

Strategy

Last year we announced "Constellation", Paragon's refreshed strategy, and it continues to guide us as we focus on achieving our vision of becoming a world-leading business services company. The Group has delivered a period of strategic execution, including the sale of our legacy print and mail business and the creation of two distinct divisions: Brand Services and Outsourced Services. For Brand Services, this will enable sustained revenue growth and geographical expansion; for Outsourced Services, it will support the continued transformation of its revenue mix.

The refinancing we completed in November 2025 has placed the Group on a stronger financial footing. By extending our debt maturities and increasing available liquidity, it gives us the flexibility to pursue our growth plans with confidence. My thanks go to all those involved in its successful completion.

Our ESG strategy and objectives remain a key consideration of the Board and continue to be led by our dedicated Sustainability team, overseen operationally by our Audit and Risk Committee, ensuring the same rigour is applied to our sustainability performance as to any other area of strategic importance.

The Board remains committed to applying its governance framework rigorously, and to working closely with the executive leadership team to deliver our long-term strategy.

Performance

Paragon delivered a resilient performance in line with our expectations. Revenue was stable, while EBITDA grew by over 6% at constant currency, reflecting an improved business mix and a clear shift towards higher-margin services.

This performance reflects two distinct dynamics across our divisions. Brand Services continued to deliver strong revenue growth, while Outsourced Services made good progress in its commercial transformation towards higher-value activities. New business wins began to contribute to growth in the second half, giving us strong momentum as we enter the new financial year.

It is our underlying EBITDA performance that most clearly demonstrates the efficacy of our strategy. This improvement has been primarily led by Outsourced Services while the investment in growth in Brand Services has enabled a positive revenue trajectory.

Sustainability remains the lens through which we view the long-term success of our business and, as such, it is integrated into our core operating model. Profitability and responsibility continue to go hand in hand, and I take great pride in the progress made this year by the entire team in successfully achieving Paragon's financial and non-financial goals.

People

I am sincerely grateful to each of our more than 6,000 colleagues for their continued dedication and commitment through the period. The completion of Paragon's reorganisation, integration of several acquisitions and delivery of our largest ever refinancing during the year have asked a great deal of our teams, and I am proud of the professionalism with which they have approached it.

Effective governance and leadership remain central to Paragon's success, and I continue to see first-hand how our Board, executive team and divisional leaders are working together to bring clarity and direction to the business. The Board continues to play an active role in overseeing succession planning, leadership development, culture and well-being across the Group, ensuring our people are equipped to thrive as the business grows.

We enter FY27 with a strengthened financial position, a clear strategy and a strong pipeline of new business. I am confident that the Group is well placed to build on the progress made this year and to deliver sustainable growth in the years ahead.

Patrick Crean

Non-Executive Chairman | Paragon

[1] Underlying EBITDA is defined in Note 2 on page 108

[2] EBITDA is defined in Note 2 on page 107

"2026 has been a year of transition for Paragon as we continue to deliver on our strategic direction."

Statement from our CEO

Introduction

2026 has been a year of transition for Paragon as we continue to deliver on our strategic direction. We have laid firm foundations to position the Group on a sound footing for future growth as market and client demands evolve. This has involved the successful reorganisation of the Group into two distinct divisions - Brand Services and Outsourced Services - which has created structural clarity and promoted the specialisation and focus our clients and teams need to achieve long-term success.

Concurrently, we have completed the sale of our legacy print and mail business, optimised our resourcing, streamlined operations, and worked with our businesses to strengthen cost-management discipline. Our financial position has improved, and our liquidity and access to funding are strong, supported by the €585m refinancing completed in November 2025.

We continue to sign significant new clients across both divisions and have completed major client renewals this year, demonstrating the strength of our client offer and the entrenched nature of many of our client relationships. Our pipeline across both divisions is also as strong as it has ever been.

These robust foundations are reflected in our financial performance. On a constant-currency basis, Paragon has delivered stable revenue and strong underlying EBITDA growth in line with management's expectations, despite global economic headwinds and uncertainty. I am pleased to see strong organic revenue growth in our Brand Services division and impressive underlying EBITDA growth in our Outsourced Services division. I am also pleased to see net net revenues in the high-growth, high-potential Brand Services division approaching those of Outsourced Services, further demonstrating that the divisions' differentiated strategies are working. Our cost discipline is also evident in continued EBITDA growth.

I am very grateful to our clients for their continued support and trust in Paragon, which enables us to invest in our people, innovation, and the operational excellence needed to achieve our shared goals. I am also deeply grateful to our people; their commitment and drive are a competitive asset. I would like to thank the Board and my leadership team for their contributions throughout the year. Together, we have reinforced Paragon's strengths and continue to improve wherever we can.

Looking ahead, our task is clear: consolidate our market position in Outsourced Services and drive client growth in Brand Services. We have the talent, structures and relationships in place to achieve these objectives, and I am confident that, in the coming years, we will meet the expectations of all our stakeholders.

I am pleased to report continued external recognition of our progress this year. You can read more about this success in the Non-financial and Sustainability Information Statement on page 31.

At a headline level, our carbon reduction strategy has performed well, with Scope 3 carbon intensity falling by 13%, Scope 2 by 54% and Scope 1 by 42%, each measured against our 2021/22 baseline year.

We remain committed to our science-aligned carbon net zero targets and to strengthening governance, deepening accountability, and investing in programmes that not only reduce risk but also create long-term value for our business, our stakeholders, and the communities we serve.

Strategy

Paragon's vision remains the same: to become a world-leading business services company specialising in innovative services that deliver business growth, customer engagement, business transformation and efficiency for our clients. Our strategy aligns with this vision.

This year, we completed the structural phase of the strategy by establishing two distinct business services divisions - Brand Services and Outsourced Services - each now operating with its own dedicated strategy, leadership team and targets. Further clarity came from disaggregating our legacy print and mail business, enabling its sale to be completed. This is discussed in greater detail in the Financial Overview on page 14. These changes allow both divisions to focus fully on their strategies while retaining the benefits of inter-divisional trade and collaboration. The increased specialisation and clear client propositions developed by the divisions provide access to new markets, building lasting commercial momentum.

Within Outsourced Services, our strategy to pivot the revenue mix towards higher-margin, digital and fixed-fee services continues to gain momentum, while we maintain tight operational cost discipline. Our EBITDA performance this year is clear evidence that this transformation will deliver long-term success.

The Brand Services division has achieved strong organic revenue growth, which has, in turn, translated into EBITDA growth of 2.5% at constant currency rates. This validates our belief that focusing on organic growth in the Brand Services division is the right decision. Moving forward, we expect to continue to scale the division's revenue growth, increasing its share of the Group's revenue base.

Our ability to execute the strategy is supported by the successful November 2025 refinancing, comprising a new €450m Eurobond issue and a committed €135m revolving credit facility. This extends our debt maturity to 2030 and provides the funding certainty needed for both organic growth and targeted acquisitions.

Performance

The past year has demonstrated the resilience of Paragon's business model. We have remained a safe haven for clients seeking innovation and operational excellence during uncertain times. As a result, we have maintained stability and momentum despite the economic buffeting experienced across Europe and globally. Group revenue has remained stable at €1.12bn, a small but expected decline on last year and a small increase at constant currency rates. This marginal decrease in revenue is attributed to a lack of ad hoc client spend across regulated communications in Outsourced Services and a change in German postage regulations. While we are disappointed by these exceptional factors, we remain encouraged that we have not lost market share to our competitors during this time.

At the underlying earnings level, our EBITDA performance remains robust. Group underlying EBITDA grew by 2% to €129m, with an EBITDA margin up 0.3 percentage points on the prior year.

The Group's EBITDA performance was led by Outsourced Services, where underlying EBITDA grew by 12.7% (on a constant-currency basis), to €97.2m, driven by the continued capture of higher-margin work and strong cost management. This is the clearest evidence yet that our transformation strategy for this division is delivering.

Brand Services recorded double-digit revenue growth of 10%. Their EBITDA grew by 2.5% (on an underlying and constant-currency basis) – clear evidence that in this division, organic revenue growth can translate directly into EBITDA growth.

Statutory EBITDA fell slightly to €100m this year, compared with €111m the previous year. This is mainly due to the Group incurring several non-underlying costs associated with the disposal of the print business, as well as other costs associated with our cost optimisation programme.

The Group's cash flow was below expectations, affected by the same one-off non-underlying costs. However, the measures we have taken this year now ensure we are on the right trajectory to deliver future growth and a return to free cash flow positivity. Our disciplined approach to cost has also continued; total operating costs, excluding acquisitions, fell by over €10m year on year, driven largely by improvements in payroll costs and operational footprint optimisation. There remains further headroom in our cost base, particularly within our customer communications operations, where we have initiated programmes to continuously manage costs in line with the evolving demand profile of our clients.

Acquisition Growth

In Germany, our acquisition of Munich-based Computershare Communication Services GmbH added immediate scale across the region, with over 250m physical pages and 40m physical packs printed each year. We have also realised the forecasted synergies from resource, system and process alignment.

In the UK, the acquisition of Parseq, a specialist in document, finance and payment process automation, was completed in February. This acquisition provides additional capacity for our operations and new capabilities in Robotic Process Automation and Machine Learning Systems, which we view as integral to our customer proposition.

Our acquisition strategy will continue to focus on strategic opportunities that add scale, geographical reach and new capability, and we expect that any associated exceptional integration costs will be far lower than in previous years.

Organic Growth

Organic growth through new business remains a key focus for Paragon, particularly for our Brand Services division. I am delighted to report record-breaking pipeline growth and visibility in Brand Services this year, positioning the division well to deliver on its organic growth potential.

This momentum has translated into tangible new business wins, including Estée Lauder, WHSmith and ABB. Continued cross-selling success in digital display and brand activation services has helped diversify and grow wallet share among existing clients. We have also expanded into priority geographies, particularly MENA, Switzerland, France and the US, in partnership with our long-standing European FMCG clients. The division has also entered new sectors, with new business wins across cosmetics, oil and gas, hospitality, logistics and telecoms.

In Outsourced Services, we have continued to move up the value chain with existing clients, a promising path to sustained, higher-margin growth from our loyal regulated client base. Securing digital services contracts from Lloyds Banking Group in the UK and real estate group Related in the US, and extending the scope and term of services we provide for NatWest and EDF through the introduction of OnePlatform, are great examples of the organic growth strategy at work. This year, we delivered more than 1.9 billion multi-channel customer communications through OnePlatform, representing growth of 22% since last year and 93% since 2024.

I am particularly encouraged by our success in the public sector, which we believe offers headroom for our Outsourced Services division to grow. During the year, we secured a place on the NHS Notify framework and a contract with the ONS.

People

Paragon's people are resilient, intelligent problem solvers who understand the value of sustained high performance. They are central to our long-term success, and I want to thank each of them for their commitment over the past year, particularly during this period of structural change. The resilience and adaptability our teams have shown demonstrates how well equipped we are to succeed even in the most challenging trading environments.

During the year, I was pleased to appoint Clem Garvey as CEO of the Outsourced Services division and Guilhem Boucon as CEO of the Brand Services division. They both retain their group roles, with Clem in his Board role as Chief Operating Officer and Guilhem as Chief Strategy Officer. Clem provides his divisional update on page 20, and Guilhem on page 24.

Our leadership development programmes have evolved further this year, with greater emphasis on future-facing skills, including AI adoption and change management. Alumni of these programmes include many of our current divisional leaders and managers, and we aim to continue promoting from within.

Paragon's apprenticeship programmes remain a key part of our people plans. This year, we took on new apprentices and offered permanent employment to graduates from last year's programmes. Amid a period when prospects for young people are under pressure from AI and economic shifts, I am pleased to see these programmes are thriving.

We remain committed to building an inclusive and supportive culture, investing in leadership capability, ethical workforce planning, and cultural development throughout our global business.

I am deeply grateful to our people, their highly supportive families, and our clients and broader stakeholder groups for their commitment to our mission, without which we would not be able to realise our vision of becoming a world-leading business services company.

Jeremy Walters
Chief Executive Officer | Paragon

"A financially stable and strategically progressive year for Paragon in which we transitioned to our new divisional structure and transformed our cost base."

Financial Overview

Overview

The financial year ended in June 2026 (FY26) was a financially stable and strategically progressive year for Paragon in which we transitioned to our new divisional structure and transformed our cost base. We delivered a stable revenue performance with revenue growth of 0.6% during the year while increasing underlying EBITDA[1] by 6.2% on a constant currency basis, demonstrating the Group's ability to enhance profitability while growing revenues.

The results reflect the progress of our divisional strategies, the successful execution of restructuring initiatives and the ongoing optimisation of our cost base, positioning the Group well for sustainable long-term growth.

Net borrowings have increased to €464.0m from €359.7m in FY25, as a result in large part of our successful refinancing completed in November 2025.

Currency Translation

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 thousand euros in the financial statements.

With significant parts of Paragon's revenue coming from non-euro currencies the impact of exchange rates can be significant. Therefore, where a comparison is made between financial years the figures are compared on a constant currency basis to show a 'like-for-like comparison'.

KPIs

The Key Performance Indicators (KPIs) in the table opposite include Alternative Performance Measures (APMs), 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 100.

[1] Underlying EBITDA is defined in Note 2 on page 108.

Income statement highlights	FY 2026 (€m)	FY 2025 (€m)	Change %	Constant Currency Change %
Revenue from sale of goods and services				
Total Group Revenue	**1,123.8**	**1,131.9**	**(0.7%)**	**0.6%**
Outsourced Services	768.0	802.3	(4.3%)	(4.2%)
Brand Services	523.6	489.0	7.1%	10.1%
Intra/inter eliminations	(167.8)	(159.4)	(5.3%)	(5.1%)
Operating costs	994.7	1,005.0	(1.0%)	
Underlying EBITDA[1]	**129.1**	**126.9**	**1.7%**	**6.2%**
Outsourced Services	97.2	89.8	8.2%	12.7%
Brand Services	39.4	40.2	(2.0%)	2.5%
Corporate & other entities	(7.5)	(3.1)	(141.9%)	(141.9%)
Depreciation and amortisation	62.0	68.6	(9.6%)	
Corporate charges	12.0	11.5	4.3%	
EBIT/Operating profit	**55.1**	**46.8**	**17.7%**	
Finance cost net of income	50.2	37.0	35.7%	
Share of equity accounted investments	-	–	-	
Profit before non-underlying items	**4.9**	**9.8**	(50.0%)	
Income tax credit	2.1	1.4	50.0%	
Profit for the year from underlying items	**7.0**	**11.2**	**(37.5%)**	
Analysis of loss for the year (continuing and discontinued operations)			**Change**	
From underlying items	7.0	11.2	(4.2)	
From non-underlying items	(97.9)	(32.8)	(65.1)	
Loss for the year	**(90.9)**	**(21.6)**	**(69.3)**	
Cash and net borrowing highlights			**Change**	
Operating inflows (for continuing operations)	66.6	95.8	(29.2)	
Free cash flow (for continuing operations)	81.6	105.9	(24.3)	
Cash and cash equivalents	86.3	131.5	(45.2)	
Net borrowings	464.0	359.7	104.3	

[1] Underlying EBITDA is defined in Note 2 on page 108.

Division Results Summary:

Outsourced Services

Our revenue trajectory continued to be in line with expectations for Outsourced Services, declining by 4.2% (gross sales include postage revenues).

Headline revenues were impacted by several one-off effects including a change in postage regulations in Germany and a lack of the ad hoc regulatory communications that clients commissioned in prior years in response to events such as interest rate changes.

Underlying EBITDA continues to grow, with a 12.7% increase compared to FY25 showing that the strategic move to higher value services combined with effective cost control is having a positive impact.

One-off exceptional costs including restructuring across the division and the disaggregation of the print and mail business meant that statutory EBITDA dropped by 0.5% compared to FY25. These costs are not expected to repeat in FY27.

Brand Services

Brand Services saw strong revenue growth of 10.1% in its first year as a structurally defined division. The division substantially grew its contract value with existing global customers, deepening our relationships with them and diversifying the services we offer them. This was on top of the contribution of acquisitions from the prior year and continued cross-selling of core local services into the global client base.

The long-term growth trajectory has been bolstered by good pipeline growth and greater visibility for major growth opportunities.

Underlying EBITDA shows growth of 2.5% compared to FY25, with EBITDA impacted by one-off restructuring costs associated with the formation of the division and the allocation of cost for the disaggregation of the print and mail business.

Cost Highlights

Costs before depreciation and amortisation highlights	FY 2026 (€m)	% of revenue in FY 2026	FY 2025 (€m)	% of revenue in FY 2025
Revenue from sale of goods and services	1,123.8	100.0%	1,131.9	100.0%
Material costs	566.6	50.4%	559.5	49.4%
Payroll costs	323.7	28.8%	337.6	29.8%
Other operating costs	104.4	9.3%	107.9	9.5%
Costs before depreciation and corporate charges	994.7	88.5%	1,005.0	88.7%

Non-underlying items	FY 2026 (€m)	FY 2025 (€m)
Non-underlying items that arose are as follows		
Redundancy and related charges	32.9	5.8
Costs of industrial relocation, restructuring and consolidation	2.4	4.0
Acquisition costs	1.0	0.2
Other	2.8	5.5
Gain on acquisition	(10.2)	-
Non-underlying net expenses impacting EBITDA	**28.9**	**15.5**
Corporate charges	4.3	1.5
(Gain)/loss on asset disposals	-	3.3
Written-off capitalised bond issue costs	4.4	-
Other	4.9	-
Non-underlying net expense	**42.5**	**20.3**
Discontinued operations	55.4	12.5
Income tax credit	-	-
Total non-underlying items	**97.9**	**32.8**

Operating costs before depreciation and amortisation decreased by €10.3m, a decrease of 1%, from €1,005.0m in FY25 to €994.7m in FY26.

Costs before depreciation and amortisation, corporate charges, and non-underlying items in FY26 expressed as a percentage of revenue, as displayed in the above table, were 88.5% compared with 88.7% in FY25. The gross profit margin of 11.5% in FY26 and 11.3% in FY25 are in line with the expected gross profit margins of the Group.

For payroll costs for continuing business, our average monthly number of people employed was 6,559 in FY26, including 5,014 production people and 1,546 indirect colleagues, compared with 6,185 people in FY25, including 4,900 production 1,284 indirect employees.

On a constant currency basis, the Group's underlying EBITDA[1] from continuing operations excluding corporate charges increased by 6.2% to €129.1m in FY26. The positive movement in underlying EBITDA is mainly driven by effective operating cost savings.

As a result of the above revenue and cost developments, the operating profit before non-underlying items from continuing operations increased by €8.3m, from an underlying operating profit of €46.8m in FY25 to €55.1m in FY26.

Net finance costs increased by €13.2m, from €37.0m in FY25 to €50.2m in FY26. The increase in net finance costs was mainly due to increase in bond interest, from €12.1m in FY25 to €29.2m in FY26 due to the terms of the new bond issued in November 2025.

After finance costs and income taxation, the underlying profit for the year before non-underlying items from continuing operations was €7.0m (FY25: €11.2m).

Non-underlying Items

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 FY26 and FY25 were as follows:

The non-underlying expenses net of gains and after taxation increased by €65.1m from a net expense of €32.8m in FY25 to a net expense of €97.9m in FY26, reflecting the following non-recurring (see note 6 for further information) expense and gains:

- 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: €32.9m (FY25: €5.8m).
- Costs of industrial relocation, restructuring and consolidation include 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: €2.4m (FY25: loss of €4.0m).
- 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: €10.2m (FY25: €nil).
- Written-off capitalised bond issue costs have arisen following the refinancing of the Group's debt structure. The charge represents the accelerated amortisation of unamortised transaction costs associated with the previous bond following its replacement by a new financing arrangement: €4.4m (FY25: €nil).
- 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, in this case, the Group's legacy Print and Mail 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 €55.4m (FY25: loss of €12.5m).
- Loss on asset disposals: €nil (FY25: €3.3m).

As a result of the above revenue and cost developments, the loss for FY26 (continuing and discontinued operations) was €90.9m (FY25: €21.6m).

Cash Flow and Financing Review

The Group's operating cash inflows excluding discontinued operations decreased by €29.2m, from €95.8m in FY25 to €66.6m in FY26.

The Group's cash generated from continuing operations (free cashflow), including working capital movement, was €81.6m (FY25: €105.9m). The decrease in free cash flow was due to the changes in loss before tax.

Our net cash used in investing activities during the year for continuing operations was €49.6m (FY25: €78.3m). €8.9m was invested in property, plant and equipment (FY25: €9.4m) and €24.1m was invested in intangible assets (FY25: €18.4m) and €10.9m cash invested in acquisition of subsidiaries from third parties (FY25: cash acquired in acquisition of subsidiaries €1.4m).

We have spent €10.8m on acquiring a business from related parties (FY25: acquired asset from related parties of €28.4m). We have a repayment from restructuring and onerous contract provision of €nil (FY25: repayment of €19.8m). We have also received total proceeds of €4.5m (FY25: €nil) from disposal of subsidiaries.

In FY26, we repaid €507.2m (FY25: €58.8m) of our borrowings of which €29.7m (FY25: €28.5m) were repayments of the capital element of lease liabilities and repaid €264.0m (FY25: €6.7m) of the bonds.

The net proceeds from borrowings during the year were €479.7m (FY25: €38.4m).

There were no dividends declared or paid in FY26 or FY25.

Net current liabilities have improved to €153.6m (FY25: €165.8m) at year-end. This was achieved by better working capital management and the disposal of the discontinued subsidiaries.

On 15 November 2025, the Group raised €450m of bond notes that were admitted to trading on the Luxembourg MTF market. There are 4,500 bond notes with a face value of €100,000 each, with a coupon of 8.25%. The repayment date is 15 November 2030.

The Group has also arranged a €135m revolving credit facility maturing on 31 May 2030. The revolving credit facility can be drawn in cash in multiple currencies and provides the Group with flexible financing to cover its mid-term needs.

After refinancing, Paragon has extended its debt maturity until 2030, which allows the Group to have the financial capability to support its ambitious organic and M&A development strategies.

Cash Balance and Net Borrowings

The Group's cash balance decreased from €131.5m in FY25 to €86.3m in FY26, a €45.2m decrease. The cash balance movement is in part attributable to the Group's strategic decision to decrease its use of invoice factoring and streamline its cash flow management.

Net borrowings at the end of FY26 were €464.0m (FY25: €359.7m). The unfavourable movement in net borrowings was mainly due to the increase in bonds of €186.0m and the reduction in cash of €45.2m, partially offset by a reduction in the revolving credit facilities of €95.0m and bank loans of €32.8m.

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 Group 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.

Use of Alternative Performance Measures (APMs), Underlying and Pro Forma Figures

Due to the Group's continuous acquisition strategy, the directors consider the use of APMs, such as underlying and pro forma figures, to be fundamental in understanding 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. They should be read in conjunction with GAAP measures and are not intended to be a replacement of GAAP measures.

It would be incomplete to focus exclusively on APMs or company statutory performance. APMs are used to supplement GAAP measures and help banks and bondholders understand the business by 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 pro forma 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.

Martin Edstrom
Chief Financial Officer | Paragon

"Outsourced Services delivered strong earnings growth during the year."

Outsourced Services - Divisional Business Review

Overview

Outsourced Services delivered strong underlying earnings growth during the year. This was driven by tight cost control and a continuing shift towards higher-margin services as we help clients adopt an omni-channel approach to their customer communications.

This shift reflects reducing revenue from traditional transactional printing, but an overall improvement in the quality and margin of the revenue mix. Our long-standing client relationships give us multiple opportunities to expand the range of services we provide.

During the year, we continued to invest in our commercial capabilities and technology offerings. This has strengthened the new business pipeline and helped us expand our presence in the public sector, which is becoming an important growth market for the division.

The acquisition of Parseq added scale and capability to our Business Process Services offering, specifically in payment process automation. Parseq has specialist expertise in highly regulated markets, serving major British banks, financial institutions and public sector organisations. Its capabilities complement our existing businesses and broaden the secure, technology-enabled services we can offer clients.

Paragon's divisional structure, introduced in 2025, showed tangible benefits during 2026. Decision-making is faster and closer to clients, while divisional governance has maintained cost control and allowed us progressively to eliminate central costs.

The Outsourced Services market is changing. Clients increasingly look to transform customer communications and customer experience from end to end. Our existing role in many clients' critical operations gives us a strong position from which to support that transition.

Contract renewals and extensions with clients including Barclays, Lloyds Bank and Santander illustrate this opportunity. We continue to invest in technology, including AI, to broaden the services we can provide as clients modernise their customer communications.

Strategy

Our strategy is to provide the technology and services that enable clients to transition progressively to omni-channel customer communications, combining physical and digital channels. This includes the systems required to manage customers' communication and delivery preferences. We help clients manage this transition while meeting the regulatory requirements that apply to their customer communications.

The public sector is an important area of growth for Paragon's Outsourced Services division. In the UK, we are targeting opportunities across organisations including the NHS and central government. We have already won a number of contracts and are investing further in the capabilities required to grow our position in this market.

At the same time, we are adjusting our cost base as physical mail volumes decline. Costs were reduced by £10m during the year through operational efficiencies and active management of the operating footprint and other major cost drivers.

Technology is central to the development of the division. We continue to invest in AI and other technologies where they can improve productivity or enhance the services we provide, while operating within the risk and regulatory frameworks required by our clients.

One example is our AI-enabled document processing technology, available through OnePlatform. It can reduce processing time for high-volume tasks from as much as 30 seconds per item to less than one second. Several major clients have adopted OnePlatform as part of recent contract renewals, extending the range of services we provide to them.

CASE STUDY: Intact - Transforming Legacy

About Intact

"We are a leading provider of Commercial and Specialty insurance solutions for businesses across the UK and Ireland, supported by a Global Network spanning over 150 countries, with 31,000 people worldwide. Together, we aim to deliver second-to-none service and help brokers and businesses thrive in a fast-moving world".

Overview

In 2022, Intact's customer communications operating model was based on fragmented legacy technology and processes – a situation that was impacting growth and efforts to improve the customer experience. The Intact team commissioned a customer communications review and engaged Paragon to help them explore the potential for transformation.

The review had an extensive scope, covering all inbound and outbound channels. The deliverable was a costed set of recommendations to deliver a roadmap for transformation based on market and competitor insights.

Solution

Paragon provided a team of specialist strategy consultants and customer journey experts to deliver a phased opportunity assessment across Intact's customer communications and journeys. The recommendations included:

- A 5-year customer communications transformation roadmap.
- A flexible, simple-to-integrate architecture.
- An integrated outbound, inbound and archive solution.
- An achievable and fully costed delivery plan.

Paragon's recommendations were accepted, and were then engaged by Intact to deliver them. Paragon implemented a custom solution using OnePlatform to enable a centralised, integrated, self-service platform, securely hosted on a resilient managed technology stack.

Results

The solution has delivered transformative outcomes which are being diligently tracked against the forecasts made during the opportunity assessment. The results include:

- Reduction of Intact's internal technology costs of £3m.
- Reduction in legacy platform support costs of £400k.

The next phase of the implementation includes multi-million-pound operational savings modelled over 5 years, significant risk and cost reduction through secure outsourcing and customer experience enhancements through the integration of previously isolated data, systems and channels.

We have also enhanced Integr8, our proprietary platform for managing inbound communications, mail and business-critical documents. For one of the UK's largest banks, we have digitised its end-to-end inbound document and call-centre correspondence processes and created an integrated disaster-recovery solution spanning secure print and digital communications.

These platforms allow us to help clients move seamlessly between physical and digital communications while meeting demanding security, operational and regulatory requirements. Solutions can be configured to individual client requirements and are supported by specialist teams across the UK, Europe and other markets.

Performance

Outsourced Services delivered strong earnings growth during the year despite lower revenue.

The principal reasons for the decline in revenue were the structural reduction in physical communication volumes and the non-recurrence of revenues generated in the prior year by exceptional customer communications from financial services clients, including those associated with changes in central bank interest rates.

Profitability improved materially. Underlying EBITDA rose to €97.2m, an increase of 12.7% compared to the previous year on a constant-currency basis. This reflected the growing contribution from higher-margin services together with cost reductions and operational efficiencies.

Client retention remains a major strength of the Outsourced Services division. Many of the services we provide are integral to our clients' operations, particularly in regulated sectors such as banking, healthcare and insurance, where accuracy, security and reliability are critical.

This deep operational integration supports high retention, recurring revenue and good visibility of future earnings. We retained 100% of our top 25 clients during the year, and the average client relationship across the division exceeds 10 years. During the year, we secured several significant renewals, extensions and new contracts.

NatWest renewed its partnership to 2032, extending a relationship that now spans 17 years. The new agreement includes the deployment of OnePlatform and additional digital capabilities to support NatWest's customer communications programme.

EDF also extended its long-standing relationship with Paragon, including further adoption of OnePlatform as part of its customer engagement programme.

Lloyds Banking Group awarded us a new contract to provide a digital solution for its Motor Finance Redress programme. Built using AI-enabled design and development capabilities, the platform is designed to scale to potentially millions of customer claims.

In the US, our digital team won a major contract with real estate group Related. We are providing a data and AI platform designed to improve business insight and reduce data management costs, with scope to extend the service across other Related group companies.

We also won new business with Rothesay Life and FIS Global, adding to our presence in highly regulated markets.

Our expansion in the UK public sector produced new contracts with the Office for National Statistics, the UK Hydrographic Office and NHS Notify.

We continued to reduce the division's cost base through operational efficiencies and active management of major costs. These savings, together with the shift towards higher-margin services, increased margins despite the decline in revenue.

Overall, Outsourced Services delivered higher earnings, maintained very high client retention and increased the proportion of its business coming from technology-led services.

Outlook

We expect physical, printed communication volumes to continue to decline gradually, while digital volumes increase. This is likely to reduce overall revenue but improve margins as higher-margin services replace traditional transactional printing activity.

The resulting change in our revenue and gross-margin mix should also allow us to reduce the cost base further while continuing to invest in technology and talent.

The underlying characteristics of the business remain attractive. We serve a large and established client base, much of it in highly regulated industries where accuracy, reliability and security are critical. Many of the services we provide are essential to our clients' day-to-day operations.

Our solutions are also frequently tailored to individual clients and can be deeply embedded in their operations. This makes relationships durable and provides a stable base of long-term revenue.

As clients move beyond individual digitisation projects towards broader changes in customer communications and customer experience, we have opportunities to expand the scope of the services we provide. Our existing client relationships and operational integration position us to capture these opportunities as they develop.

We will continue to invest in technology, including AI, so that solutions are available when clients are ready to adopt them. In regulated markets, adoption will vary according to each client's risk appetite and regulatory requirements, and our approach allows clients to move at their chosen pace.

Cost control will remain important as the revenue mix changes. Our approach to M&A is increasingly focused on acquiring technological capabilities and scale that complement the existing businesses, rather than acquisitions that depend on subsequent consolidation and rationalisation.

We therefore expect the division to continue its transition from lower-margin physical communications towards higher-margin digital and technology-enabled services. This may reduce revenue in the near term, but should support higher margins, strong cash generation and further opportunities to expand the services we provide to existing and new clients.

CASE STUDY: Aegon - Continuity to Strategic Partnership

About Aegon

"We're the UK's largest investment platform, and we put financial wellbeing at the heart of our organisation. We work with customers, financial advisers and employers to provide pensions, savings and investment solutions. We work with over 3.75 million customers, 8,400 employers 3,500 adviser firms".

Overview

Paragon's relationship with Aegon began in 2020, when we rapidly established an emergency inbound customer communications disaster recovery solution during the COVID-19 pandemic. With Aegon's incumbent supplier struggling to maintain service delivery, Paragon provided the additional resilience required to protect critical customer operations.

This initial requirement created the foundation for a broader relationship, with Paragon subsequently supporting Aegon across a growing range of business-critical customer communications and document management services.

Solution

In March 2021, Paragon expanded its support and internal capacity to include outbound transactional mail, inbound document scanning and mailroom and print centre services under an initial five-year agreement, which has since been extended.

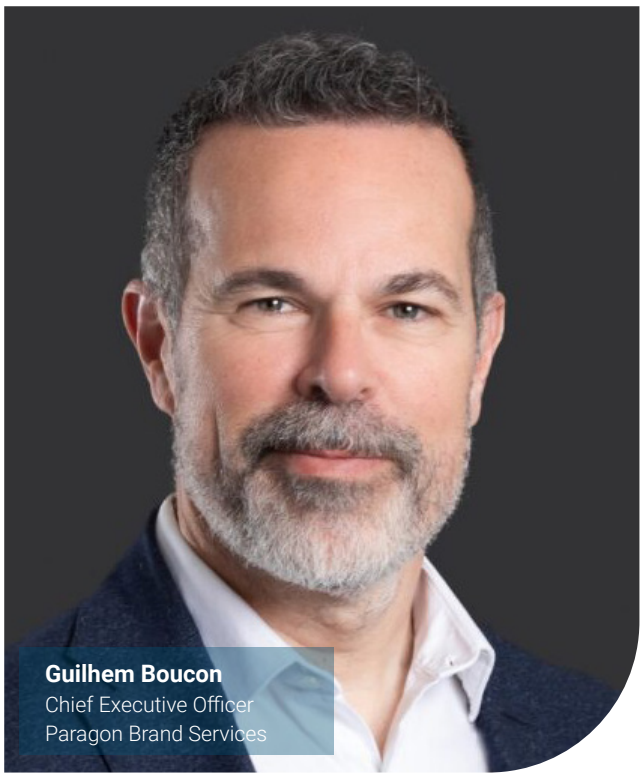
The relationship has continued to evolve from a traditional supplier arrangement into a collaborative partnership, where Paragon is deeply embedded in Aegon's core function. Most recently, Aegon worked with Paragon on the development of our AI indexing solution - Paragon iQ. Paragon iQ was successfully implemented into the operation in August 2026, helping accelerate the indexing process and demonstrating how continued technology investment can transform established operational environments.

Results

What began as an urgent business continuity requirement has developed into a long-term strategic relationship spanning inbound and outbound communications, scanning, print and document processing.

The extension of the original agreement demonstrates the strength and longevity of the partnership, while Aegon's involvement in developing and adopting Paragon iQ provides a platform for further innovation and operational improvement.

For Paragon, the relationship demonstrates our ability to respond rapidly to immediate client challenges, transition critical services successfully and then build on that foundation to create a broader, collaborative partnership focused on resilience, continuous improvement and innovation.



Guilhem Boucon
Chief Executive Officer
Paragon Brand Services

"FY26 has been a landmark year for Paragon Brand Services."

Brand Services - Divisional Business Review

Overview

FY26 has been a landmark year for Paragon Brand Services. The division was brought together in 2025, combining seven separate brand services businesses from across the Group under a single structure, a single leadership team and a single proposition. This consolidation responds directly to how our market is changing and creates an evolved platform for sustained revenue growth.

While our core Point of Sale Materials (POSM) market is still expected to grow by around 4% annually, the strongest growth opportunities are now in services that enable brands to move seamlessly from strategy through to execution in store, simultaneously and consistently across global markets. Businesses are reducing the number of suppliers they work with and selecting partners with these end-to-end capabilities.

The division is organised to meet this change in the market around five Centres of Excellence (CoEs): Strategy and Insight, Design and Creative Deployment, Make and Buy, Fulfil and Execute, with Measure and Learn bridging each of the CoEs. Each CoE has a designated leader and executive sponsor. This new structure allows us to present a single capability to clients and supports the governance of investment and talent acquisition across the division.

Our organic growth strategy has gained momentum during the year. Not only have we achieved significant new customer wins, but we have also expanded into new international markets and diversified and grown our relationships with existing multinational clients.

The changes made during the year have helped us to successfully navigate global economic headwinds, driven by lower consumer confidence, and we have already delivered greater diversity in our customer base and sales pipeline while reducing our exposure to declining markets. This success is reflected in our double-digit revenue growth. Our EBITDA performance also remains positive despite the high costs associated with the division's reorganisation and establishment.

Strategy

Marketing expenditure continues to grow year on year, but traditional print and point-of-sale services remain under pressure. Marketing investment is becoming concentrated in services that make brand activation measurable, connected and faster to deploy.

Our strategy is designed to adapt and grow with the market dynamics, employing three components to achieve this. First, we will extend our geographic reach so that our multinational clients can be served by a single partner rather than a different supplier in each territory. Second, we will deepen our relationships with existing clients by extending the range of services we offer to them through our five CoEs. Third, we will internalise value currently purchased from third parties, which improves both our proposition and our margin.

Our acquisition strategy commenced during the summer and is aligned to our overall strategy. We are targeting opportunities to move into new geographies and to acquire additional in-store digital and production capabilities.

CASE STUDY: ABB Robotics — Global Brand Transformation

About ABB

"ABB is a global technology leader in electrification and automation. We see our purpose as being to enable a more sustainable and resource-efficient future. By connecting our engineering and digitalization expertise, we help industries run at high performance, while becoming more efficient, productive and sustainable so they outperform".

Overview

Paragon is supporting ABB Robotics in implementing a global brand transformation associated with the carve-out of its robotics business. The challenge is to ensure that the new brand is introduced consistently across a complex global estate of 101 locations in 44 countries, while managing local regulations, operational constraints and hitting demanding implementation timelines.

Solution

Paragon developed a centrally managed delivery model covering site discovery, surveys, implementation planning, specification and production coordination for the physical brand rollout.

Each location's requirements were captured, allowing the programme to combine global standards with local execution. A structured implementation roadmap gave ABB stakeholders full visibility across the estate and provided a single point of coordination for the transformation.

Results

The programme is helping ABB Robotics execute its corporate separation and new brand strategy across its international estate. It provides greater control and brand consistency while simplifying complexity and reducing cost across the extensive global supply chain needed to deliver such a demanding programme.

For Paragon, the implementation demonstrates our capability to take a complex transformation requirement and deliver it internationally through an integrated global network, creating a platform for additional service delivery and deeper strategic client relationships in the future.

Performance

In FY26, the commitment of our people and the continued trust of our clients enabled us to navigate a challenging market environment while laying the foundations for long-term success.

Gross revenues for the year rose to €523.6m, an increase of 10.1% on a constant currency basis. Underlying EBITDA was €39.4m, an increase of 2.5% on a constant currency basis.

The division absorbed the full cost of its establishment and reorganisation during the period while improving its margin, supported by cost discipline and gross margin management in our largest markets.

The strategic focus on commercial performance this year has delivered notable new business success and sales pipeline development across Brand Services. We were appointed by Estée Lauder under a three-year agreement covering print and promotional activity across 30 locations, including the potential to extend into India, South Africa, the Middle East and the CIS. We were also selected as the preferred point of sale partner for Unilever across more than 20 European markets on a three-year term. Further new business was secured with L'Occitane, Ford, La Poste, ABB, and Red Bull, and we extended long-standing relationships with clients, including P&G and Nestlé Professional, several of which now span multiple regions and multiple services.

The most significant indicator of market direction came from our digital in-store activity. We were awarded a Europe-wide digital media contract with WHSmith, under which over 1,700 screens across 350 locations, including 140 airport sites, have been migrated onto a single standardised platform with full content management and a dedicated support function. In the DACH region, we secured a digital signage programme covering 20,000 devices across 5,000 locations for a long-standing client, with further scope to grow. Revenue in our digital display category grew by 59% year on year, and our audio-visual business established itself as a key driver of growth.

Capital investment was approximately €10m during the year, directed at manufacturing and technology capacity development. This included the commissioning of a new company-owned manufacturing facility in Romania, the development of new high-speed pick and place robotics capability, the launch of bespoke platforms and portals for customers and the installation of new production technology. The effect is already visible in shorter lead times, greater in-house production capacity, and in our ability to compete for more complex and higher margin programmes. The expertise we are developing is being retained within the division and is being extended across our client base.

The division also strengthened its client proposition and its identity. We appointed a divisional procurement director and a technology leader, and created new roles in talent acquisition, internal communications and marketing. We conducted our first Great Place to Work survey across the division and published the results internally. We took the decision to retire our historic sub-brands in favour of a single Paragon Brand Services identity, supported by one visual language and one website. The Service Graphics business was integrated into the division, resulting in the consolidation of certain regional operations and the closure of the Glasgow site.

Outlook

The progress made during FY26 has established a strong platform for the future. We have created a more connected, agile and resilient business that is better positioned to accelerate growth. The strength of our multi-year contracts with our new and longstanding clients provides strong earnings visibility for the future, and we expect the benefits of our broader service portfolio, deepening multinational client relationships, and an expanding geographic footprint to drive revenue growth while maintaining strong EBITDA levels.

As our strategy progresses, our focus will shift from building capability to converting that capability into sustainable organic growth with both existing and new clients. The synergies created by bringing our regional businesses together will enable us to share expertise more effectively, scale successful solutions internationally and deliver increasingly integrated programmes for our customers.

Innovation will continue to play a vital role in our strategy. We will continue investing in advanced manufacturing technologies, automation, AI-enabled solutions, and enhanced personalisation capabilities to improve operational efficiency, increase flexibility and accelerate time to market. These investments will strengthen our client proposition, support operational productivity and, over time, contribute to sustainable margin improvement.

Paragon Brand Services was created as the Group's growth engine. While economic conditions are expected to remain challenging, the progress made during FY26 has built the right foundations, capabilities and people to deliver market-leading growth for the future.

CASE STUDY: Nestlé - From Long-standing Partner to Scalable Growth Engine

About Nestlé

"We are Nestlé. The Good food, Good life company. We believe in the power of food and beverages to enhance lives. Today, our business has around 271,000 employees, over 30 billionaire brands and a presence in 185 countries".

Overview

For over a decade, Paragon has been Nestlé's strategic brand activation and point-of-sale partner, successfully delivering services in 22 markets. As the relationship has developed and deepened, Nestlé challenged Paragon to innovate and simplify their complex multi-market operating model to improve speed, transparency, brand consistency and sustainability and demonstrate even greater value from Nestlé's marketing investment.

Solution

Starting in 2025, Paragon transformed the account to deliver clearer central, regional and local governance, greater executive ownership, and an efficient standardised global delivery model.

To support this transformation, a new project governance platform was implemented, backed by a dedicated team who delivered supply chain consolidation and harmonisation to improve visibility, efficiency and scalability across markets.

Standardised rate cards were introduced, reducing briefing and quotation lead times by up to 70%. E-auctions and use-and-reuse principles reduced cost and waste in every market. With these new foundations in place, Paragon grew into major new markets in the UAE and globally for Nestlé Professional.

Results

Across the year, the Paragon team managed over 19,000 specifications and produced more than 80 million items, while continuing to innovate with modular displays, sustainably produced units and reusable in-store assets, all within a standardised framework that enables efficient expansion into new markets and categories.

The transformation delivered growth on both sides of the partnership. Paragon's revenues grew, and Nestlé benefited from measurable and significant cost and time savings.

"Our strategy treats environmental stewardship and social equity as foundational pillars of long-term commercial resilience and value creation."

Non-Financial and Sustainability Information Statement

Introduction

The imperative for a transition to a more sustainable economy has never been clearer. As extreme weather events and systemic social inequality accelerate worldwide, regulatory frameworks and market expectations are shifting rapidly. Our investors and clients are demanding greater transparency, resilient supply chains and measurable accountability supported by reporting regulations across our key markets. In response, our strategy treats environmental stewardship and social equity as foundational pillars of long-term commercial resilience and value creation.

Paragon provides a wide range of goods and services, both manufactured and from our upstream supply chain. Our double materiality assessment (DMA), undertaken in line with the European Sustainability Reporting Standards (ESRS) requirements, evaluates the impact materiality of our activities and value chain on people and the environment, alongside the financial materiality of our sustainability-related risks and opportunities. This process has identified the material impacts, risks and opportunities (IROs) that inform the scope and focus of this statement.

To address both operational risks and commercial opportunities, we have embedded sustainability across our business model through the use of initiatives, such as our science-aligned carbon net zero targets and diversity, equity and inclusion programmes.

During FY26 we invested in a carbon accounting platform to centralise and standardise our emissions reporting processes, to enable carbon reporting at all levels. Through our use of the platform, we have identified omissions and methodology inconsistencies in our previous disclosures. As a result, all reporting years GHG emissions have been recalculated and restated using a more standardised and accurate methodology.

I am proud of the progress we have made towards our Carbon Net Zero targets and the programmes that support our sustainability agenda.

Basis of Reporting and Business Changes

This report covers our disclosures in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, Sections 414CA and 414CB of the Companies Act 2006 (the 'Act') and the Companies (Directors' Report and Limited Liability Partnerships (Energy and Carbon Report)) regulations 2018 requirements. It corresponds with the reporting period for the consolidated financial statements.

The report has also been structured to prepare for future compliance with Corporate Sustainability Reporting Directive (CSRD) and the requirements of the ESRS (2023).

Reporting area	Companies Act s414CB requirement	Framework alignment	Location in report
Governance	s414CB(2A)(a) - governance of climate-related risks and opportunities	ESRS 2 GOV-1 to GOV-5 CFD Governance (a), (b)	Page 32-34
Business model	s414CB(2)(a) - description of the business model	ESRS 2 SBM-1 CFD Strategy (b)	Page 35
Stakeholders	s414CB(2)(b) - policies and due diligence; s172 statement	ESRS 2 SBM-2 CFD Strategy (a)	Page 36
Impacts, risks and opportunities (IROs)	s414CB(2)(d) - principal risks; s414CB(2A)(d)-(f) - climate risks and opportunities, time horizons, resilience	ESRS 2 IRO-1, IRO-2, SBM-3 CFD Strategy (a)-(c); Risk Management (a)-(c)	Page 43-50

Environmental Matters

Reporting area	Companies Act s414CB requirement	Framework alignment	Location in report
Climate change	s414CB(1) environmental matters; s414CB(2A)(a)-(h)	ESRS E1-1 to E1-4, E1-9 CFD Strategy, Risk Management, Metrics and targets	Page 35-42, 43-50, 51-53
Energy and GHG emissions	s414CB(2)(e) - non-financial KPIs; s414CB(2A)(g)-(h) - targets and KPIs	ESRS E1-5 to E1-7 CFD Metrics and targets (a), (b) SECR	Page 51-53
Circular economy	s414CB(1) environmental matters	ESRS E5-1 to E5-5	Page 54

Social Matters, Employees and Human Rights

Reporting area	Companies Act s414CB requirement	Framework alignment	Location in report
Own workforce	s414CB(1) employees	ESRS S1-1 to S1-17	Page 55-56
Human rights	s414CB(1) respect for human rights	ESRS S1-1, S2-1 to S2-5	Page 57-58
Consumers and end-users	s414CB(1) social matters	ESRS S4-1 to S4-5	Page 59

Business Conduct

Reporting area	Companies Act s414CB requirement	Framework alignment	Location in report
Anti-corruption and anti-bribery	s414CB(1) anti-corruption and anti-bribery matters	ESRS G1-1 to G1-6	Page 57

Changes in the Reporting Period

Business Changes

Paragon continues to drive its acquisition and growth strategy. The mergers and acquisitions and structural changes during the reporting year are described in the Statement from our CEO and the Financial Overview

In line with Paragon's re-baselining policy, the structural changes in the reporting year impacted carbon emissions by more than 5%, triggering the recalculation and restatement of our baseline and subsequent reporting years' emissions.

Additional ESG Disclosures

Paragon reports on a wide range of additional ESG topics in the following disclosures. The named disclosure applies to all Paragon divisions and operations unless otherwise specified.

Certifications and Accreditations

Certifications and accreditations are required by our stakeholders, and used as frameworks to identify best practice, benchmark our performance and drive continual improvement.

Paragon completes EcoVadis assessments across the business which provides a common framework and assessment for our clients and other stakeholders to understand our approach to sustainability. Over the next 24 months Paragon will review our current regional approach to EcoVadis completion, and where appropriate will consolidate responses at a group level.

EcoVadis
Gold rating

CDP
Climate change: B rating
UKIL only
not required in other divisions

UN Global Compact Signatory
DACH & CEE, France & UK

ISO 14001 Environmental Management System
Certified
All production locations

ISO 50001
Energy Management System
Certified

FSC / PEFC
Certified

ISO 45001 Health & Safety Management System
Certified

ISO 27001 Information Security Management System
Certified

Governance of Sustainability

The Paragon Group Board has oversight of the impacts, risks and opportunities (IROs) arising from the sustainability topics identified as material through our double materiality assessment (DMA), summarised on page 37, and is accountable for the policies and actions that address them. The Board delegates responsibility for managing these topics through our sustainability strategy, which encompasses ongoing assessment and target setting, to the committees and functions set out below:

- Climate change (including climate-related risk and opportunity analysis, target setting, progress monitoring, investment cycles, stakeholder analysis and regulatory reporting) delegated to the Audit and Risk Committee (ARC)
- Circular economy (including site waste management) delegated to local management, and nd-of-life product treatment', delegated to local procurement teams
- Equal treatment and opportunities policies and frameworks are approved by the Board, with implementation and management delegated to divisional HR Leads and the DEI Manager
- Business conduct framework standards - The Board approves policies about business conduct. As part of its review, it ensures that these policies and practices align with Paragon's values and contribute to long-term sustainable success.

During the reporting year, climate change was integrated into our Enterprise Risk Management (ERM) framework as a key strategic risk theme, with climate-related risks, opportunities and related policies and actions reviewed by the ARC as part of our wider risk management process.

Sustainability due diligence is a priority for the Board, with a particular focus on our own operations and our supply chain. Our approach ensures that we engage stakeholders affected by our activities, identify and assess actual and potential adverse impacts on people and the environment, prevent, mitigate and remediate those impacts, and track the effectiveness of the measures we take. Our approach to each of these elements is disclosed across this sustainability statement.

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

The make-up of the Board can be seen on page 74 of the Directors' Report along with governance changes during the period and details of the remuneration of Directors. ESG performance is not currently incorporated into remuneration for our Board. This will be reviewed in alignment with our remuneration policy.

Audit and Risk Committee, Sustainability Requirements

The ARC provides governance for the setting of, and compliance with, sustainability requirements across Paragon. The ARC considers climate change at least twice each financial year and met twice to review FY26 climate-related analysis. During these meetings the ARC reviewed the climate-related IRO analysis including our principal risk and opportunity thresholds, changes to stakeholder requirements and appropriateness of our metrics, in relation to targets to address our IROs. Having launched our group-wide Carbon Net Zero target in 2025 no recommendations on updating our targets were made.

The ARC is supported by the Group ESG Director who has responsibility for the development and execution of the company's sustainability strategy, reviewed and agreed annually by the ARC. Through regular engagement, the ARC and Board are supported with the expertise and skills required to adapt to the fast-evolving ESG regulatory landscape, latest climate science and stakeholder expectations. This aims to support oversight of the management of our material sustainability topics.

Group ESG Director

Reporting to the CFO, the Group ESG Director holds primary executive responsibility for the Group's climate change agenda, providing a clear line of accountability between the Audit and Risk Committee (ARC) and the operational business. The primary responsibilities include:

Strategy and Leadership

Develops and executes the company's climate change strategy, ensuring alignment with business objectives and stakeholder expectations.

Reporting and Governance

Implements governance structures to track and report on climate-related risks, opportunities, progress and performance. Regularly informs the ARC on these matters and oversees preparation of the Group's public climate-related disclosures.

Risk and Opportunity Management

Identifies, assesses, manages and mitigates ESG risks, interdependencies and opportunities, ensuring climate considerations are embedded in the Group's broader risk framework.

Stakeholder Engagement

Promotes the company's climate-related initiatives and manages relationships with external stakeholders, ensuring transparent and consistent communication of the Group's climate position.

Business Engagement and Integration

Works with divisional ESG Leads and executive teams to embed climate-related principles across the organisation, turning strategy into consistent action.

Regional ESG Teams

Paragon's two divisions are supported by regional ESG teams that have responsibility for the operational delivery of sustainability topic management, KPI reporting, region-specific target setting and regional governance oversight. They have the operational expertise to support the divisional leadership in the delivery of the Group-wide sustainability strategy. They meet with the Group ESG Director every two weeks to report on project progress, share best practice, highlight potential blockers to progress and receive strategic updates from the Group ESG Director.

Divisional Human Resources (HR) Leads

The divisional HR leads are responsible for developing and updating relevant workforce policies as well as operational delivery of leadership and corporate culture, development of talent and skills, equal opportunities and health and well-being. They are also responsible for setting the guidelines for HR processes and services, relations with employee representatives, and respect for human rights among our workforce.

As Paragon is a member of the UN Global Compact, we align our human rights approach with the United Nations Guiding Principles on Business and Human Rights (UNGPs) by embedding respect for human rights into our governance, policies and operational practices. We are committed to identifying, preventing, mitigating and addressing potential human rights impacts across our internal business functions and external relationships where possible through ongoing due diligence processes. This includes our supply chain due diligence programme, employee engagement and support networks, anti-discrimination and bullying policies, grievance procedures and whistleblowing mechanisms which support the protection of internationally recognised human rights. Where adverse impacts are identified, the business takes action to remediate issues and strengthen controls.

Governance, Risk and Compliance Team

Our Governance, Risk and Compliance (GRC) Team ensures compliance with new or revised regulatory requirements. It applies Paragon's ISO accredited environmental, quality, risk and health and safety framework and undertakes quarterly audits to deliver the controls and training that drive compliance across the Group.

The GRC Team owns the ERM framework, and during the reporting year integrated climate-related risk into the framework as a key risk theme. This has supported improved assessment, reporting and management of climate-related risks and opportunities in line with our established corporate risk framework.

Paragon Board

Central decision-making and integration of ESG into business strategy.

Paragon Board

Oversight of climate-related IROs

Accountability for policies and actions to address climate-related IROs

Delegation of responsibility for management of climate-related topics to relevant committees / roles.

Strategy

AUDIT AND RISK COMMITTEE (ARC)

Regulatory Compliance:
Define approach for regulatory reporting and compliance.

Review and agree climate-related analysis and target setting.

Advocacy and Business Engagement.
Integration of ESG with financial targets & performance KPIs.

Hold regional CEOs to account on delivery of climate-related targets.

Risk Integration:
Integrate climate-related risk into business.

GROUP ESG DIRECTOR

Strategy and Leadership:
Development and execution of the company's climate change strategy.

Reporting and Governance:
Track and report to ARC on climate-related risk, opportunities, progress and performance.

Oversee and contribute to the preparation of public disclosures.

Risk and Opportunity Management:
Identify, assess, manage and mitigate ESG risks, interdependencies, and opportunities.

Stakeholder Engagement:
Promote the company's climate-related initiatives and manage and manage relationships with external stakeholders

Operational Delivery

DIVISIONAL

Strategy and Leadership:
Accountability and responsibility for implementation and delivery of climate-related targets, related metrics and KPIs. Setting of local targets and programmes.

Risk and Opportunity Management:
Accountability for local risk treatment & goals.

Decision making.

ESG TEAMS

Reporting and Governance:
Local regulatory reporting & compliance.

Delivery of local targets, metrics and programmes.

Business Engagement
Local advocacy and stakeholder engagement to assist with delivery of climate-related targets.

Risk and Opportunity Management:
Local risk & opportunity assessment and management.

DIVISIONAL HR LEADS

Strategy & Leadership: Ownership of:
People targets & KPIs.

Diversity, Equity & Inclusion programmes.

People progression programmes.

People engagement programmes.

GOVERNANCE, RISK & COMPLIANCE

Ownership of ESG risk framework and integration into Enterprise Risk Management.

Delivery of audits and compliance actions.

Regional delivery of regulatory compliance.

Providing governance and regulatory expertise.

Supporting Committees and Networks

ENVIRONMENT

Sustainability Champions Network.

EMPLOYEES

Health & Safety Committee.

Works Council.

WELL-BEING

Menopause Support Group.

Cancer Support Group.

Men's Mental Health Group.

DEI

Diversity and Inclusion Council.

Paragon Pride Network.

Disability & Neurodiversity Network.

Women's Network.

Strategy, Business Model and Stakeholders

Paragon provides a range of services to a broad spectrum of business sectors, through two divisions: Outsourced Services and Brand Services. For detailed information please see the reference points listed in the table below:

Division	Core products and services	Financial performance and employee metrics	Locations	Markets served
Outsourced Services	Customer Communications Management: Paragon is the trusted market leader in transactional and regulatory communications for the UK's leading financial services, utilities and telecom brands. Business Process Services: Paragon optimises and transforms critical business processes, from document and customer journey management to back-office operations and workplace services.	Financial Performance: Page 14 Employee Metrics: Page 55	A combination of 40 production and office facilities are located across 10 countries.	Financial Services & Insurance Telecommunications Public sector Utilities Retail Charity
Brand Services	Paragon Brand Services is a global marketing services partner, blending creativity, technology and production expertise to help brands connect with consumers across the world.	Financial Performance: Page 14 Employee Metrics: Page 55	A combination of 46 production and office facilities are located across 26 countries.	Retail Travel & Leisure Home Improvement Financial Services Charity FMCG Food and Beverage Industrial

Material IROs that result from our stakeholder analysis actively inform our sustainability strategy, including the policies, actions and targets we implement as well as the products and services we provide. The Group ESG Director with the agreement of the ARC oversees our sustainability strategy, including setting of group-wide policies, actions and targets that address our material IROs.

Each division has responsibility for the implementation and delivery of the Group's targets. Each division also has responsibility and autonomy to develop further actions and targets to address sustainability topics that may be material to their specific stakeholder requirements and business activities in their regions of operation. This includes local targets on biodiversity enhancements in the UK, zero waste to landfill and product recyclability for Brand Services.

In response to changing market requirements, and supported by our M&A strategy, we have diversified our range of products and services. We take a risk-based approach to resource use, supply chain management, use of technology and business conduct, and our assessment of these areas concludes that our business model remains resilient.

Stakeholder Engagement

Our approach to wider stakeholder engagement is outlined in the Section 172 statement, page 64.

The principal mechanism for engagement on sustainability-specific topics has been through our Double Materiality Assessment (DMA) process, with further interactions taking place regularly with these stakeholders through established channels, as follows;

Stakeholder group	Mechanisms for assessment of requirements	How their views impact strategy
Clients	Customer Communications Management: Scheduled business reviews. Direct engagement with client ESG leads. Client due diligence and compliance audits. Reviewing tender and RFP themes.	• Development of product and services portfolio and M&A activity to meet market requirements. • Development of sustainability-related KPIs, metrics and targets as well as disclosures to support client ESG obligations and commitments.
Investors and ratings agencies	Engagement during bond-raising process. Annual completion of investor due diligence and compliance audit. Regular engagement with CFO.	• Development of sustainability-related KPIs, metrics and targets as well as disclosures to secure investment.
Employees	Employee satisfaction surveys. Works Councils. Business updates and town halls. Employee networks.	Development of policies and programmes to improve employee satisfaction, attraction and retention: • Well-being programmes. • Career development and training. • Employee support network. • Diversity, equity and inclusion (DEI) programmes.
Suppliers	Supplier due diligence programmes. Business reviews.	• Development of costing models. • Product and service development. • Scope 3 reporting requirements.
Regulators	Engagement with, and membership of, industry forums. Desk-based research. Specialist regulatory subscription services. Attendance at specialist forums for HR / Employment, Information Security and ESG.	• Costing models, OPEX planning, facility and operations controls, development of public disclosures.
Local Communities	Reviews of public sector client contractual requirements to deliver social value in local communities. Partnerships with local organisations and charities.	• Local recruitment practices, employee volunteering and engagement activities. • Training and development designed to improve local environments, social value and climate adaptation.

Double Materiality and Material Topics

Double Materiality Assessment (DMA)

Ahead of complying with the CSRD, we have completed a DMA for our EU-based operations during the reporting period and this will be expanded to the UK region in preparation for CSRD disclosure. These findings form the basis of this group-wide disclosure. All ESRS topics were considered for their potential to be considered material across our value chain, including for our operations, suppliers, clients, communities and end-of-life impacts.

To prepare for future full alignment with the CSRD and UK Sustainability Reporting Standards (UK SRS), our DMA, which is currently completed for our EU-based operations, will be extended to our UK operations and conducted separately for our Outsourced Services and Brand Services divisions, to capture the differences between the two in terms of stakeholder views and their distinct material and sustainability topics. Our DMA and impacts, risks, and opportunities (IRO) assessment have not yet been externally validated or verified. As we are on a journey towards full CSRD disclosure, we are still developing and refining our processes and disclosures, and we will consider external assurance as these mature.

Impacts, Risks, and Opportunities (IRO) Identification Methodology

Paragon closely considers the financial risks, opportunities and impacts of our material sustainability topics across our operations and the products and services we provide, including in relation to mergers and acquisitions, research and development, cost of sales as well as technological change. Failure to adequately address our IROs could have a substantive effect on the Group's ability to operate. The table below sets out in detail our methodology for identifying and assessing our IROs as part of our DMA process, within a principal focus on climate. Assessment of our climate-related IROs extends beyond our DMA and covers all Paragon locations and activities.

Steps	IRO methodology
Step 1: Identify relevant IROs	A common set of risk factors, time horizons, principal IRO definitions and climate scenarios to identify climate-related IROs was determined by the Group ESG Director using recognised CFD and TCFD methodology covering physical and transitional climate risks and opportunities material to our business. These are reviewed and approved annually by the ARC.
Step 2: Impact materiality assessment	The ERM framework was used to assess the effect of the identified climate-related impacts for both inherent and mitigated risk to our business. Unmitigated (inherent) climate-related risks are assessed assuming no controls are in place, using a 5x5 matrix that multiplies likelihood (1 = highly unlikely, 5 = highly likely) by severity (1 = negligible, 5 = critical) to give a score from 1 to 25, with both scales calibrated against defined criteria: likelihood by the probability of occurrence within a stated time horizon, and severity by quantified financial thresholds alongside qualitative impacts on operations, regulatory standing and reputation. The distinction between ratings is set by these thresholds, so a 1 represents an impact absorbed within normal business operations, a 3 a moderate impact requiring management attention, a 4 a major impact that would materially affect financial performance or delivery of strategic objectives, and a 5 an impact threatening the Group's viability or licence to operate, with adjacent ratings (such as 3 versus 4) separated by the point at which an impact would require escalation or change reported results. Individual IROs are rated by the relevant business or functional risk owners with input from the sustainability team. Climate scenarios inform the assessment by providing the assumptions used to judge likelihood and severity across time horizons. Mitigated (residual) scores are then determined by reassessing both scales after taking account of the controls and actions that are currently in place and operating effectively, so the mitigated score reflects the exposure that remains after management action. Each combined score is calculated by multiplying the likelihood rating by the severity rating. A score of 10 or more can result from different combinations, so both a low-likelihood, high-severity risk and a high-likelihood, moderate-severity risk can require further mitigation. The threshold of 10 was set at the point where a risk could have a material effect on financial performance, operations or strategic objectives. The threshold was reviewed and approved by ARC alongside the wider risk methodology. Principal climate-related risks are identified by applying a further financial materiality assessment described in Step 3 below. Non-climate-related impacts are assessed considering Paragon's impact on society and the environment (average positive and negative impact). The scoring methodology considers likelihood and magnitude of impact on a scale of 0-4. Between 0 to 1 Unlikely / Negligible impact. 2: Low likelihood / Low impact 3: Likely / High impact 4: Highly likely / Very high impact Scores were then combined to produce an average score for different topics. Scores for topics considered to be of High impact and Very high impact (3 and above) are considered material. During the forthcoming reporting years we will streamline this dual methodology approach to ensure consistency when identifying impacts for our material topics.

IRO Identification Methodology (continued)

Step 3: Financial materiality assessment	A further layer of financial materiality assessment was applied to climate-related topics to identify our risks and opportunities for each timeframe and climate scenario. This is completed for each region then consolidated by the Group ESG Director. This combined approach allows integration of climate-related risks and opportunities into operational management decision-making at a local and group level, while supporting the Board to undertake its governance overview of our principal climate-related risks. The financial effect thresholds for principal climate-related risks and opportunities, timeframes and climate scenarios are described on page 45. The risks and opportunities from non-climate-related topics were scored on a scale of 0-4 based on the financial effect on our business. Scores were then combined to produce an average score for the Group. Scores of High and Very High (2 and above) are considered material.
Step 4: Validation, disclosure and ongoing monitoring	Climate-related IRO analysis is reviewed and approved by the ARC annually. The DMA output was validated by the Group ESG Director. Mitigations for climate-related IROs are identified during the risk assessment and scoring process, and are recorded and tracked on the Group's risk management system to ensure oversight and accountability. Ownership is assigned at the appropriate operational business level, reflecting where the relevant risk or opportunity is best understood and managed. Implementation of agreed mitigations is the responsibility of divisional and regional teams, who are accountable for embedding actions into local operations and business planning. Progress is monitored and communicated quarterly through the Group's established risk reporting channels supporting the effective delivery of the Group's climate-related mitigation measures.

This framework allows consistent scoring and prioritisation of all our material topics and their related IROs and will aim to guide us in meeting future CSRD compliance. Together with our climate-related financial analysis it provides a clear, transparent basis for stakeholder engagement, ESG decision-making, and long-term strategic planning in preparation for fully aligned CSRD and UK SRS disclosure the DMA risk assessment will be migrated to the Group ERM framework.

Our Material Topics

Our material topics and their classification as an IRO resulting from the DMA are detailed in the following table.

Material topics	Primary IRO	Description	Value chain	ESRS ref.
Climate Change				
Changing climate and extreme weather.	Risk	Disruption to sites, supply chain and workforce from extreme weather, flooding, sea-level rise and long-term temperature change. Also risk of increased cost and reduced availability of primary raw materials. See page 45.	Own operations; upstream supply chain.	E1
Market conditions and requirements.	Risk	Material risk of loss of client revenue where net zero targets and delivery fall short of future client supply-chain requirements, as well as impacts from the cost of delivering the climate transition plan, potential carbon taxes and cost of financing. Opportunity for client engagement and retention through our Carbon Net Zero target meeting client net zero supplier requirements. See page 46.	Own operations; downstream (clients).	E1
Energy use and GHG emissions.	Negative impact	Negative impact from our contribution to climate change through Scope 1, 2 and 3 GHG emissions, driven principally by energy use in own operations and our upstream supply chain, with opportunities to reduce emissions through on-site renewables and adoption of other low carbon technologies. See page 48.	Own operations (Scope 1 and 2); upstream and downstream (Scope 3).	E1
Circular Economy				
Generation of waste from own operations.	Negative actual impact Potential financial opportunity (revenue)	Resource depletion and waste generated across own operations and through products supplied. See page 54.	Own operations; upstream supply chain; downstream end consumers.	E5
Own Workforce				
Working conditions.	Negative impact	Harm to employees from unsafe or unfair working conditions; associated operational, legal and reputational exposure. See page 55.	Own operations.	S1
Equal treatment and opportunities for all.	Negative impact	Discrimination, bias or harassment affecting employees; loss of talent, engagement and reputational or legal exposure. See page 55.	Own operations.	S1
Workers in the Value Chain				
Working conditions and other work-related rights.	Negative impact	Human rights and labour violations in the upstream value chain. See page 55.	Upstream supply chain.	S2

Our Material Topics (continued)

Material topics	Primary IRO	Description	Value chain	ESRS ref.
Consumers and End Users				
Consumers and end users.	Risk	Harm to consumers from product safety or quality failures, misuse of personal data, misleading marketing or barriers to access. See page 59.	Downstream end consumers.	S4
Business Conduct				
Corruption and bribery.	Risk	Legal, financial and reputational exposure from bribery or corruption in own operations or through suppliers and business partners, including regulatory fines, criminal liability and exclusion from procurement. See page 57.	Own operations; upstream supply chain.	G1
Corporate culture and protection of whistleblowers.	Negative impact	Misconduct going unreported where employees and value chain workers are unable to raise concerns safely, with legal and reputational exposure where speak-up channels and whistleblower protections fall short. See page 57.	Own operations; upstream supply chain.	G1
Management of relationships with suppliers.	Negative impact	Impacts on suppliers from payment practices and contract terms, and risk of environmental, social and ethical failures in the supply chain where supplier due diligence and Supplier Code of Conduct requirements are not upheld. See page 58.	Upstream supply chain.	G1

Where a topic presents more than one IRO, they are listed with the primary IRO first.

All other potentially material IROs covered by the ESRS, together with the full range of physical, transition, technological and regulatory risk categories that we monitor, are assessed annually at both regional and group level against our selected timeframes in case they are required to be addressed by our sustainability strategy.

Environmental Disclosures

Climate Strategy and Transition Plan

Climate change continues to be a material topic with principal risks, as well as impacts and opportunities, for the business according to our CFD and DMA assessments. With climate mitigation being a key priority for Paragon, our clients and our employees, the ARC approved our science-aligned group-wide Carbon Net Zero target in June 2025, which is outlined on page 51. We have consolidated our various carbon reduction and net zero targets into a single group-wide, science-aligned net zero target. These replaced a science-aligned target for our UK operations and separate carbon reduction targets with various target dates for our Netherlands, France and Germany operations. This reflects investor expectations for a clear, overarching commitment at group level, and the Science based Targets initiative (SBTi) encouragement to set targets at the highest organisational level. It also standardises our approach around one goal, ensuring our targets meet science-aligned criteria and providing a consistent basis for tracking and reporting progress.

The following table summarises our decarbonisation levers, actions already taken and expected implementation timescales, as per our climate transition plan. Targets are set against a baseline year of FY21/2022, while the delivery of these targets is supported by our group-wide climate and environmental policies and actions, summarised on page 50. Climate-related targets and actions are integrated into our overall sustainability strategy and implemented by leadership at the appropriate level across the business.

Decarbonisation lever	Actions Implemented	Actions and expected delivery timescales	Current progress
Technology lever: Gas boiler replacements Heat distribution networks Heating controls Electric vehicle upgrades On-site renewable technology	FY2025 Renewable feasibility study and implementation commenced for solar array at one location (Dagenham). Decarbonisation surveys at two locations. HVAC, lighting and building controls upgrades at multiple locations. FY2026 Dagenham solar installation completed, saving 151tCO^2e, with feasibility studies underway at 3 further locations. LED lighting conversion at multiple sites saved 27tCO2e. Product equipment upgrades at multiple production locations, 13,000KWH saved. Van fleet reduction from 14 to 5 vehicles in one business line saving 165tCO^2e.	FY2027 to FY2028: implementation of quick-payback opportunities. Feasibility assessment for on-site renewable generation. FY2029 to FY2032: Replacement of kit at end of life / lease with lower carbon options. FY2033 to FY2040: Investment in heat decarbonisation technology.	42% Scope 1 reduction Short-term and long-term target on track 54% Scope 2 reduction Near term target achieved. Long term target on track

Decarbonisation lever	Actions Implemented	Actions and expected delivery timescales	Current progress
Consolidation lever: Consolidation of business operations to maximise efficiency.	FY2025 Consolidation of two large operations saving minimum (8,000,000 kWh electric and 3,000,000 KWH gas) FY2026 Site consolidation of smaller locations saving 520 tCO2e (1,900,000 kWh electricity and 900,000kWh gas)	FY2026 to FY2030 Consolidation and optimisation of production locations to maximise efficiency.	42% Scope 1 reduction Short-term and long-term target on track 54% Scope 2 reduction Near term target achieved. Long term target on track
Process and behaviour change lever: Out of office and end of shift process Heating and energy monitoring control optimisation	FY2025 Increased number of sites with automated monitoring. FY2026 Improved heating controls saved 11 tCO^2e Automated energy monitoring implemented at additional 4 locations saving $15tCO^2$. Server decommissioning project at 2 locations saved $5tCO^2$.	FY2026 to FY2030 Continued review of process and controls to identify on-going savings.	
Grid emissions lever: Local government delivered reduction in grid emissions	FY2025 & FY2026 Reduction in UK grid emission factors in both reporting years.	FY2026 to FY2035 Track and update grid emissions conversion rates.	
Product and services diversification lever: Mergers & Acquisitions (M&A) activity	FY2025 Acquisition of Service Graphics and Communisis triggered re-baselining thresholds. FY2025/25 The disaggregation of the print and mail business triggered re-baselining thresholds and included movement of kit from locations.	FY2026 to FY2030 Targeted M&A activity to support business growth strategy and material IROs.	See page 12 for M&A activity
Supply chain engagement lever: Supply chain due diligence process Supply chain KPIs and contracted requirements	FY2025 Implementation of new Supplier Relationship Management platform in the UK. Migration of suppliers onto the platform involved benchmarking ESG credentials, including those with a science-aligned carbon net zero target. FY2026 Extended measurement of supply chain Net Zero commitments in other regions.	FY2025 to FY2027 Set minimum requirements framework for supply chain ESG performance and continue ESG benchmarking of supply chain performance	48% of supply chain spend with a net zero target. 13% carbon intensity reduction Short term and long term target on track.

Climate-related IROs

Our process for identifying climate-related IROs is described on page 37. These IROs are reviewed, updated and approved annually by the ARC. Climate-related risks are integrated into our ERM framework along with risk responses, actions and progress, which are also reviewed annually by the ARC.

Our climate-related IROs are described in the table below with the time horizons in which they are likely to impact our operations, and our approach to managing these impacts.

Changes in IRO disclosures

During the FY26 analysis the cost of delivering the climate transition plan was incorporated into our IRO assessment. Whilst full quantitative assessment is not yet completed, it was important to include qualitative analysis to ensure we build a transparent view of the financial implications of a transition to a low-carbon business model alongside other transitional and physical risks and opportunities will ensure our assessment reflects the full cost of achieving our climate ambitions. Full quantitative assessment will cover capital investment and operational expenditure.

During FY26, we reassessed a previously identified climate-related opportunity relating to investment in off-site renewable energy technology. The original research supporting the viability and costing of this opportunity was undertaken more than four years ago and no longer reflects the current renewable energy market, technology landscape or cost environment. As a result, the Group has removed this opportunity from its current assessment of climate-related IROs, pending updated analysis. The Group intends to revisit off-site renewable energy investment as a potential opportunity in future periods, supported by refreshed viability and costing assessments, to ensure any future decision-making is based on current and reliable data. The opportunity for on-site renewable energy generation is included in the assessment of Carbon reduction technology.

The Intergovernmental Panel on Climate Change (IPCC) AR6, projected warming through 2050 is within about 0.1°C of SSP1-2.6, so SSP1-2.6 is retained as our low-emission scenario. AR6 attaches no likelihood to individual scenarios; we have selected scenarios to span a plausible range of outcomes rather than to predict one.

The presentation and content of the Group's climate scenario assumptions, uncertainties and constraints, together with its climate-related IROs, have been revised during the reporting period. These changes have been made to align disclosure with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and to simplify the presentation of this information for the reader, improving clarity and comparability without altering the underlying substance of the Group's assessment.

Time Horizons

Our climate-related IROs are assessed across a range of time horizons:

Time horizon	Justification
Short-term: 0 to 2 years	Aligned with operational and financial planning cycles and criteria for expenditure projects.
Medium-term: 3 to 5 years	Aligned with strategic and capital planning as well as the average client contract term of three years.
Long-term: 6 to 10 years	Aligned with the average lease term of our sites and our near-term Carbon Net Zero target.
Beyond 10 years	Aligned with government targets to reach net zero by 2050 and the useful lives of some of Paragon's assets of 10-40 years, and Paragon's owned science-aligned Carbon Net Zero targets.

Financial Effect Category Definitions

Paragon considers the financial effects of climate-related IROs associated with the products and services we provide, in our own operations and value chain, and 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's ability to operate. This is undertaken for each time horizon and each climate scenario. The principal risk thresholds for each risk category are reviewed and agreed annually by the ARC.

Category	Definition	Threshold
Revenue	Change in Group revenue arising from climate-related risks and opportunities, including changes in client requirements and our competitive position in tenders and RFPs.	**Principal risk / opportunity:** impact on Group revenue of more than 5% during the reporting period. **Minimal risk / opportunity:** impact of 5% or less.
Operating expenditure	Change in operating costs, including site protection and business continuity, energy and cooling, carbon pricing, raw material prices, the cost of borrowing and operating cost savings delivered by investment into onsite renewable generation.	**Principal risk / opportunity:** impact on Group operating expenditure of more than 5% during the reporting period. **Minimal risk / opportunity:** impact of 5% or less.
Asset / Investment	Activities that increase or decrease our GHG emissions by >5% constitute a substantive impact on our Carbon Net Zero Plan.	**Principal risk / opportunity:** increase or decrease of GHG emissions of >5% **Minimal risk / opportunity:** Increase of GHG emissions of 5% or less

Climate Scenarios

Paragon has completed its climate scenario planning using the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs). The scenarios have been selected as they offer a balanced representation of plausible futures relevant to our sector and the geographies in which we operate.

Scenario analysis has been completed for all our climate-related IROs against the scenarios listed below, considering the financial effect on our business across our outlined time horizons.

Description	High carbon	Middle of the road	Low carbon
IPCC alignment	SSP3-7.0 – regional rivalry, low international cooperation, with average temperature rise by 2100 of >3°C. Resulting in chronic and acute physical hazards impacting ability to provide products and services.	SSP2-4.5 - uncoordinated regional policy action and international cooperation, with average temperature rise by 2100 of c.2.7°C. Resulting in price spikes in raw materials and operating costs, and disruption to availability of raw materials and services.	SSP1-2.6 – Global shift toward sustainable, resource-efficient economic development accompanied by stringent climate policies, with average temperature rise by 2100 of a very likely range of 1.3 - 2.4°C.. Resulting in the phase-out of fossil-fuel machinery and expansion of carbon pricing mechanisms and strict eco-design standards across supply chains.

The table below shows the outcomes of our climate-related IRO scenario analysis assessment:

Key: ■ Principal Risk / opportunity ☐ Minimal Risk / opportunity

Climate-related risk or opportunity	Description	Business resilience risk and opportunity response	Climate scenario analysis
Climate Change And Extreme Weather (Acute)			
Localised flooding Potential financial effect: Operating expenditure Time horizon:	Sites at risk of localised flooding (coastal and fluvial). Identified using local government flood risk maps.	Risk Treatment: Monitor Business Resilience All locations have processes in place to protect facilities and equipment from localised flooding. Local site management would also follow the directives and guidance from local authorities and emergency services. Flood risk potential will be reviewed ahead of future purchase and lease renewal negotiations.	With every degree of temperature rise, there is an increased likelihood of fluvial, groundwater and coastal flooding, combined with an increase in extreme weather events. The impact has already been experienced within the reporting year, with low level disruption to equipment efficiency and employee wellbeing, with increased frequency expected across all time horizons. Operating expenditure effect (negative): ☐ Minimal risk in all climate scenarios.
Climate Change And Extreme Weather (Chronic)			
Sea level rise Potential financial effect: Operating expenditure Time horizon:	Sites at risk of sea level rise. Identified using NASA sea level projection tool and Climate Central's Coastal Risk Screening Tool.	Risk Treatment: Monitor Business Resilience The majority of sites at risk are located in the Netherlands where there is strong government-implemented mitigation in place. At other at-risk locations, sea level rise is a considered factor during the lease renewal process.	There are five sites at risk of sea level rise which is expected with increasing likelihood with each degree of temperature rise in our long-term and 10+year time horizons. Operating expenditure effect (negative): ☐ Minimal risk in all climate scenarios.
Temperature rise Potential financial effect: Operating and capital expenditure. Time horizon:	Increased spend on cooling technology and energy consumption.	Risk Treatment: Adapt Business Resilience: The risk is managed through our ISO 14001 and ISO 5000 certified energy management programmes. Reducing energy consumption overall will help mitigate the exposure to increased consumption for cooling.	Increased cooling demand is expected at all sites, potentially requiring upgraded cooling technology and increased spend on energy for cooling. The likelihood increases with each degree of temperature rise. Operating and capital expenditure effect (negative): ☐ Minimal risk in all climate scenarios.

Market Conditions and Requirements (Transitional)			
Cost of potential carbon tax Potential financial effect: Operating expenditure Time horizon:	A carbon tax on Scope 1 and 2 emissions is a decarbonisation lever likely to be applied by governments. A range of carbon prices from €70 to €350 per tonne of CO^2e was applied.	Risk Treatment: Mitigate Business Resilience The risk is managed through the introduction of science-aligned Carbon Net Zero targets in June 2025 together with supporting decarbonisation programmes. This will continue to reduce our Scope 1 and 2 emissions reducing the financial impact of a future carbon tax.	High carbon scenario Assumes no new disclosure standards and reporting requirements within our time horizons. Operating expenditure effect (negative): ☐ Minimal risk.
			Middle of the road Assumes potential sudden, disruptive carbon tax may be set by governments in response to volatility in markets and global weather events. Operating expenditure effect (negative): ☐ Minimal risk .
			Low carbon scenario Assumes carbon pricing mechanisms will be set by our governments, and reporting requirements will cover all our geographies within our long-term and 10+year time horizons. Operating expenditure effect (negative): ☐ Minimal risk.
Client requirements Potential financial effect: Revenue Time horizon:	Material climate change themes and Net Zero requirements of clients assessed to determine revenue at risk should we not meet clients' climate-related targets and expectations.	Risk Treatment: Mitigate Over 56% of Paragon's revenue is derived from clients with a Net Zero plan that extends to their supply chain. 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. Business Resilience Our clients are a primary driver for investment and strategy planning, and we meet the rapidly growing and expanding climate-related requirements through the development of strong climate change plans and governance. Our primary target to address this risk is our Carbon Net Zero target outlined on Page 51. As a result, 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. Based on the assumption that clients will continue to develop strong climate-related programmes due to the physical and transitional risks to their own operations, Paragon views its Carbon Net Zero Plan and supporting programmes as our most material lever for remaining resilient to this risk. The risk is reduced through the introduction of science-aligned Carbon Net Zero targets in June 2025, and wider ESG programmes designed to address client obligations and requirements.	High and middle of the road carbon scenario 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 regulatory drivers. Revenue effect (negative): ■ Principal risk.
			Low carbon scenario Client requirements are changing rapidly with regards to climate change and will continue to do so across all time horizons in a <1.8°C scenario. Revenue effect (negative): ■ Principal risk.

Market Conditions and Requirements (Transitional) (continued)			
Cost and availability of raw materials (paper) Potential financial effect: Operating expenditure Time horizon:	Qualitative research on the impact on our primary raw material (paper) from physical and transitional climate-related impacts.	Risk Treatment: Engage Business Resilience Risk is reduced through supplier and client contract clauses linking charging mechanisms to a paper price index. The availability of paper, although variable as a result of market demand and other socio-economic conditions, has not materially impacted service delivery.	High carbon and middle of the road scenario With each degree of temperature increase, the paper industry's exposure to climate-related risks will increase impacting, the cost and availability of products across medium to long-term + time horizons. Operating expenditure effect (negative): ☐ Minimal risk.
			Low carbon scenario The paper industry already experiences volatility from physical and transitional conditions, and we can expect this to continue to an extent across medium to long-term + time horizons. Operating expenditure effect (negative): ☐ Minimal risk.
Cost of finance Potential financial effect: Operating expenditure Time horizon:	Science-aligned Carbon Net Zero targets and wider ESG targets can reduce interest rates on financial repayments of up to 15 basis points (bps).	Risk Treatment: Mitigate Business Resilience The risk is reduced through the introduction of science-aligned Carbon Net Zero targets in June 2025, together with supporting decarbonisation programmes.	High carbon scenario With minimal policy support, it is assumed that preferential borrowing rates linked to climate-related targets will not be offered in the medium to long-term+ time horizons. Operating expenditure effect (positive): ☐ Minimal opportunity
			Middle of the road With disorderly, uncoordinated policy support, it is assumed that there may still be a trend for preferential borrowing rates linked to climate-related targets. Operating expenditure effect (positive): ☐ Minimal opportunity.
			Low carbon scenario In a <1.8°C scenario it is assumed that preferential borrowing rates linked to delivery of climate-related targets will continue across all time horizons. Operating expenditure effect (positive): ☐ Minimal opportunity.

Market Conditions and Requirements (Transitional) (Cont)			
Cost of delivering the climate transition plan Potential financial effect: Capital expenditure and assets Time horizon:	Capital required to deliver the decarbonisation levers set out in our climate transition plan and to meet our science-aligned Carbon Net Zero targets, including on-site renewable generation, building fabric and plant upgrades, and fleet transition. Unlike discretionary investment, this capital is committed by the targets we have set. Total capital requirement across the plan period is being scoped.	Risk Treatment: Engage Business Resilience The requirement is managed through our annual budget framework and business case process, with decarbonisation projects assessed for feasibility and phased across the plan period in line with our strategic and capital planning cycle. Delivery and cost are reviewed annually by the ARC as part of its oversight of the Carbon Net Zero Plan.	High carbon scenario Limited policy support and slower development of low carbon technologies increases unit costs and reduces the availability of proven solutions, increasing the capital required to meet our committed targets. Capital expenditure and assets effect (negative): ☐ Minimal risk.
			Middle of the road Uncoordinated policy support and uneven technology development creates variable costs and delivery timescales across our geographies, with capital requirements phased over a longer period. Capital expenditure and assets effect (negative): ☐ Minimal risk.
			Low carbon scenario Widespread policy support, incentives and technology development reduce unit costs, but the pace of deployment required increases the capital committed within our medium and long-term time horizons. Capital expenditure and assets effect (negative): ■ Principal risk.
Increased attraction and business retention Potential financial effect: Revenue Time horizon:	Strong ESG and climate-related credentials can be a deciding factor in securing new business. 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.	Opportunity Treatment: Pursue Business Resilience The opportunity is pursued through our ESG and broader people, governance and responsible business practice programmes. The opportunity is pursued through engagement with clients through the following processes: • Bids and tender completion. • Client quarterly business reviews (QBRs).	High carbon scenario Limited rise in demand for strong climate-related credentials beyond current level across all time horizons. Revenue effect (positive): ☐ Minimal opportunity.
			Middle of the road Assumes rapid and reactionary shifts in client and stakeholder demand for sustainable products and services across all time horizons. Revenue effect (positive): ☐ Minimal opportunity.
			Low carbon scenario Rapid and widespread demand for products and business partners that support client climate-related targets will continue across all time horizons. Revenue effect (positive): ☐ Minimal opportunity.

Energy Use and GHG Emissions (Transitional)			
Carbon reduction technology Potential financial effect: Capital expenditure and assets and operating expenditure Time horizon:	On-site renewable energy generation and other carbon reduction technology has the potential to reduce our Scope 1 and 2 GHG emissions by 10% to 20%, while also reducing energy expenditure.	Risk Treatment: Pursue Business Resilience The opportunity is managed through our decarbonisation programmes and each opportunity is assessed for feasibility through our annual budget framework and business case process. In a high carbon scenario the cost of technology and lack of other stakeholder cooperation may result in certain carbon reduction opportunities not being feasible. Our feasibility assessments cover multiple factors including cost, carbon, regulatory and governance factors, and all carbon reduction opportunities would continue to be assessed. In a low carbon scenario we have assumed that the continued development of lower cost renewable technology and landlord collaboration will make it highly likely that we will pursue these opportunities. Two locations have already had solar PV installations with feasibility underway at five sites. Carbon reduction opportunities are assessed for feasibility and are included in site budgets.	High carbon scenario Minimal policy support and minimal development of low carbon technologies, combined with low stakeholder collaboration will make carbon reduction and energy efficiency less likely. Capital expenditure and assets effect (negative): ☐ Minimal. Operating expenditure effect (positive): ☐ Minimal opportunity. Middle of the road Uncoordinated and reactionary policy support for low carbon technologies may present limited opportunities for carbon reduction across all time horizons. Capital expenditure and assets effect (negative): ☐ Minimal. Operating expenditure effect (positive): ☐ Minimal opportunity. Low carbon scenario Widespread policy and development of carbon reduction technology combined with stakeholder collaboration will facilitate the reduction of carbon footprint and energy efficiency across all time horizons. Capital expenditure and assets effect (negative): ☐ Minimal opportunity. Operating expenditure effect (positive): ☐ Minimal opportunity.

Climate Resilience

Following our annual climate-related governance cycle, risks and opportunities that meet our financial effect thresholds in any time horizon are considered to be our principal climate-related risks and opportunities.

We do not believe there is a material financial effect from physical or transition climate change risks during our current financial year reporting. Our science-aligned Carbon Net Zero target and decarbonisation mechanisms such as budget setting and business case validation result in a strategy that is resilient to transition risks and opportunities. Our local processes and controls address our acute climate risks, such as extreme weather and flooding and our M&A strategy coupled with lease renewal and property purchasing controls address our chronic physical risks.

Individually, few climate-related risks reach our principal risk threshold. However, the consolidated impact of two or more risks materialising may constitute the development of a principal risk. In order to track the changing likelihood of risk factors over time horizons, we re-evaluate all IROs annually to ensure we remain resilient.

Climate Policies and Actions

The majority of our policies were established prior to the completion of our most recent DMA and climate-specific CFD analysis. We will undertake a full review of all environmental, social and governance related policies and frameworks as part of our continuing process towards full CSRD compliance.

All policies and processes are reviewed annually to ensure alignment with our principal climate-related IROs, and other material topics.

Policy and standards	Description	Value chain coverage	Climate-related target & material topic
Environmental & Energy Policy	Approved by the CEO, the policy commits Paragon to accountability for environmental and energy management, including: • Efficient use of energy and natural resources. • Preventing the pollution of the environment. • Complying with all environmental legislation. • Working with our suppliers to ensure compliance with our policies. • Identifying pathways to remove reliance on fossil fuels.	Own operations	Carbon Net Zero target, supporting E1: Energy use and GHG emissions E5: Circular economy
Decarbonisation Plan	Owned by the Group ESG Director, the Plan guides local management to deliver all Scope 1 and 2 carbon reduction levers.	Own operations	Carbon Net Zero target, supporting E1: Energy use and GHG emissions. E1: Market expectations and requirements.
Supplier Code of Conduct	Owned by the Group ESG Director, our Supplier Code of Conduct outlines the ESG framework that our suppliers are required to sign up to during onboarding. This commits our supply chain to minimum standards across a range of ESG material topics.	Upstream supply chain	Scope 3 Carbon Net Zero target and E1: Energy use and GHG emissions. E5: Circular economy S2: Working conditions and other work-related rights G1: Corruption and bribery G1: Management of relationships with suppliers
United Nations Global Compact (UNGC)	As a signatory to the UNGC, we are committed to advancing environmental responsibility, implementing precautionary climate strategies and promoting sustainable technologies across our operations and value chain. Through our UNGC engagement, we actively integrate climate risk management into core governance, invest in decarbonisation and energy efficiency levers, and transparently report on our progress via annual Communication on Progress (CoP) disclosures, ensuring our corporate strategy remains resilient and directly contributes to a low-carbon economy.	Own operations	Carbon Net Zero target supporting: E1: Energy use and GHG emissions E1: Changing climate and extreme weather

Climate Targets

Our climate targets have been selected to address our market condition and requirement IROs, especially when meeting the expectations of our stakeholders, as well as for delivering our science-aligned Carbon Net Zero targets.

These targets were developed based on the requirements of the Science Based Targets initiative (SBTi) and support global efforts to limit global warming in accordance with the Paris Agreement.

The targets are supported and delivered by the Decarbonisation Plan, the primary levers, action and ownership of which, along with our progress, are outlined on page 41. The plan allocates responsibility for decarbonisation at appropriate business management levels to ensure ownership and delivery of programmes.

Our divisions have developed their own targets to address climate-related risks and opportunities specific to their markets of operation. Targets and programmes are described in historical regional Sustainability Reports, and Group ESG Report.

During FY2026/27 we will commit our targets via the SBTi and subsequently submit them for validation. Each of our targets uses the FY2021/22 reporting year as a baseline as this is representative of our current operations and locations. Data is available for all locations and activities.

Scope 1 and 2 Targets

We have committed to a near-term target of a 50% reduction of Scope 1 and Scope 2 (location-based) emissions by 2032, followed by a long-term target of 90% reduction by 2040.

We have already achieved a 42% reduction in Scope 1 and a 54% reduction in Scope 2 emissions. This has been achieved through the following decarbonisation levers:

Site consolidation: consolidation of production capabilities into fewer, larger, highly efficient locations

Production and facilities equipment upgrades and efficiency improvements

Process and behaviour change

Local grid decarbonisation

We will review the remaining decarbonisation levers to ensure the outstanding opportunities meet the 90% reduction target and have actionable plans.

Scope 3 Targets

Paragon transitioned from an absolute reduction target to an intensity and engagement target, which was agreed by the ARC in June 2025. This is aligned with the latest SBTi guidance and will drive more meaningful engagement with our supply chain and clients.

Intensity Target: 50% reduction in carbon intensity by 2032, followed by 97% reduction by 2045. Intensity is measured in Scope 3 $kgCO^2e$ per €1million turnover.

Near-term Engagement target: 90% of supply chain spend with partners with a science-aligned Net Zero target by 2032.

Our Scope 3 net zero target covers Purchased Goods and Services (Category 1) and Upstream Transportation and Distribution (Category 4). Together, these categories account for approximately 80% of our total Scope 3 emissions and represent the majority of our operational spend, where we have the greatest ability to influence outcomes through supplier engagement and procurement decisions. Focusing on these categories allows us to direct our resources and efforts where they will deliver the most meaningful emissions reductions, while ensuring our target remains credible, measurable and science-aligned. We will continue to monitor our remaining Scope 3 categories and review the scope of our target as our data quality and influence over these areas develop.

We have achieved a 13% reduction in our intensity figure primarily as a result of the following drivers of change:

- Improved supply chain carbon accounting methodology
- Supplier provided carbon accounting resulting in more accurate emissions data
- Supply chain carbon net zero progress and commitments

Climate and Energy Metrics (including SECR)

Measurements for interim years are available in our ESG Reports.

KPI	FY2025/26 tCO^2e	FY2024/25 tCO^2e	Baseline FY2021/22 tCO^2e	Target & progress tracker
Scope 1 GHG emissions	4,355	4,820	7,482	Scope 1 reduction target
Scope 2 GHG Emissions	7,452	8,582	17,032	Scope 2 reduction target
Scope 3 Cat 1: Purchased goods and services	266,222	204,225	252,922	Scope 3 intensity target
Scope 3 Cat 3: Fuel- and energy-related activitie	3,411	3,731	6,580	Target not applicable
Scope 3 Cat 4: Upstream transportation and distribution	24,724	24,893	19,479	Scope 3 intensity target
Scope 3 Cat 5: Waste generated in operations	2,008	3,235	3,524	Target not applicable
Scope 3 Cat 6: Business travel	2,425	3,376	1,588	Target not applicable
Scope 3 Cat 7: Employee commuting	7,278	6,630	10,056	Target not applicable
Scope 3 Cat 8: Upstream leased assets	208	236	301	Target not applicable
Scope 3 Cat 9: Downstream transportation and distribution	25	6	6	Target not applicable
Scope 3 Cat 12: End of life treatment	9,054	6,729	13,003	Target not applicable
Carbon intensity tCO2e per €1million revenue (also SECR metric)*	259	205	299	Scope 3 intensity target
% supply chain spend (Cat 1 & 4) with Carbon Net Zero Plan in place	48%	42%	3%	Scope 3 intensity target

The scope of SECR metrics covers sites and activities for our UK-registered and / or UK-based operations only. As such, metrics in the table below will vary from the carbon disclosures on the table opposite which cover all activities and operations of PCC Global. SECR runs on a rolling baseline year.

SECR Metric	FY25/26 tCO2e (Current disclosure year)	FY2024/25 tCO2e	
SECR Metric: Energy consumed (kWh)	39,850,955 kWh Consisting of: Electricity: 75% Combustion of gas: 22% Transport fuels: 3%	Restated energy consumed: 41,720,397 kWh Consisting of: Electricity: 75% Combustion of gas: 22% Transport fuels: 3%	Previously stated energy consumption: 36,691,303 kWh
SECR UK metric: Fuel consumed (staff business travel) (kWh)	1,126,632 kWh	1,037,060 kWh	
SECR UK metric: GHG emissions from: Combustion of gas Fuel for transport	1,985 tCO^2e	Restated emissions: 2,634 tCO^2e	Previously stated emissions: 1,721 tCO^2e
SECR UK metric: GHG emissions from consumption of purchased electricity	4,499 tCO^2e	Restated emissions: 5,517 tCO^2e	Previously stated emissions: 5,095 tCO^2e

* Our previous SECR KPI of tCO^2e per square metre of floor space has been replaced with our carbon intensity KPI used for our Carbon Net Zero intensity target. This provides a single measurement against which progress is measured which more accurately reflects our changing product and service mix.

GHG Calculation Methodology

We calculated our carbon emissions using the Greenhouse Gas Protocol: Corporate Accounting and Reporting 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', ensuring that emissions reported comprise all the activities and assets under Paragon's direct control. Energy-based emission factors have been reported using a Gross Calorific Value.

During FY 2025/26 our GHG calculation has migrated to a carbon accounting platform resulting in a centralised and standardised methodology. The process highlighted a number of omissions and inaccuracies in previous calculations, and along with the re-baselining triggered by changes in the business period, all GHG emissions for all reporting periods have been recalculated and restated. A full breakdown of all reporting periods will be published in our Group ESG Report which will be published in 2026.

The majority of the changes in the restated SECR figures are a result of re-baselining following the inclusion of Service Graphics locations.

The full methodology used is detailed in our CDP disclosure, which is publicly available, and our Group ESG 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, aligned with our financial accounting year.

Recategorisation

Scope 3 Cat 4 - Upstream transportation and distribution. Previous disclosures made under Cat 9 – Downstream transportation and distribution have been re-classified as Cat 4.

Exclusions

Scope 3 Cat 10:
Processing of sold goods, Cat 11: use of sold products, Cat 13 - Downstream leased assets, Cat 14: Franchises and Cat 15: Investments are not relevant to our activities

Scope 3 Cat 9:
Downstream transportation and distribution were only available for our UK and Germany operations, other regions has been excluded from the calculations due to difficulty obtaining data.

Scope 3 Cat 2:
Cat 2: Capital goods has been included in Cat 1 Purchased goods and services as it was not possible to split out CAPEX spend.

Circular Economy

The nature of our business model gives rise to resource use and circular economy impacts, principally through the products we provide and the waste streams generated across our own operations. We have therefore integrated resource use and circular economy considerations into our sustainability strategy, with the objective that our products and waste streams are, at minimum, recyclable at end of life. All our sites operate a zero-waste to landfill policy, and we systematically apply the waste hierarchy, refuse, reduce, reuse and recycle, across our processes and waste streams.

Over 35% of our revenue derives from paper-based products, which are recyclable at end of life. We are assessing the sustainability credentials, including recyclability, of our remaining product base. For some products no fully circular solution is currently available, and achieving our goal of all products feeding into the circular economy will depend on collaboration across our value chain.

Policies, Actions and Metrics

Waste-management related policies and controls are implemented and managed at local level to ensure local legislative requirements are met, and treatment is relevant to the activities of each site.

Due to the large number of policies currently deployed, the key themes of each policy are described below:

Theme	Applicability
Waste mapping	Local mapping of waste streams to ensure all waste outputs from our facilities and processes have a defined treatment pathway.
Waste segregation	Local separation of recyclable waste streams tailored to requirements of local legislation and local waste management partners.
Waste storage	Waste storage to prevent pollution of local environment, and safe storage of hazardous waste in accordance with local environmental and health and safety legislation.
Resource efficiency	LEAN manufacturing programmes to reduce waste across our processes, and apply waste hierarchy across our production operations.

Metrics

Waste data is measured for all our sites, except where the facility is part of a managed building where waste is minimal or handled as part of the lease contract and metrics are not available.

Waste Metric	2025/2026	2024/2025 Tonnes	2021/2022 Baseline year	Policies and Actions
Paper / Board	48,670	43,802	62,702	Site waste segregation and recycling mechanisms. Employee engagement and job-specific training. Supply chain due diligence and audit.
Mixed plastics	74,84	69,4	409,4	
Wood	247,5	375,7	986	
Other mixed recyclables	265,5	259	247,3	
Mixed electronics	41,3	45	32	
Metals	52,7	94	139	
Organic waste	25,3	41	24	
General waste (non-recyclable)	74,3	61	133	
Recycling rate	>99%	>99%	>99%	

To continue addressing circular economy-related IROs, in line with evolving stakeholder expectations, and to comply with CSRD requirements, we will, over the next few disclosure cycles, fully scope our resource use IROs across our own operations and our upstream and downstream value chain. We will develop further policies, processes and actions addressing resource efficiency, product circularity and waste management. Alongside this, we intend to set targets and supporting metrics for resource efficiency and product circularity and expand our metrics on resource inflows and outflows, covering sustainable sourcing and the use of recycled materials, and the recyclability and recycled content of our products and packaging.

Social Information

Alignment with ESRS Disclosure

Ahead of our first CSRD compliant report, we will assess our full range of social IROs, identifying opportunities to improve the disclosure of our policies and actions for inclusion in future disclosures.

Own Workforce

Our people are at the heart of Paragon's success, and creating a workplace where everyone can thrive remains a key priority. Over the past year, we have continued to listen to colleagues, invest in their development and strengthen our commitment to inclusion. From enhancing family-friendly policies and celebrating external recognition for our progress, to empowering our networks and future leaders, we have taken meaningful steps to ensure Paragon is a place where everyone feels they belong and can be at their best.

Employee Metrics

Paragon employs people across over 40 locations and over 20 countries.

Employee Metric	Brand Services	Outsourced Services
Number of employees	1,512	4,467
% Male / Female / Other	Male: 50% Female: 50% Other gender identities: Not disclosed	Male: 57% Female: 43% Other gender identities: <1%

Supporting colleague wellbeing remains a key focus. We recognise that wellbeing is fundamental to engagement, performance and inclusion, and we continue to invest in initiatives that support the physical, mental and financial wellbeing of our people.

Personal and Professional Development

Developing our people remains a key strategic priority. We continue to invest in learning and development opportunities designed to help colleagues build skills, realise their potential and progress their careers. Through initiatives such as Pathways and Elevate, we have strengthened the support available to managers and aspiring leaders, equipping them with the knowledge, confidence and tools needed to lead high-performing, inclusive teams. By investing in leadership capability today, we are helping to build a stronger, more resilient and more sustainable organisation for the future. The image shows our L&D delivery in FY26 for Outsourced Sevices.

Employee Engagement

Listening to colleagues is central to how we shape our people agenda. Our annual Employee Engagement Survey continues to provide valuable insight into the experiences of our workforce, helping us understand what we are doing well and where we can improve. The positive results achieved in 2025 reflected the continued commitment of colleagues across the business and reinforced the importance of creating an open, inclusive and supportive culture. These insights directly inform our action plans and help ensure that employee feedback remains at the heart of decision-making.

Our divisions and regions have their own employee engagement mechanisms and we are working on developing a common set of employee engagement metrics to consolidate the outputs from across the business.

The table below illustrates key highlights for our Outsourced Services and Brand Services divisions:

Outsourced Services	Brand Services
Our 2025 annual employee survey saw a 75% completion rate and highlighted improved scores compared to the previous year for the following areas: • Mental health & wellbeing • Pride & engagement • Culture and values • Development & opportunities • Leadership & support • Recognition & rewards All service lines have a plan tailored to their specific results to improve employee satisfaction scores. Progress is reported to the Board to ensure ownership and delivery.	A Great Place to Work survey was conducted, with a 63% completion rate. The Trust Index, which represents the average satisfaction score, stands at 65% — a strong result for a first survey. Key highlights included: • Strength of inclusion and non-discrimination • Quality of relationships between employees • Accessibility of management • High level of autonomy and empowerment • Flexible working conditions that support a healthy balance between professional and personal life The next area of focus is to strengthen internal communications. This approach reflects our commitment to listening and dialogue with our teams, in order to offer everyone a nurturing and safe environment in which they can unlock their potential.

Governance Information

Business Conduct

Alignment with ESRS Disclosure

Ahead of our first CSRD-compliant report, we will assess our full range of governance IROs, identifying opportunities to improve the disclosure of our policies and actions.

The highest standards of corporate governance are critical to our business's integrity and ensure that we maintain our stakeholders' trust. Paragon's Corporate Governance Statement can be seen on page 74 within the Directors' Report and details our approach to governing business conduct.

Whistleblowing Policy

To support our commitment to integrity, transparency and ethical conduct, we have independent and anonymous channels in place across our territories to enable our own employees and those in our value chain to report concerns related to misconduct, non-compliance or other unethical behaviour in a safe and confidential manner. Independent systems ensure the reporting person is protected in line with the European Directive on the protection of whistleblowers and the German Whistleblowing Protection Act. The platforms play a critical role in safeguarding our values and ensuring a culture where employees feel empowered to speak up without fear of reprisal.

Prevention and Detection of Corruption

We maintain a zero-tolerance policy towards corruption and bribery across all operations. We actively protect our workforce by providing regular, role-specific anti-corruption and anti-bribery training designed to help employees and contractors identify ethical risks and navigate their working environments responsibly. Internal controls and periodic risk assessments ensure that all reported incidents are thoroughly investigated and mitigated to protect both our business integrity and our people.

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 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.

Supplier Management

Engaging with our suppliers and end users presents significant opportunity to reduce our environmental impact, enhance efficiency, strengthen our brand and tackle social inequality through our partnerships. Regulatory infrastructure such as the CSDDD provide best practice frameworks for value chain governance and we are integrating the requirements into our supply chain programmes. Paragon adds over €600m to the economies in which we operate through our supply chain spend.

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 during onboarding and at intervals determined by risk level, ensuring a consistent and robust approach to supplier governance. Our processes enable us to collect detailed ESG data, perform risk analysis and track supplier performance.

Over 90% of our carbon footprint resides within our supply chain. This means we do not directly control most ESG-related risks and opportunities, which makes measurement, influence and change particularly challenging. We have been focussing on benchmarking the ESG credentials of our supply chain to support our 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 begun the process to benchmark our spend with diverse owned or operated supply partners (in line with local regulatory frameworks).

Equal Opportunities

Paragon is an equal opportunities employer. 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 provide equal access to promotional opportunities. We use a fair and consistent selection process to assess all job applicants based on suitability, capability, and qualifications. 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.

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.

Inclusivity

We are proud to have achieved a Silver accreditation through the Inclusive Employers Standard, an externally recognised benchmark that assesses organisations against inclusion best practice. This achievement reflects the progress we have made in embedding diversity, equity and inclusion across our business and demonstrates our commitment to listening to colleagues, holding ourselves accountable and continuously improving.

One of our most significant developments during the year was providing greater financial support during parental leave for our workforce. Helping parents spend valuable time with their families while creating a more inclusive workplace where everyone can balance their work and personal responsibilities is central to our commitment to our colleagues.

Our employee networks continue to play a vital role in bringing people together, raising awareness and helping shape positive change across the organisation. The Paragon Women's Network (PWN), Paragon Pride Network (PPN) and Disability and Neurodiversity Network (DANN) provide important spaces for connection, learning and advocacy, while also helping us better understand the experiences of colleagues throughout the business.

Our Employee Ambassadors and Diversity & Inclusion Forum play an important role in amplifying employee voice across the organisation. By bringing together colleagues from different locations, functions and backgrounds, these groups provide valuable perspectives, challenge thinking and help shape initiatives that better reflect the needs of our workforce. They are instrumental in ensuring colleagues have regular opportunities to contribute ideas, share experiences and influence positive change.

Consumers and End Users

Failure to safeguard the rights, safety, and equitable treatment of consumers and end-users, including deficiencies in product safety and quality, misleading or opaque marketing, personal data privacy breaches, or discriminatory barriers to product accessibility, presents critical strategic, financial, and legal risks. Flaws in product design or service delivery, particularly those that adversely affect vulnerable user groups, can lead to costly product recalls, regulatory penalties, litigation, and severe damage to brand equity and customer trust. Furthermore, failing to ensure transparent communication, non-discriminatory access, and responsive grievance channels, risks customer churn and long-term erosion of enterprise value. We actively mitigate these risks through rigorous quality assurance controls, inclusive design principles, robust data governance, clear labelling, and dedicated consumer feedback mechanisms that promote fair, safe, and transparent user experiences across all markets.

Commission de Surveillance du Secteur Financier (CSSF) Compliance

The CSSF is Luxembourg's financial regulator, responsible for overseeing the stability, security, and compliance of organisations operating within the financial services sector. Paragon's operations in Luxembourg continue to remain compliant by maintaining robust governance, risk management, information security, operational resilience, and third-party oversight practices aligned to applicable CSSF requirements and industry standards. Compliance is supported through regular risk assessments, control monitoring, independent assurance activities, regulatory horizon scanning, and the ongoing maintenance of recognised certifications and governance frameworks.

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.

Key

No change from last year | Increased risk | Reduced risk | New risk

Risk description	Potential impact	Mitigation
Product and service		
Paragon's success depends on the quality and relevance of our products and services.	Loss of revenues if the quality and relevance of our products and services diminishes.	• We have developed robust technology 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 clients 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.	We are dependent on the talent, creative abilities and technical skills of our people as well as their relationships with clients. We are vulnerable to the loss of people to competitors (traditional and emerging) leading to disruption to the business.	• 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 their 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.	• 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. • We train our teams to provide best-in-class client support, thereby improving customer satisfaction. • We develop unique propositions to capture additional spend and market share.
Acquisition and disposal risk		
Paragons' 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 acquisitions could lead to loss of profits, inefficient business processes, inconsistent corporate culture and weakened brand equity.	• All acquisitions are subject to rigorous due diligence and operational review, the findings of which are presented to the Board as part of the supervision and approval process. • Where necessary, external advisers with technical and/or local knowledge are engaged. • Post-acquisition synergies are identified and business practices are standardised to realise operational efficiencies.

Risk description	Potential impact	Mitigation
Economic and global political changes ↑		
Adverse economic conditions pose a risk that our clients may reduce, suspend or cancel spend with us or be unable to satisfy obligations. 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.	Economic conditions, including inflation and increasing interest rates, among others, have a direct impact on our business, results of operations and financial position. 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 spending plans and budgets.	• We provide high-quality business-critical and marketing services, which are embedded in the day-to-day operations of our clients and are required even in times of uncertainty. • Paragon's Enterprise Risk Management framework assesses and manages operational risk at Tier 1 level and enables a constant review on risk posture in the context of changing external factors. • 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 advisers, 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.	• The Governance, Risk and Compliance team ensures that the organisation remains compliant and aligned to all legal and regulatory obligations. • 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 through new-starter and annual compliance training.
Climate change ↑		
The Group is subject to a range of physical and transitional climate risks, including current and future regulatory requirements, rapidly developing market requirements for climate-related commitments, and chronic and acute physical risks to our locations. A full analysis, including our principal climate-related risks is covered in the Non-financial and Sustainability Information Statement in the Strategic Report on page 28.	Potential impact on the Group's revenue and operating costs is outlined in the Non-financial and Sustainability Information Statement from page 28.	• A full analysis of climate-related impacts, risks and opportunities can be found in the Non-financial and Sustainability Information Statement from page 28.

Risk description	Potential impact	Mitigation
IT and systems ↑		
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. The Group is reliant on third parties for the performance of a significant portion of our worldwide information technology and operations functions. A failure to provide these functions could have an adverse effect on our business.	Any failure or delay in implementing the IT programmes may have a material adverse effect upon the overall strategic plan and the realisation of targeted benefits and savings. Disruption and unavailability of critical systems may have a negative impact on our operations and client service delivery.	• 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. Overall progress, challenges and risks are monitored as part of our project management processes and discussed in dedicated steering committees, which also agree upon any corrective action that may be required, including supplier resilience matters. • Progress reports are completed as part of regular briefings that the Board receives on the overall implementation of the strategic plan.
AI Strategy ↑		
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 the review of IT systems and processes, which may require refinement or amendment, to ensure regulation can be adhered to.	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. We may struggle to attract and retain talent, further hindering our ability to innovate and compete. Generated materials may infringe third-party IP and data, resulting in legal costs and client reputation impact.	• 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 serve our clients. • A formal AI policy and governance framework is deployed within the organisation to support innovation and responsible use of the technology. • 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 AI Steering & Governance Committee, reporting to the Board and Audit and Risk Committee on identified risks and impacts.
Pandemics ↓		
The impact of a pandemic on our business depends on a number of factors and we will not be able to accurately predict the impact. A risk of future long-term pandemic-related lockdowns could affect multiple major markets and impact our clients' spending plans.	A pandemic and the measures to contain its spread may have an adverse effect on our business, revenues, results of operations and financial condition and prospects.	• 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. • Strong alignment with H&S requirements and the implemented Management System certified to ISO 45001 which is validated by the external certification body at regular intervals.
Liquidity risk ↔		
Risk that Paragon will not be able to meet the financial obligations as they fall due.	Our main sources of liquidity in the foreseeable future are likely to be cash generated from operations and borrowings through committed bank facilities. 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.	• 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 ↔		
The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets.	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.	• 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 ↑		
Risk of failure to prevent impacts from the denial-of-service attacks, cyber espionage and the related theft / disclosure of confidential /customer data leading to reputational, regulatory and financial impacts.	Significant operational disruption caused by a major cyber incident.	• Operational resilience is supported by formal plans that have been implemented across Paragon, including Business Continuity and Disaster Recovery protocols to minimise business disruption. • We regularly review our cyber security posture and remain vigilant on emerging threats and vulnerabilities. • Our information security management controls form part of the Management System which is certified to the ISO 27001 standard and externally audited by accredited certification bodies.

Risk description	Potential impact	Mitigation
Market risk		
The Group is exposed to the risk of changes in market prices.	Potential impact on the Group's income or the value of its holdings of financial instruments.	• 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		
The Group is exposed to the fluctuation of commodity price.	Potential impact on the Group's profitability.	• Ongoing centralisation of the Group procurement 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		
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. 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. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.	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.	• 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		
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. 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.	If a client is unable to pay sums due, there could be an adverse effect on our working capital and operating cash flow.	• 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 redit quality financial institutions and the Group has policies that limit the amount of credit exposure to any one financial institution.

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 2006.

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, ESG, cyber security 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 the 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 holds regular meetings with senior management and in turn regional heads are required to engage fully with their staff. Training budgets are included in the budgets of 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 2026, the senior management team visited our sites in all countries of operation. During these visits, the senior management team engaged 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.

Primary Interests

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, large and small, to identify opportunities that achieve profitable growth for our customers and greater efficiency in their operations. We ensure that we nurture mutually beneficial relationships that deliver joint value and the best outcome for all our stakeholders.

The Board engages with customer on 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 2026, 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 FTSE 100 groups and they play a critical role in the success of our businesses.

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

Primary Interests

Suppliers want:

- To build a long-term, mutually beneficial 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 Code of Conduct, 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 57.

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 also improve our collective impact,

ensuring sustainable supply chains, reducing our environmental impact, and making positive contributions to society. This is reported on in our Non-financial and Sustainability Information Statement from page 28.

Impact on Board Decisions

In FY26, the senior management team met with suppliers and 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 its carbon net zero targets. More information concerning Paragon's carbon emissions can be found in our Non-financial and Sustainability Information Statement on page 28. 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 paid on time
- All rules and regulations adhered to

How We Engage

In 2026 the Audit and Risk Committee (ARC) received reports on the potential impact of new ESG regulations including CSRD and will continue to monitor progress towards compliance.

Also, the ARC received reports from divisional risk officers and Data Protection Officers 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.

The Strategic Report was approved by the Board on 8 October 2026 and signed on its behalf by:

Jeremy Walters
Chief Executive Officer | Paragon

2. DIRECTORS REPORT

Directors' Report

For the year ended 30 June 2026

Introduction

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 2026.

The Paragon board comprises three Executive Directors, four Non-Executive Directors and one Independent Non-Executive Director. The Executive Directors are Jeremy Walters (CEO), Clem Garvey (COO) and Martin Edstrom (CFO). The Non-Executive Directors are Patrick Crean, Pauric Crean, Sarah Crean and Liam Devane. Joseph Morgan sits on the Board as an Independent Non-Executive Director.

Further details on the board's remit and make-up and the committees can be seen in the Corporate Governance Statement on page 74.

The directors who held office during the year are shown below.

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
Independent Non-Executive Director

Auditors

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
2 Burlington Road, Dublin 4, D04 WV00, Ireland

Solicitors

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

Cabinet Lipworth
18 Avenue Franklin Delano Roosevelt, 75008, Paris, France

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, LLE87 2BB, United Kingdom

HSBC UK Bank PLC
1 Centenary Square, Birmingham, B1 1HQ, United Kingdom

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. KPIs for the financial year ended 30 June 2026 are shown in the table below, along with prior year comparatives.

	Note	2026 €000	2025 €000	Change %
Sales of goods and services	4	1,123,759	1,131,964	(1%)
Underlying EBITDA[1]	4	129,051	126,942	2%
Non-underlying items	6	97,989	32,793	199%
Operating inflows		21,456	91,818	(77%)
Free cash flow[2]		41,169	106,684	(61%)
Cash and cash equivalents	24	86,310	131,471	(34%)
Net Borrowings		464,009	359,730	29%

Dividends

There were no dividends proposed or paid during the financial year.

Corporate Governance

A Corporate Governance Statement has been prepared and forms part of this Directors' Report. It can be seen on page 74.

Political donations

No political donations were made, and no political expenditure was incurred by the company or any of its subsidiaries during the year (2025: nil).

Financial Risks Management

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 of €135m, of which €35m was utilised as at 30 June 2026 (2025: €130m was utilised).

The Group repaid the term loan of €38m in November 2025.

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) within the Non-financial and Sustainability Information Statement on page 52 and 41 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 on page 64 in the Strategic Report, including the principal methods by which the Group engages these stakeholders.

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.

Notes
1. Underlying EBITDA is defined in Note 2 on page 108.
2. Free cash flow is defined in Note 2 on page 108.

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 two divisions 2026 and 2027, including the ability to adhere to banking covenants. In doing so, the directors have considered the uncertain nature of the local economic trading trends in our two 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 €316.6m (2025: net liability position of €217.3m), with net current liabilities of €153.7m (2025: net current liabilities of €165.8m). The Group has also experienced losses of €91.0m (2025: losses of €21.6m). The Group has an unrecognised fair value merger reserve of €376.3m (2025: €369.1m). These factors have been carefully considered in the going concern assessment.

In November 2025, the Group successfully completed a refinancing of its debt facilities. The existing bonds, term loan and revolving credit facilities were refinanced and replaced with newly issued bonds and a new revolving credit facility. The refinancing significantly strengthened the Group's liquidity position and provides a stable funding platform, with no material debt maturities arising until 2030.

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 30 June 2028 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 unutilised borrowing facilities available. This assessment also included a review of detailed cash flow forecasts, liquidity requirements, available borrowing facilities and forecast covenant compliance.

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 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. As at 30 June 2026, approximately 74% of the Group's revolving credit facility remained undrawn (2025: nil).

Financial Forecasts

Three scenarios were considered: a management case and two downside scenarios, the second of 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 directors have prepared a series of outcomes built up from detailed projections for each of the Group's businesses and markets, considering:

- Our management case, prepared on a prudent basis, anticipates that volume would steadily increase for the remainder of 2026 and into 2027. Key assumptions included in the management case are 2.5% revenue growth YoY, payroll cost increase by 2.5% YoY and operating cost increase by 2% YoY;
- The first downside case factor in a 5% reduction in turnover across the five regions for the compared with the management case for the remainder of 2026 and 2027 to reflect a scenario of an adverse economic impact over the course of the next year, and a slower recovery over the course of next year. In response to lower activity levels, the downside cases also assume a 5% reduction in payroll costs and a 5% reduction in operating expenditure, reflecting management's ability to align the cost base with lower volumes. In addition, the downside scenarios assume a 25% reduction in capital expenditure together with the implementation of further cost-saving measures to reduce variable costs and align the costs with the lower volume. Those projections showed that the Group will continue to operate viably over that period;
- The second downside cases factor in a 14% reduction in turnover across the two divisions for the compared with the management case for the remainder of 2026 and 2027 to reflect a deeper economic slowdown arising from the conflict in Ukraine and the Middle East, continued cost of living pressures and a slower than expected market recovery. In response to lower activity levels, the downside cases also assume a 10% reduction in payroll costs and an 8% reduction in operating expenditure,

reflecting management's ability to align the cost base with lower volumes. In addition, the downside scenarios assume a 50% reduction in capital expenditure together with the implementation of further cost-saving measures to reduce variable costs and align the costs with the lower volume. Those projections showed that the Group will continue to operate viably over that period. Based on these assumptions, together with the Group's available banking facilities and other cost mitigation actions, the forecasts indicate that the Group would maintain sufficient liquidity, remain within its banking covenant requirements and be able to meet its liabilities as they fall due throughout the assessment period.

Outcome of Assessment

Overall, the Group traded in line with the management case for the first two months of the 2027 financial year and has remained profitable at an underlying EBITDA level which further underlines the resilience and adaptability of our business.

The directors are confident that the Group is 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 for each financial year, 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.

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 is 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.

Corporate Governance Statement

Introduction

This Corporate Governance Statement forms part of the Directors' Report for the financial year ended 30 June 2026. It provides an overview of the governance framework, policies and practices adopted by Paragon to ensure effective leadership, accountability and transparency in the conduct of its business.

The Board is committed to maintaining high standards of corporate governance throughout the Group. The governance framework adopted by the Company promotes effective leadership, accountability, transparency, sound risk management and oversight of the Group's operations.

Governance Framework

The highest standards of corporate governance are critical to the business' integrity and ensure that we maintain our stakeholders' 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.

Board Composition: The Board comprises eight members, including 3 executive directors, 4 non-executive directors and 1 independent non-executive director. The Chair is Patrick J Crean who is responsible for leadership of the Board and ensuring its effectiveness.

Board Operation: The Board met 15 times during the year, with an attendance rate of 100%. Meetings are structured to allow sufficient time for discussion of strategic, operational, and risk matters.

Committees:

Audit and Risk Committee (ARC) - Oversees financial and regulatory reporting, risk posture, ESG governance, internal controls, and the relationship with external auditors.

The Audit and Risk Committee comprises Liam Devane, Martin Edstrom, Clem Garvey and Amit Arora (Chief Risk Officer). The Audit & Risk Committee is chaired by Non-Executive Director, Liam Devane.

Remuneration Committee - Determines remuneration policy and packages for executive directors.

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

Each committee operates under formal terms of reference, reviewed annually.

Diversity Policy

The Company is committed to promoting diversity and inclusion at all levels. The Board's diversity policy covers gender, ethnicity, skills, experience, and background.

Objectives: To maintain a balanced and diverse Board that reflects a broad range of perspectives.

Implementation: Recruitment processes are designed to attract candidates from diverse backgrounds.

Results: As at 30 June 2026 12.5% of the Board are women, and 0% come from under-represented ethnic backgrounds.

Internal Control and Risk Management

The Board is responsible for maintaining a sound system of internal control and risk management in relation to financial reporting and operational performance.

Financial Reporting: The Company has established processes to ensure the accuracy, completeness, and timeliness of financial statements.

Risk Management: Risks are identified, assessed, and monitored through a structured risk register, with regular reporting to the Audit and Risk Committee.

Review: The effectiveness of internal controls is reviewed annually, with findings reported to the Board.

Shareholder and Investor Engagement

The Company values open and transparent communication with shareholder and investors.

Board meetings - Provide an opportunity for our shareholder to ask questions and vote on key matters.

Investor Relations - Regular updates are provided through results announcements, investor presentations, and the Company's website as well as calls and meetings between investors and prospective investors and the CFO.

Engagement - The CFO and CEO are available to meet with Investors and our shareholder to discuss governance and performance.

Significant Shareholdings

As at 30 June 2026, Patrick J Crean held 100% of the shares in PCC Global plc.

Auditors

Deloitte Ireland LLP was reappointed as auditor during the year. Deloitte Ireland LLP has 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 confirms 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 8 October 2026 and signed on its behalf by:

Jeremy Walters
Chief Executive Officer | Paragon

3. AUDITORS REPORT

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 2026 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

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 39, 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 tae 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 €11.2 million, which was determined based on approximately 1% of revenue.

The materiality that we used for the parent company financial statements in the current financial year was €1.5 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 group-wide internal controls, identifying significant classes of transactions, account balances or disclosures and assessing the risks of material misstatement.

Our audit scope covered 89% (2025: 94%) of the group's revenue, 81% (2025: 85%) of the group's loss before tax, and 79% (2025: 86%) 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.

Significant changes in our approach[3]

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

Report on the audit of the financial statements (continued)

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

At 30 June 2026, the group and parent company had available cash and cash equivalents of €86.3m and €12.3m 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 was also a new bond issued in the current year due in 2030.

As part of the assessment, the directors 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.

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, our procedures included the following:

- In responding to the key audit matter, our procedures included the following:
- 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 2026 to 31 December 2027, 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 the directors' going concern model.
- We obtained the directors' downside scenarios for the period from 1 July 2026 to 31 December 2027, including a scenario with a set of severe but plausible assumptions reflecting their assessment of relevant uncertainties and stress-tested it independently.
- 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.
- We assessed the financing facilities available including the nature of the facilities and the repayment terms.
- We assessed the accuracy of the director's historical forecasts by comparing such forecasts for the year ended 30 June 2026 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 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.

Report on the audit of the financial statements (continued)

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 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 €453.2m and,
- Total Amounts falling due from group undertakings to the parent company (loan receivable from group undertaking) €197.7m.

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

- 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 judgment including key assumptions made by the directors to estimate the recoverable amounts of the group's cash generating units ("CGUs") to which goodwill is allocated to. Key assumptions include but are not limited to the discount rate and long term growth rate utilised in estimating recoverable amounts.

Goodwill acquired through business combinations is allocated to the 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.

Report on the audit of the financial statements (continued)

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 made 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 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.

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)

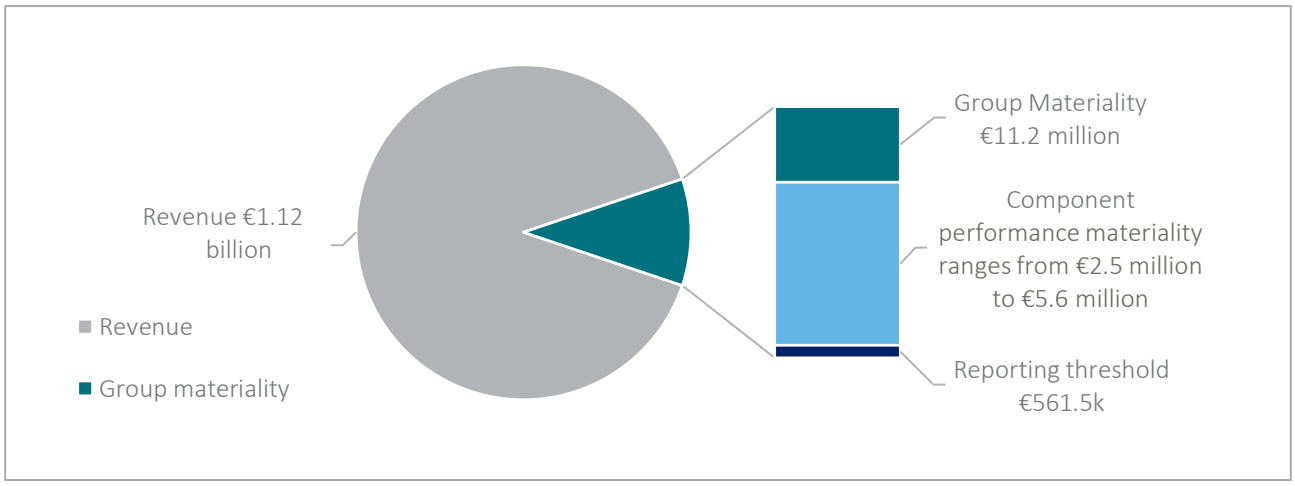
6. OUR APPLICATION OF MATERIALITY

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	€11.2 million (2025: €10.3 million)	€1.5 million (2025: €2.0 million)
Basis for determining materiality	Based on approximately 1% of revenue.	ased on approximately 1% of total equity/net assets.
Rationale for the benchmark applied	Revenue was considered to be the most appropriate benchmark because is it 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 The International Stock Exchange 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	70% (2025: 80%) of group materiality	70% (2025: 80%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: 1. our understanding of the group and the parent company and their environment and the impact of various macro economic factors; 2. the financial performance of the group and the parent company; 3. the nature, volume, and size of misstatements (corrected and uncorrected) in the prior year audit; and 4. 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 Committee that we would report to the Committee all audit differences in excess of €561.5k (2025: €515k), 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 the Audit and Risk Committee meetings during the year ended 30 June 2026, as well as held regular meetings with management.

7.1 IDENTIFICTION AND SCOPING OF COMPONENTS

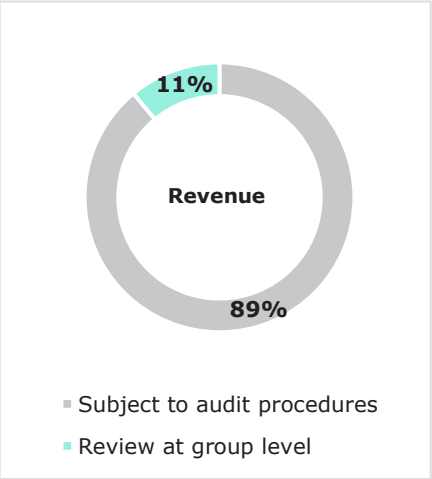
We applied a risk-based approach when performing our group audit scoping by obtaining an understanding of the group and its environment, including consideration of relevant group-wide internal controls, identifying significant classes of transactions, account balances or disclosures and assessing the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

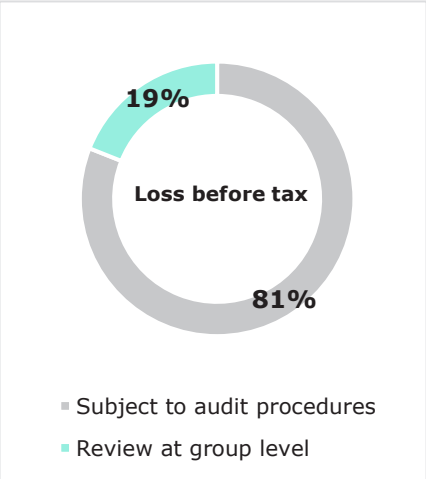
Understanding the Group, its components, and their environments, including Group-wide controls

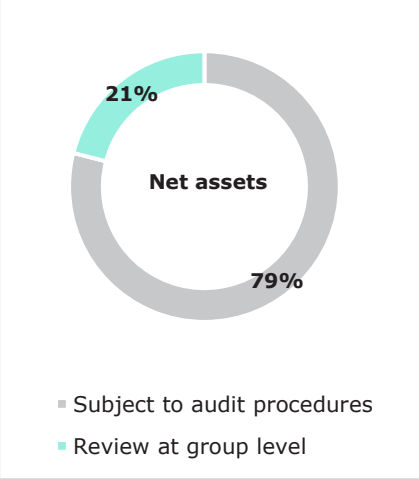
- We obtained an understanding of the group and its environment, including group-wide controls, and assessed the risks of material misstatement at the group level.
- We obtained an understanding of the effect of the group organisational structure on the scope of the audit. This included determining that 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 6 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 89% (2025: 94%) of the group's revenue, 81% (2025: 85%) of the group's loss before tax, and 79% (2025: 86%) 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 €2.4. million to €5.6 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. 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 41. 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 pages 60-63.

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 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 page 102.

We have also read the group's disclosure of climate-related information in the annual report listed on pages 28-59.

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

OOur 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:
  - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - o 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.

Report on the audit of the financial statements (continued)

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.

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

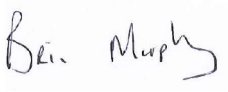
Under the Companies Act 2006, we are required to report to you if, in our opinion:

- 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.

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.



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Brian Murphy (Senior Statutory Auditor)

For and on behalf of Deloitte Ireland LLP

Statutory Auditor, Chartered Accountants

Dublin, Ireland

12 October 2026

4. FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2026

	Notes	2026 €000	2026 €000	2026 €000	2025 €000	2025 €000	2025 €000
		Underlying	Non-underlying	Statutory	Underlying	Non-underlying	Statutory
Revenue from sale of goods and services	4	**1,123,759**	**-**	**1,123,759**	**1,131,964**	**-**	**1,131,964**
Material costs		(566,566)	-	(566,566)	(559,565)	-	(559,565)
Payroll	5, 6	(323,422)	(32,927)	(356,349)	(337,606)	(13,007)	(350,613)
Other operating costs		(104,720)	(6,171)	(110,891)	(107,851)	(2,562)	(110,413)
Other operating income	6	-	10,170	10,170	-	-	-
Net costs before depreciation and amortisation		**(994,708)**	**(28,928)**	**(1,023,636)**	**(1,005,022)**	**(15,569)**	**(1,020,591)**
EBITDA[1] (excluding corporate charges)	2, 6	129,051	(28,928)	100,123	126,942	(15,569)	111,373
Corporate charges		(12,036)	(4,322)	(16,358)	(11,509)	(1,501)	(13,010)
Depreciation and amortisation		(61,915)	-	(61,915)	(68,601)	-	(68,601)
Operating profit/(loss)	6, 7	**55,100**	**(33,250)**	**21,850**	**46,832**	**(17,070)**	**29,762**
Gain/(loss) on asset disposals	6	-	100	100	-	(3,273)	(3,273)
Other non-operating expenses		-	(4,929)	(4,929)	-	-	-
Finance income	9	2,833	-	2,833	2,835	-	2,835
Finance cost	10	(53,131)	(4,489)	(57,620)	(39,860)	-	(39,860)
Share of equity accounted investments	17	136	-	136	45	-	45
Profit/(loss) before tax		**4,938**	**(42,568)**	**(37,630)**	**9,852**	**(20,343)**	**(10,491)**
Income tax credit	11	2,093	-	2,093	1,306	-	1,306
Profit/(loss) for the year from continuing operations		**7,031**	**(42,568)**	**(35,537)**	**11,158**	**(20,343)**	**(9,185)**
Discontinued operations	12	-	(55,421)	(55,421)	-	(12,450)	(12,450)
Profit/(loss) for the year		**7,031**	**(97,989)**	**(90,958)**	**11,158**	**(32,793)**	**(21,635)**

[1]. EBITDA is defined in Note 2 on page 107.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	2026 €000	2025 €000
Loss for the year	**(90,958)**	**(21,635)**
Items that will not be reclassified subsequently to profit or loss		
Actuarial (loss)/gain recognised on pension schemes	(268)	177
Revaluation loss of land and buildings	(296)	(484)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(586)	(389)
Other comprehensive income for the year	**(1,150)**	**(696)**
Total comprehensive income for the year	**(92,108)**	**(22,331)**
Attributable to:		
Owners of the company	(92,108)	(22,331)

The impact of tax on the other comprehensive income items was €nil (2025: €nil).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

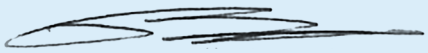
	Notes	2026 €000	2025 €000
Assets			
Non-current assets			
Property, plant and equipment	13	36,963	45,269
Goodwill	15	119,900	118,240
Other intangible assets	16	123,695	104,758
Equity accounted investment	17	284	266
Right-of-use assets	19	78,457	80,830
Other non-current assets	21	24,921	3,497
Deferred tax assets	28	22,002	13,061
Retirement benefit surplus	29	913	858
		407,135	**366,779**
Current assets			
Trade and other receivables	21	139,072	125,825
Inventories	22	18,264	15,345
Cash and cash equivalents	24	86,310	131,471
Loan receivable from related party	35	36,085	29,955
Income tax receivable		2,195	225
		281,926	302,821
Assets classified as held for sale	12, 18	640	60,851
		282,566	**363,672**
Total assets		**689,701**	**730,451**
Liabilities			
Current liabilities			
Lease liabilities	20	22,348	21,757
Deferred income	23	12,471	8,887
Borrowings - related party	25, 35	17,830	210
Borrowings - third party	25	9,314	102,116
Trade and other payables	26	358,264	301,659
Provisions	27	6,696	4,070
		426,923	438,699
Liabilities directly associated with assets classified as held for sale	12, 18	9,294	90,813
		436,217	**529,512**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2026

	Notes	2026 €000	2025 €000
Non-current liabilities			
Borrowings - third party	25	482,586	336,840
Borrowings - related party	25, 35	28	-
Lease liabilities	20	54,298	60,233
Deferred income	23	179	145
Provisions	27	13,362	10,687
Deferred tax liabilities	28	15,927	5,850
Retirement benefit deficit	29	3,710	4,442
		570,090	418,197
Total liabilities		**1,006,307**	**947,709**
Net liabilities		**(316,606)**	**(217,258)**
Equity			
Share capital	31	240,407	240,407
Capital reserve	32	142	142
Cumulative translation reserve	32	(2,337)	(1,751)
Revaluation reserve	32	456	5,036
Retained earnings	32	(178,950)	(92,008)
Equity pre-merger reserve		**59,718**	**151,826**
Unrecognised fair value merger reserve	33	(376,324)	(369,084)
Total equity		**(316,606)**	**(217,258)**

The financial statements of PCC Global plc (registration number: 03526640) were approved and authorised for issue by the Board of Directors on 8 October 2026 and signed on its behalf by:



Jeremy Walters
Chief Executive Officer | Paragon

Martin Edstrom
Chief Financial Officer | Paragon

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2026

	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 2025	**240,407**	**142**	**(92,008)**	**5,036**	**(1,751)**	**151,826**	**(369,084)**	**(217,258)**
Loss for the year	-	-	(90,958)	-	-	(90,958)	-	(90,958)
Common control transaction (note 14)	-	-	-	-	-	-	(7,240)	(7,240)
Transfer of revaluation reserve on disposal of subsidiaries	-	-	4,284	(4,284)	-	-	-	-
Other comprehensive loss for the year	-	-	(268)	(296)	(586)	(1,150)	-	(1,150)
Balance as at 30 June 2026	**240,407**	**142**	**(178,950)**	**456**	**(2,337)**	**59,718**	**(376,324)**	**(316,606)**

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/(loss) 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)**

Supplementary information – unrecognised fair value merger reserve:

The unrecognised fair value merger reserve arose from the application of predecessor accounting to transactions involving entities under common control. As the entities were ultimately controlled by the same controlling party both before and after the transactions, the acquisitions were accounted for as common control transactions.

Under predecessor accounting, the assets and liabilities acquired were recognised at their existing carrying values. The difference between the consideration transferred and the carrying value of the net assets acquired was recognised directly in equity within the unrecognised fair value merger reserve. Further information is provided in Note 14.

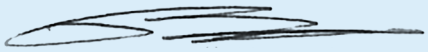
PARENT COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	2026 €000	2025 €000
Assets			
Non-current assets			
Intangible assets	4	2,901	2,458
Deferred tax assets	5	1,225	4,388
Investments in subsidiaries	6	453,212	464,661
		457,338	**471,507**
Current assets			
Trade and other receivables	8	17,861	22,617
Loan receivable from group undertakings	7	197,714	139,526
Loan receivable from corporate group undertakings	14	21,940	19,483
Cash and cash equivalents	9	12,270	18,827
		249,785	**200,453**
Total assets		**707,123**	**671,960**
Liabilities			
Current liabilities			
Trade and other payables	10	13,482	20,193
Borrowings from group undertakings	7	54,245	26,552
Loan and borrowings	11	-	92,616
		67,727	**139,361**
Non-current liabilities			
Loan and borrowings	11	474,637	334,607
		474,637	**334,607**
Total liabilities		**542,364**	**473,968**
Net assets		**164,759**	**197,992**
Equity			
Share capital	12	240,407	240,407
Capital reserve	13	142	142
Cumulative translation reserve	13	(3)	(3)
Retained earnings	13	(75,787)	(42,554)
Total equity		**164,759**	**197,992**

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 €33.2m (2025: €24.0m).

These financial statements were approved by the Board of Directors of PCC Global plc (registered number 03526640) on 8 October 2026 and signed on its behalf by:



Jeremy Walters
Chief Executive Officer | Paragon

Martin Edstrom
Chief Financial Officer | Paragon

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended 30 June 2026

	Notes	Continuing 2026 €000	Discontinued 2026 €000	Total 2026 €000	Continuing 2025 €000	Discontinued 2025 €000	Total 2025 €000
Loss before tax		**(37,630)**	**(55,411)**	**(93,041)**	**(10,491)**	**(13,150)**	**(23,641)**
Adjustment for:							
Depreciation of property, plant and equipment	13	10,278	3,655	13,933	10,217	2,310	12,527
Non-cash gains on acquisitions	6	(10,170)	-	(10,170)	-	-	-
Amortisation of intangible assets	16	22,099	51	22,150	32,415	342	32,757
Amortisation of right-of-use assets	19	29,679	4,502	34,181	26,160	3,252	29,412
(Gain)/loss on assets disposal	6	46	(146)	(100)	3,070	203	3,273
Amortisation of government grants	7	(148)	-	(148)	(190)	-	(190)
Share of equity accounted investments	17	(136)	-	(136)	(45)	-	(45)
Net finance costs	9,10	52,639	2,148	54,787	34,690	2,335	37,025
Operating cash inflows/(outflows) before movements in working capital		**66,657**	**(45,201)**	**21,456**	**95,826**	**(4,708)**	**91,118**
(Increase)/decrease in inventories		(610)	1,050	440	78	4,255	4,333
(Increase)/decrease in receivables		(20,586)	(4,096)	(24,682)	8,631	10,093	18,724
Increase/(decrease) in payables		30,614	14,071	44,685	8,380	(18,016)	(9,636)
Increase/(decrease) in deferred income		1,696	787	2,483	1,448	(106)	1,342
Increase/(decrease) in other provisions		3,843	(7,056)	(3,213)	(8,421)	8,523	102
Cash generated from operations		**81,614**	**(40,445)**	**41,169**	**105,942**	**41**	**105,983**
Interest paid		(47,632)	(1,606)	(49,238)	(25,522)	(2,350)	(27,872)
Interest income		(99)	108	9	49	2	51
Income tax paid		(1,412)	(119)	(1,531)	(1,734)	7	(1,727)
Net cash generated by/(used in) operating activities		**32,471**	**(42,062)**	**(9,591)**	**78,735**	**(2,300)**	**76,435**

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended 30 June 2026

	Notes	Continuing 2026 €000	Discontinued 2026 €000	Total 2026 €000	Continuing 2025 €000	Discontinued 2025 €000	Total 2025 €000
Payments for property, plant and equipment		(8,922)	(2,530)	(11,452)	(9,372)	(3,079)	(12,451)
Payments for intangible assets		(24,158)	(165)	(24,323)	(18,412)	(230)	(18,642)
Proceeds from disposals of intangible assets		34	116	150	26	-	26
Proceeds from disposal of tangible assets		571	254	825	(1,074)	1,804	730
Proceeds from disposal of subsidiaries, net of cash disposed		4,528	-	4,528	-	-	-
(Repayment of)/proceeds from restructuring and onerous contract provision		(91)	8,542	8,451	(19,834)	-	(19,834)
Payments from purchase company from related party, net of cash acquired	14	(10,786)	-	(10,786)	(28,384)	-	(28,384)
Payments for acquisition of subsidiaries, net of cash acquired	14	(10,938)	-	(10,938)	(1,441)	-	(1,441)
Dividends received from joint ventures	17	116	-	116	236	-	236
Net cash (used in)/generated from investing activities		**(49,646)**	**6,217**	**(43,429)**	**(78,255)**	**(1,505)**	**(79,760)**
Repayments of capital element of lease liabilities		(29,749)	(5,463)	(35,212)	(28,522)	(2,153)	(30,675)
Repayment of borrowings, third party		(169,385)	(9,741)	(179,126)	(19,992)	1,150	(18,842)
Proceeds from borrowings, third party		41,659	117	41,776	38,422	-	38,422
(Repayment of)/proceeds from borrowings, related party		(44,090)	49,032	4,942	(3,607)	-	(3,607)
Proceeds from bonds		438,030	-	438,030	-	-	-
Repayment of bonds		(264,000)	-	(264,000)	(6,747)	-	(6,747)
Net cash (decrease)/increase in financing activities		**(27,535)**	**33,945**	**6,410**	**(20,446)**	**(1,003)**	**(21,449)**
Net decrease in cash and bank overdrafts		**(44,710)**	**(1,900)**	**(46,610)**	**(19,966)**	**(4,808)**	**(24,774)**
Cash net of bank overdrafts at the beginning of the year		**125,348**	**2,567**	**127,914**	**146,188**	**7,366**	**153,554**
Net decrease in cash and bank overdrafts		(44,710)	(1,900)	(46,610)	(19,966)	(4,808)	(24,774)
Effect of exchange rate changes on cash and bank overdrafts held in foreign currencies		(571)	24	(547)	(874)	8	(866)
Cash net of bank overdrafts at the end of the year		**80,067**	**690**	**80,757**	**125,348**	**2,567**	**127,914**

See note 25 for reconciliation of cash and cash equivalents for cash flow purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

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 shares, 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 30 September 2026.

The nature of the Group's operations and its principal activities are set on page 35.

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 2026:

- Amendments to IAS 21 - Lack of Exchangeability;

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

The following standards issued, amendments to existing standards and interpretations not yet effective are not expected to have a material impact on the financial statements of the Group in future periods:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards – Volume 11;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.
- Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures;
- Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency;
- Amendments to Greenhouse Gas Emissions Disclosures (Amendments to IFRS S2);
- Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28);and
- IFRS 20 Regulatory Assets and Regulatory Liabilities.

IFRS 18 was issued in April 2024 and is effective for annual reporting periods beginning on or after 1 January 2027. The standard introduces new requirements for the presentation of the statement of profit or loss, including specified categories and subtotals, and enhanced disclosure requirements for management-defined performance measures.

The Group has performed a preliminary assessment of the impact of IFRS 18 and expects the standard to affect the presentation and disclosure of information within the financial statements. The Group is continuing to assess the impact of the new requirements.

PCC Global plc group is made up of two divisions which are aligned by management control. These are Brand Services and Outsourced Services. Each division provides a range of services to our clients to improve their communication and engagement 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 operates.

The financial statements have been prepared under the historical cost convention as modified by use of fair value for the revaluation of land and buildings, which are included within property, plant and equipment in the consolidated statement of financial position.

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 109.

Statement of Compliance

These financial statements have been prepared in accordance with international accounting standards in conformity 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.

Basis of Consolidation

The consolidated financial statements include the financial statements of the company and all its subsidiary undertakings made up to 30 June 2026. 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 2026

2. ACCOUNTING POLICIES (CONTINUED)

Basis of Consolidation (continued)

Non-controlling interests represent the equity in subsidiaries that is not attributable, directly or indirectly, to the shareholders of the Group. Non-controlling interests are initially measured at their proportionate share of the identifiable net assets of the subsidiary and are subsequently adjusted for their share of changes in the subsidiary's 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 2026 and 2027, 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 two 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 €316.6m (2025: net liability position of €217.3m), with net current liabilities of €153.7m (2025: net current liabilities of €165.8m). The Group has also experienced losses of €91.0m (2025: losses of €21.6m). The Group has an unrecognised fair value merger reserve of €376.3m (2025: €369.1m). These factors have been carefully considered in the going concern assessment.

In November 2025, the Group successfully completed a refinancing of its debt facilities. The existing bonds, term loan and revolving credit facilities were refinanced and replaced with newly issued bonds and a new revolving credit facility. The refinancing significantly strengthened the Group's liquidity position and provides a stable funding platform, with no material debt maturities arising until 2030.

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 30 June 2028 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 unutilised borrowing facilities available. This assessment also included a review of detailed cash flow forecasts, liquidity requirements, available borrowing facilities and forecast covenant compliance.

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. Accordingly, the directors continue to adopt the going concern basis in preparing these financial statements.

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. As at 30 June 2026, approximately 74% of the Group's revolving credit facility remained undrawn (2025: nil). In addition, there are no material debt maturities until 2030.

Financial Forecasts

A management case and two downside scenarios were considered for the Group in preparing our going concern assessment, being a management case showing FY2027 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 increased for the remainder of 2026 and into 2027. Key assumptions included in the management case are 2.5% revenue growth YoY, payroll cost increase by 2.5% YoY and operating cost increase by 2% YoY;
- The first downside cases factor in a 5% reduction in turnover across the two divisions compared with the management case for the remainder of 2026 and 2027 to reflect a scenario of adverse economic impact, and a slower recovery over the course of next year. In response to lower activity levels, the downside cases also assume a 5% reduction in payroll costs and a 5% reduction in operating expenditure, reflecting management's ability to align the cost base with lower volumes. In addition, the downside scenarios assume a 25% reduction in capital expenditure together with the implementation of further cost-saving measures to reduce variable costs and align the costs with the lower volume. Those projections showed that the Group will continue to operate viably over that period;
- The second downside cases factor in a 14% reduction in turnover across the two divisions compared with the management case for the remainder of 2026 and 2027 to reflect a deeper economic slowdown arising from the conflict in Ukraine and the Middle East, continued cost of living pressures and a slower than expected market recovery. In response to lower activity levels, the downside cases also assume a 10% reduction in payroll costs and an 8% reduction in operating expenditure, reflecting management's ability to align the cost base with lower volumes. In addition, the downside scenarios assume a 50% reduction in capital expenditure together with the implementation of further cost-saving measures to reduce variable costs and align the costs with the lower volume. 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 2027 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 their 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Going Concern (continued)

Outcome of Assessment (continued)

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 99.

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.

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 similar types of products and services across two divisions.

Within the Group, revenue is recognised based on its revenue streams:

The Brand Services revenues include creative and studio services, marketing planning, analytics execution and procurement, digital marketing, direct mail and marketing and point of sale print, logistics, fulfilment and supply chain management and marketing services. Revenue is recognised at a point in time.

The Outsourced Services revenues include transaction services, secure and regulatory communications, strategic and security document printing, document solutions, omnichannel inbound, business process outsourcing, business process services, 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 it has a right to consideration in an amount that corresponds directly with the value to the customer of the Group's performance completed to date.

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. Contract modifications are treated as amendments to existing contracts unless the modification adds distinct goods or services and the increase in consideration reflects their stand-alone selling price, in which case the modification is accounted for as a separate contract. 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 non-underlying items. 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 provisional fair values to be finalised as soon as the information necessary to complete the valuation becomes available, or when it is determined that no further relevant information can be obtained. The measurement period cannot exceed one year from the acquisition date. Goodwill is not amortised but reviewed for impairment annually in accordance with the impairment of goodwill policy set out on page 101.

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:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.

(b) its intention to complete the intangible asset and use or sell it.

(c) its ability to use or sell intangible assets.

(d) 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.

(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(f) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Intangible Assets (continued)

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 are generally three to five years.

Other intangible assets - 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 contract.

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;
- Fixtures, 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 by independent valuers every two years to ensure 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 the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Tax (continued)

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 on transactions such as leases and decommissioning obligations, where both an asset and liability are recognised, is accounted for in accordance with the amendments to 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 Climate-Related Financial Disclosure (CFD) on pages 42, have been considered. Management has assessed the potential impact of climate-related risks on key accounting estimates and judgements, including the carrying value of property, plant and equipment, goodwill and other non-current assets, expected credit losses, going concern and viability assessments, and taxation. Based on this assessment, management concluded that there has been no material impact on the financial statements for the years ended 30 June 2026 and 2025. The potential implications of climate change risks 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Retirement Benefit Costs (continued)

Defined benefit pension scheme (continued)

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 or 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.

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 Group 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 Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Financial Assets (continued)

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 measurement 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.

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 IFRS 9. 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 expires, or when it transfers the financial asset and substantially transfers 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 as 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 track changes 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Trade Receivables (continued)

The Group's allowance for expected credit loss as at 30 June 2026 amounted to 4.6% of gross trade receivables (2025: 5.5%). 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 relate mainly to amounts paid in advance to suppliers for services to be received in future periods.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, short-term deposits with original maturities of three months or less and bank overdrafts that are repayable on demand and form an integral part of the Group's cash management arrangements. Bank overdrafts are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

Factoring And Invoice Discounting Arrangemants

The Group is party to debt factoring arrangements which enable it to accelerate cash flows associated with trade receivables. Where trade receivable balances are sold, the receivables are derecognised only when substantially all risks and rewards of ownership, including credit risk and late payment risk, have been transferred to the factor.

Upon transfer, the majority of the consideration is received in cash immediately, with the remaining balance recognised within trade receivables and settled when the factor collects payment from the customer. Where substantially all risks and rewards have not been transferred, the receivables continue to be recognised and the proceeds received are recognised as borrowings.

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 with no purchase option.

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 three 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

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.

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 IAS 37: 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.

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 is 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 makes its 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;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Business Combinations (continued)

Business combination not under common control (continued)

- 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 n accordance with IFRS 16.

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 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 predecessor accounting method 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 or parties both before and after the combination, and that control is not transitory (that is, a common control transaction), predecessor accounting is applied to the combination. In applying predecessor accounting, the following is recognised in the Group 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.

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 the 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.

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 for 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.

Alternative Performance Measures

The Group presents alternative performance measures, including EBIT and EBITDA, Underlying EBIT/EBITDA, pro forma sales, and net debt. They are used by management for internal performance analyses. Although these measures may not be calculated in the same way as similarly titled measures reported by other companies, management considers them useful in 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

2. ACCOUNTING POLICIES (CONTINUED)

Alternative Performance Measures (continued)

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 recur, they have been highlighted separately to assist users in understanding the underlying performance of the Group.

Pro forma sales, EBIT, EBITDA and underlying EBITDA

The Consolidated Income Statement includes the impact of acquisitions from their effective date of acquisition. Pro forma amounts reported in the 2026 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 Overview on page 14 and calculation of underlying EBITDA can be found in note 4 on page 111.

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.

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 combinations not under common control is dependent on the purchase price allocation to the fair value of the identifiable assets acquired and liabilities assumed. The determination of the fair value of acquired assets and liabilities requires management judgement, particularly in relation to the identification of intangible assets, the assessment of whether such assets have finite or indefinite useful lives and the estimation of the assumptions used in their valuation. The allocation of the purchase price between finite-lived and indefinite-lived intangible assets affects the Group's future results, as finite-lived intangible assets are amortised whereas indefinite-lived intangible assets, including goodwill, are not amortised but are subject to annual impairment testing. Further details, including the carrying amounts of goodwill and acquired intangible assets, are provided in Note 15.

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 calculation requires management to make assumptions regarding future cash flows, long-term growth rates and discount rates. These assumptions are subject to estimation uncertainty and changes in these assumptions could result in a material adjustment to the carrying value of goodwill within the next financial year. Further details of the impairment assessment, key assumptions and sensitivity analyses are provided in Note 15.

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 valuation of these assets requires management to make significant assumptions regarding future cash flows, growth expectations and discount rates. Changes in these assumptions could result in an adjustment to the carrying amount of the intangible assets within the next financial year. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

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 referred to as 'non-underlying' items for the Group, but this is not a concept defined by IFRS and therefore there is a level of judgement involved in determining which items to exclude from underlying profit before tax before underlying items. We consider items which are significant in size, nature or incidence, including items that may span multiple reporting periods, 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.

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 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 data from the Group's operations and used a build-up approach that takes into account 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 consolidated financial statements for further details.

Forecasts And Discount Rates

The carrying value 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 consolidated financial statements for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 two divisions operating across 26 countries.

The Group's operating and reporting segments in the current year corresponds to the divisons 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 ("CODM") is the Group Executive Committee. The CODM reviews the performance of the Group's operating segments and allocates resources based on underlying EBITDA (excluding corporate charges), which is the primary measure used for assessing segment performance. Underlying EBITDA (excluding corporate charges) represents earnings before interest, taxation, depreciation and amortisation and before items classified by management as non-underlying or corporate in nature. Segment results are reported on a basis consistent with the Group's internal management reporting.

The CODM reviews revenue and underlying EBITDA (excluding corporate charges) by operating segment. Financing activities, taxation, treasury activities, capital expenditure and net assets are managed on a centralised basis and are therefore not allocated to operating segments for the purposes of performance assessment and resource allocation.

An analysis of the group's revenue, as defined by IFRS 15 Revenue from Contracts with Customers, is as follows:

	2026 €000	2025 €000
UKIL	574,584	581,625
Western Europe	146,382	148,919
DACH & CEE	153,222	153,417
BENE	73,842	66,679
BD	174,276	177,980
Third party revenue	**1,122,306**	**1,128,620**
Related party	1,453	3,344
Total revenue from continuing operations	**1,123,759**	**1,131,964**
Total revenue from discontinued operations (See note 12)	**230,535**	**249,092**
Total revenue	**1,354,294**	**1,381,056**
Total revenue by divisions*		
Outsourced Services	635,320	670,937
Brand Services	486,986	457,683
Third party revenue	**1,122,306**	**1,128,620**
Related party	1,453	3,344
Total revenue from continuing operations	**1,123,759**	**1,131,964**

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
* Excluding sales between business lines

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

4. SEGMENT INFORMATION (continued)

An Analysis of the Group's Underlying EBITDA (Excluding Corporate Charges):

Continuing operations	2026 €000	2025 €000
UKIL	93,795	83,667
Western Europe	22,706	21,992
DACH & CEE	6,562	8,913
BENE	7,443	7,614
BD	5,987	10,954
Corporate & other entities	(7,442)	(6,198)
Total underlying EBITDA (excluding corporate charges)	**129,051**	**126,942**
Total underlying EBITDA (excluding corporate charges) by divisions		
Outsourced Services	97,192	89,782
Brand Services	39,384	40,182
Corporate & other entities	(7,525)	(3,022)
Total underlying EBITDA (excluding corporate charges)	**129,051**	**126,942**

Segment assets and liabilities are not regularly reviewed by the CODM and accordingly are not disclosed by operating segment.

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time.

	2026 €000	2025 €000
External revenue by timing of revenue		
Good and services transferred at point of time	431,386	432,012
Goods and services transferred over time	692,373	699,952
Continuing operations	**1,123,759**	**1,131,964**
Discontinued operations (note 12)	230,535	249,092
Total revenue	**1,354,294**	**1,381,056**

A reconciliation of underlying EBITDA to operating profit/(loss) is included in the Consolidated Income Statement on page 90.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

5. STAFF COSTS

The average monthly number of persons employed by the Group in continuing and discontinued operations (including executive directors) during the year, analysed by category was as follows:

	2026 No.	2025 No.
Production	6,167	6,365
Management and administration	1,664	1,529
	7,831	**7,894**

Staff costs include:

Continuing operations	2026 €000	2025 €000
Wages and salaries	306,805	306,002
Social security costs	42,623	37,021
Other pension costs	6,921	7,590
	356,349	**350,613**

Included within the aggregate payroll costs are non-underlying items (Note 6) of €32.9m (2025: €5.8m) which include redundancy cost of €10.0m (2025: €3.5m).

Payroll costs of €83.0m (2025: €73.7m) were included in discontinued operations in note 12. €9.2m related to non-underlying items (2025: €4.0m) 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:

	2026 €000	2025 €000
Remuneration	1,766	1,007
Compensation for loss of office	-	-
Company contributions paid to money purchase scheme	24	21
Directors fees	-	-
	1,790	**1,028**
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 practicable to allocate the time spent by these directors on PCC Global plc and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 comprise items which, in the directors' judgement and by virtue of their scale, nature or incidence, are disclosed separately to aid understanding of the Group's underlying performance. Such items may include impairment of assets, including significant adjustments arising from the reassessment 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, acquisition costs, litigation settlements and legislative changes.

While costs of this nature can recur, they have been highlighted to provide a better understanding of the underlying performance of the Group. Non-underlying items disclosed on the face of the Consolidated Income Statement are as follows:

	2026 €000	2025 €000
Redundancy and related charges (a)	32,927	5,778
Costs of industrial relocation, restructuring and consolidation (b)	2,405	4,023
Acquisition costs (g)	1,006	221
Other (d)	2,760	5,547
Gain on acquisition (e)	(10,170)	-
Non-underlying net expenses impacting EBITDA	**28,928**	**15,569**
Corporate charges (c)	4,322	1,501
(Gain)/loss on asset disposals (f)	(100)	3,273
Written off capitalised bond issue costs (h)	4,489	-
Other (d)	4,929	-
Non-underlying net expense	**42,568**	**20,343**
Discontinued operations (note 12)	**55,421**	**12,450**
	97,989	**32,793**

Costs of industrial relocation, restructuring and consolidation, acquisition costs and other are included within other operating costs in the consolidated income statement.

a) 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 (2025: 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;

b) Costs of industrial relocation, restructuring and consolidation includes the charges arising from the closure of locations, relocation of activities between sites in the UK;

c) Corporate charges relating to professional fees in relation to refinancing;

d) Amounts included in other non-underlying items are costs to establish new operations, and claims;

e) Gain on bargain purchase;

f) (Gain)/loss on asset disposal in the current year arose on the sale of property, plant and equipment.

g) Acquisition costs relate to third party legal and professional fees incurred 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

h) Write-off of capitalised deferred bond issue costs associated with the Group's previous bond facilities following their repayment as part of the refinancing completed in November 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

7. OPERATING PROFIT/(LOSS)

Operating loss has been arrived at after charging/(crediting):

	2026 €000	2025 €000
Audit and non-audit fees (note 8)	1,157	1,289
Foreign exchange loss	388	1,095
Non-underlying net expenses (note 6)	28,928	15,569
Lease charges (note 20)	3,263	3,452
Cost of inventories recognised as expense (note 22)	386,313	379,451
Loss allowance on trade receivables (note 21)	1,598	1,435
Depreciation of property, plant and equipment (note 13)	13,933	12,527
Amortisation of intangible assets (note 16)	22,150	32,757
Amortisation of government grants (note 23)	(148)	(190)
Amortisation of right-of-use assets (note 19)	34,181	29,412
Depreciation and amortisation	**70,116**	**74,506**

8. AUDITOR'S REMUNERATION

	2026 €000	2025 €000
Audit fees:		
Fees payable to the company's auditor for the audit of the company and consolidated financial statements	660	629
The audit of the financial statements of the subsidiaries pursuant to legislation	497	660
Non-audit fees to group auditors:		
Audit related assurance services	-	-
Audit and non-audit fees	**1,157**	**1,289**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

9. FINANCE INCOME

Continuing operations	2026 €000	2025 €000
Interest from corporate group undertakings (note 35)	2,428	2,149
Other interest income	10	113
Interest from other group undertakings (note 35)	395	573
	2,833	**2,835**

10. FINANCE COST

Continuing operations	2026 €000	2025 €000
Bond interest		
Bond interest before amortisation of capitalised bond issue costs	29,293	12,143
Amortisation of capitalised bond issue costs	1,994	1,311
Written off capitalised bond issue costs (note 6)	4,489	-
Total bond interest	**35,776**	**13,454**
Bank loans and overdrafts	290	432
Term loan interest	1,360	2,882
Interest on factoring	4,149	1,710
Finance charge on factoring	4,392	7,594
Revolving credit facilities	4,262	7,571
Foreign exchange losses on retranslation of intercompany loan balances	1,278	2,298
Finance charge on lease liabilities (note 20)	4,747	3,273
Net interest on retirement pensions and defined benefit schemes	81	166
Other finance costs	1,285	480
	57,620	**39,860**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

11. INCOME TAX

Income tax on the profit/(loss) as shown in the Consolidated Income Statement is as follows:

Continuing operations	2026 €000	2025 €000
Current tax		
Current period	195	17
Adjustment for current tax on prior periods	(722)	(126)
Total current tax charge	**(527)**	**(109)**
Origination and reversals of temporary differences	204	(2,708)
Adjustments for deferred tax on prior periods	(1,770)	1,511
Total deferred tax credit (note 28)	**(1,566)**	**(1,197)**
Total income tax credit	**(2,093)**	**(1,306)**

The credit can be reconciled to the profit/(loss) before tax as shown in the Consolidated Income Statement as follows:

Continuing operations	2026 €000	2025 €000
Loss before tax from continuing operations	**(37,630)**	**(10,549)**
Tax calculated at corporate tax rate of 25% (2025: 25%)	(9,408)	(2,637)
Non-taxable income	(2,555)	(3,081)
Non-deductible expenses*	2,236	6,629
Effect of changes in tax rates	-	(44)
Losses carried forward not recognised	12,173	196
Utilisation of previously unrecognised losses	(1,796)	(159)
Effect of higher tax rate overseas	(271)	117
Foreign exchange difference	20	(5)
Other charges	-	705
Adjustments for prior periods	(2,492)	(3,027)
Total income tax credit	(2,093)	(1,306)
Effective tax rate on profit before tax	6%	12%

*Non-deductible expenses are wholly and exclusively for business expenses that include legal fees on acquisition and customer entertainment.

See note 12 for details on income tax on discontinued operations.

Factors affecting the tax charge in future years

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

11. INCOME TAX (continued)

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 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 other businesses.

During the year, the disposal of the print and mail operations was completed. Accordingly, the results of these operations have been presented as discontinued operations in the consolidated financial statements. The assets and liabilities previously classified as held for sale were derecognised on disposal, and the Group recognised the resulting gain or loss on disposal in accordance with IFRS requirements.

Discontinued operations	2026 €000 Underlying	2026 €000 Non-underlying	2026 €000 Statutory	2025 €000 Underlying	2025 €000 Non-underlying	2025 €000 Statutory
Revenue from sale of goods and services (note 4)	**230,535**	**-**	**230,535**	**249,092**	**-**	**249,092**
Material costs	(134,772)	-	(134,772)	(140,973)	-	(140,973)
Payroll	(73,771)	(9,216)	(82,987)	(69,724)	(3,954)	(73,678)
Other operating costs	(44,653)	(423)	(45,076)	(37,158)	(2,408)	(39,566)
Costs before depreciation and amortisation	**(253,196)**	**(9,639)**	**(262,835)**	**(247,855)**	**(6,362)**	**(254,217)**
EBITDA	(22,661)	(9,639)	(32,300)	1,237	(6,362)	(5,125)
Depreciation and amortisation	(8,220)	-	(8,220)	(5,904)	-	(5,904)
Operating loss	**(30,881)**	**(9,639)**	**(40,520)**	**(4,667)**	**(6,362)**	**(11,029)**
Gain on asset disposals	-	118	118	-	203	203
Other non-operating (expenses)/ income	-	(348)	(348)	-	11	11
Finance income	9	-	9	136	-	136
Finance cost	(2,157)	-	(2,157)	(2,471)	-	(2,471)
Loss before tax	**(33,029)**	**(9,869)**	**(42,898)**	**(7,002)**	**(6,148)**	**(13,150)**
Income tax (expenses)/credit	(10)	-	(10)	700	-	700
Loss for the year	**(33,039)**	**(9,869)**	**(42,908)**	**(6,302)**	**(6,148)**	**(12,450)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

12. DISCONTINUED OPERATIONS (continued)

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

Discontinued operations	2026 €000	2025 €000
Property, plant and equipment (note 13)	-	18,581
Goodwill (note 15)	-	3,033
Other intangible assets (note 16)	-	1,677
Right-of-use assets (note 19)	-	12,036
Other non-current assets	-	1,529
Trade and other receivables	508	10,216
Inventories	132	13,708
Deferred tax assets	-	54
Total assets classified as held for sale (note 18)	**640**	**60,834**
Trade and other payables	1,694	43,985
Deferred income	-	951
Provision	7,583	10,977
Tax liabilities	17	34
Bank overdrafts and loans	-	25,368
Lease liabilities (note 19)	-	9,498
Liabilities directly associated with the assets held for sale (note 18)	**9,294**	**90,813**
Net liabilities of disposal group	**(8,654)**	**(29,979)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

12. DISCONTINUED OPERATIONS (continued)

The net assets disposed of are as follows:

Discontinued operations	2026 €000
Property, plant and equipment	27,307
Goodwill	3,342
Other intangible assets	1,084
Right-of-use assets	12,101
Other non-current assets	1,364
Trade and other receivables	10,179
Inventories	12,526
Deferred tax assets	1,911
Loan receivable from related parties	30,274
Trade and other payables	(32,168)
Deferred income	(164)
Provision	(10,071)
Tax liabilities	135
Deferred tax liabilities	(1,057)
Bank overdrafts and loans	(22,607)
Lease liabilities	(11,241)
Loan payable to related parties	(1,130)
Book value of net assets disposed (excluding cash and cash equivalents)	**21,785**
Cash and cash equivalents disposed	1,294
Book value of net assets disposed	**23,079**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

12. DISCONTINUED OPERATIONS (continued)

Analysis of loss on disposal of subsidiaries:

Discontinued operations	2026 €000
Consideration received or receivable	1
Carrying amount of net assets disposed	(23,079)
Expenses related to disposal of subsidiaries	(414)
Exchange	(56)
Gain on waiver of intercompany loan balance	11,035
Loss on disposal	**(12,513)**
Loss after taxation from disposed entities	(32,464)
Loss after taxation from the remaining discontinued operations entities	(10,444)
Loss for the year from discontinued operations	**(55,421)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 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	715	567	89	1,371
Revaluation	(75)	(601)	(40)	(716)
Depreciation	(4,598)	(6,813)	(815)	(12,226)
Transferred to assets classified as held for sale (note 12)	(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)	(52,065)
Net carrying value	**22,405**	**19,182**	**3,682**	**45,269**
Financial year ended 30 June 2026				
Opening net carrying value	22,405	19,182	3,682	45,269
Reclassification	243	4	(247)	-
Additions	6,172	6,057	1,368	13,597
Acquisitions (note 14)	306	1,441	992	2,739
Disposals	(195)	(205)	(488)	(888)
Disposal of subsidiaries (note 12)	(10,478)	826	148	(9,504)
Depreciation	(3,005)	(9,685)	(1,243)	(13,933)
Exchange movements	(215)	(89)	(13)	(317)
Net carrying value at 30 June 2026	**15,233**	**17,531**	**4,199**	**36,963**
At 30 June 2026				
Cost or revalued cost	32,656	93,345	15,472	141,473
Accumulated depreciation	(17,423)	(75,814)	(11,273)	(104,510)
Net carrying value	**15,233**	**17,531**	**4,199**	**36,963**

Depreciation of property, plant and equipment of €13,933,000 (2025: €12,527,000) includes €10,278,000 (2025: €10,217,000) arising from continuing operations and €3,655,000 (2025: €2,310,000) arising from discontinued operations, see note 12 for further details. Additions of property, plant and equipment of €13,597,000 (2025: €13,804,000) includes €11,124,000 (2025: €10,725,000) arising from continuing operations and €2,473,000 (2025: €3,079,000) arising from discontinued operations.

The Group has freehold land, included within land and buildings, with a carrying value of €3,096,000 (2025: €3,195,000), which has not been depreciated. No property, plant and equipment were pledged as security for liabilities at 30 June 2026 (2025: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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:

	2026 €000
Cost	38,100
Accumulated depreciation	(23,452)
Carrying value	**14,648**

14. ACQUISITIONS

On 1 July 2025, the Group effectively acquired the entire issued share capital of Computershare Communication Services GmbH. The acquisition enables the Group to acquire and develop new customers in the outsourced services market.

On 4 February 2026, the Group acquired the entire issued share capital of Parseq Limited and its subsidiary undertakings, obtaining control of the Parseq group. The acquisition enables the Group to access a new and prestigious set of clients and provides an even stronger position in the business process services market. On 27 March 2026, the Group acquired the entire issued share capital of Smartvotation.

In calculating goodwill arising on acquisition, the fair value of assets and liabilities has been assessed and adjustments to carrying values have been made where necessary. The fair values of assets and liabilities acquired are summarised in the following table.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

14. ACQUISITIONS (continued)

	Computershare Communication Services GmbH Fair value €000	Parseq group Fair value €000	Smartvotation Fair value €000	Total Fair value €000
Property, plant and equipment	1,040	1,022	677	2,739
Right-of-use assets	3,090	2,958	38	6,086
Other intangible assets	18	586	203	807
Customer relationships	2,155	14,081	-	16,236
Other non-current assets	-	-	3	3
Deferred tax assets	-	492	-	492
Non-current assets	**6,303**	**19,139**	**921**	**26,363**
Trade and other receivables	2,719	8,471	73	11,263
Cash and cash equivalents	284	915	1	1,200
Inventories	353	2,010	-	2,363
Current assets	**3,356**	**11,396**	**74**	**14,826**
Total assets	**9,659**	**30,535**	**995**	**41,189**
Trade and other payables	1,390	7,491	231	9,112
Loan payable	-	-	7	7
Provisions	92	3,027	-	3,119
Lease liabilities	2,996	1,717	38	4,751
Deferred tax liability	496	3,520	-	4,016
Total liabilities	**4,974**	**15,755**	**276**	**21,005**
Net assets	**4,685**	**14,780**	**719**	**20,184**
Consideration	5,330	4,610	2,398	12,338
Bargain purchase	-	10,170	-	10,170
Goodwill (note 15)	**645**	**-**	**1,679**	**2,324**

The fair value of acquired trade receivables is materially equal to the gross contractual amounts receivable. A provision for expected credit loss of €336,000 is included in the trade and other receivables in the table above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

14. ACQUISITIONS (continued)

The consideration of entire issued share capital of Computershare Communication Services GmbH comprised a cash payment of €5,330,000. All acquisition costs were included in other operating costs in the income statement. Revenue of €26,057,000, loss of €92,000 and an UEBITDA[1] of €2,562,000 have been achieved since the date of acquisition. This has been included in the financial statements since the date of acquisition. The acquisition was effectively completed on 1 July 2025. Accordingly, the Group's reported results include the acquiree for the entire reporting period. The revenue and profit of the combined entity as if the acquisition had occurred at the beginning of the period are therefore the same as the reported Group revenue and profit, and no separate pro forma information is presented.

The consideration of acquiring entire issued share capital of Parseq Limited and its subsidiary undertakings comprised a cash payment of €4,610,000. All acquisition costs were included in other operating costs in the income statement. Revenue of €11,195,000, profit of €690,000 and an UEBITDA[1] of €1,806,000 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 €24,850,000, profit of €2,154,000 and UEBITDA[1] of €4,714,000.

The consideration for the entire issued share capital of Smartvotation SAS comprised a cash payment of €2,198,000 and deferred consideration of €200,000. Revenue of €70,000, loss of €108,000 and a loss on UEBITDA[1] of €95,000 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 €280,000, loss of €430,000 and loss on UEBITDA[1] of €380,000.

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 the financial year 2025. The additional unrecognised fair value merger reserve mainly arose on trade receivable adjustments regarding the OT Group Limited acquisition.

During the current year, the Group has settled the common control transactions below which were completed in the current and previous financial period.

- The Group has settled consideration of €10,786,000 in relation to the acquisition in the 2025 financial year (Service Graphics Limited and SG Print Dublin Limited and assets and liabilities in relation to distribution business of OT Group Limited).

[1] UEBITDA is defined in Note 2 on page 108.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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.

	€000
Cost and carrying amount of goodwill	
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**
Acquisitions	2,324
Foreign currency translation	(664)
At 30 June 2026	**119,900**
Goodwill by CGU	
UKIL	40,574
Western Europe	22,939
BENE	4,362
DACH & CEE	12,270
BD	39,755
At 30 June 2026	**119,900**

The Group has determined its CGUs on a regional basis, reflecting the way in which cash inflows are generated. Each CGU has a distinct customer base, contracts independently with customers, and generates cash inflows that are largely independent from those of other regions. Management monitors the operating performance and cash flows of each CGU separately and allocates resources accordingly.

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	8.9% (2025: 8.6%)
Western Europe	10.6% (2025: 10.2%)
DACH & CEE	11.7% (2025: 11.3%)
BD	13.5% (2025: 13.5%)
BENE	11.8% (2025: 11.7%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 a risk adjustment should be applied to 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 FY27 budgeted cash flows for the following four years based on the estimated regional growth rates, which are applied 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. The use of a terminal growth rate reflects management's expectation that the CGUs will continue to operate beyond the explicit forecast period and generate cash flows into the foreseeable future.

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 amount of a cash-generating unit ("CGU"), including allocated goodwill, exceeds its recoverable amount. The recoverable amount is the higher of its value in use and its fair value less costs of disposal. 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 2026 (2025: €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.

The sensitivity analysis below shows either (i) the increase in the post-tax discount rate, or (ii) the reduction in forecast cash flows, that would be required for the recoverable amount of the CGU to equal its carrying value.

	Post tax discount rates	Reduction in cash flows
UKIL	43% (2025: 41%)	80% (2025: 81%)
Western Europe	44% (2025: 23%)	75% (2025: 58%)
BENE	100% (2025: 100%)	100% (2025: 100%)
BD	62% (2025: 20%)	78% (2025: 36%)
DACH & CEE	100% (2025: 42%)	100% (2025: 76%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

16. INTANGIBLE ASSETS

	Development expenditure €000	Software €000	Customer relationships €000	Licences and other intangibles €000	Total €000
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**
Financial year ended 30 June 2026					
Opening net carrying value	7,987	22,772	59,829	14,170	104,758
Additions	2,085	18,477	225	3,251	24,038
Reclassification	(1,958)	1,956	2	-	-
Acquisitions (note 14)	-	359	16,236	448	17,043
Disposal	-	(94)	(80)	(25)	(199)
Amortisation	(2,665)	(9,398)	(9,164)	(923)	(22,150)
Disposal of subsidiaries (note 12)	-	679	(145)	59	593
Foreign exchange movements	1	(95)	(303)	9	(388)
Net carrying value at 30 June 2026	**5,450**	**34,656**	**66,600**	**16,989**	**123,695**
At 30 June 2026					
Cost	12,333	86,837	159,305	24,569	283,044
Accumulated amortisation	(6,883)	(52,181)	(92,705)	(7,580)	(159,349)
Net carrying value	**5,450**	**34,656**	**66,600**	**16,989**	**123,695**

Amortisation of intangible assets of €22,150,000 (2025: €32,757,000) includes €22,099,000 (2025: €32,415,000) arising from continuing operations and €51,000 (2025: €342,000) arising from discontinued operations, see note 12 for further details.

Addition of intangible assets of €24,038,000 (2025: €18,771,000) includes €23,465,000 (2025: €18,541,000) arising from continuing operations and €573,000 (2025: €230,000) arising from discontinued operations.

Customer relationships, licences and other intangible assets principally arose on acquisitions accounted for as business combinations in accordance with IFRS 3. As part of the purchase price allocation exercise, identifiable intangible assets, including customer relationships, brands and trademarks, were recognised separately from goodwill at their fair value at the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

17. EQUITY ACCOUNTED INVESTMENTS

	2026		2025	
	Joint ventures €000	Total €000	Joint ventures €000	Total €000
At 1 July	**266**	**266**	**460**	**460**
Share of results	136	136	45	45
Dividend received	(116)	(116)	(236)	(236)
Foreign exchange translation losses	(2)	(2)	(3)	(3)
At 30 June	**284**	**284**	**266**	**266**

A joint venture is where the Paragon group has joint control over an entity with one or more other parties.

Interests in joint ventures consists €284,000 (2025: €266,000) 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 (2025: €nil).

18. ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

Assets held for sale	2026 €000	2025 €000
At 1 July	60,851	25,683
Transfer to assets held for sale	542	35,168
Disposals	(60,753)	-
At 30 June (Note 12)	**640**	**60,851**

Liabilities directly associated with assets classified as held for sale	2026 €000	2025 €000
At 1 July	90,813	51,036
Transfer due to liabilities directly associated with assets classified as held for sale	6,784	39,777
Disposals	(88,303)	-
At 30 June (Note 12)	**9,294**	**90,813**

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. The directors expect the sale to be completed within the next 12 months.

During the current year, management committed to a plan to dispose of the Group's print and mail operations within the WE, UKIL and DACH. This business represents a separate major line of business of the Group and, accordingly, the related assets and liabilities have been classified as held for sale at 30 June 2026. Further details are provided in note 12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 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**
Financial year ended 30 June 2026			
Opening carrying amount	66,481	14,349	80,830
Additions	7,524	17,070	24,594
Acquisitions (note 14)	4,860	1,226	6,086
Disposals	(592)	(274)	(866)
Disposal of subsidiaries (note 12)	(85)	20	(65)
Modification to lease terms	3,467	(952)	2,515
Amortisation	(19,404)	(14,777)	(34,181)
Exchange movements	(401)	(55)	(456)
At 30 June 2026	**61,850**	**16,607**	**78,457**
At 30 June 2026			
Cost	118,765	48,969	167,734
Accumulated amortisation	(56,915)	(32,362)	(89,277)
Carrying amount	**61,850**	**16,607**	**78,457**

Amortisation of right-of-use assets of €34,181,000 (2025: €29,412,000) includes €29,679,000 (2025: €26,160,000) arising from continuing operations and €4,502,000 (2025: €3,252,000) arising from discontinued operations, see note 12 for further details.

Addition of right-of-use assets of €24,594,000 (2025: €20,203,000) includes €18,308,000 (2025: €14,063,000) arising from continuing operations and €6,286,000 (2025: €6,140,000) arising from discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

20. LEASES

Lease liabilities	Land and buildings €000	Other €000	Total €000
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	(299)	(85)	(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**
Cost			
At 1 July 2025	**62,325**	**19,665**	**81,990**
Additions	4,275	16,791	21,066
Acquisitions (note 14)	3,477	1,274	4,751
Disposals	(1,129)	(254)	(1,383)
Interest	3,123	2,101	5,224
Modification to lease terms	3,430	(1,053)	2,377
Disposal of subsidiaries (note 12)	(1,236)	(507)	(1,743)
Repayments	(20,662)	(14,550)	(35,212)
Exchange movements	(383)	(41)	(424)
At 30 June 2026	**53,220**	**23,426**	**76,646**
Current	13,558	8,790	22,348
Non-current	39,662	14,636	54,298
At 30 June 2026	**53,220**	**23,426**	**76,646**

Finance charge of €5,224,000 (2025: €3,954,000) includes €4,747,000 (2025: €3,273,000) arising from continuing operations and €477,000 (2025: €681,000) arising from discontinued operations, see note 12 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

20. LEASES (continued)

The Consolidated Income Statements include the following amounts relating to leases:

Continuing operations	2026 €000	2025 €000
Amortisation charges		
Right-of-use assets (note 19)	29,679	26,160
Finance costs		
Interest on lease liabilities	4,747	3,273
Operating expenses		
Expenses relating to lease of low value assets	3	3
Expenses relating to variable lease payments not included with lease liabilities	3,260	3,449
Lease charges (note 7)	**3,263**	**3,452**

As at 30 June 2026, the Group's remaining contractual maturities on IFRS 16 leases were as follows:

At 30 June 2026	Land and buildings €000	Other €000	Total €000
Not later than one year	16,768	12,810	29,578
After one year but not more than five years	40,962	26,065	67,027
After five years	20,685	1,506	22,191
Total undiscounted cashflows	**78,415**	**40,381**	**118,796**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

20. LEASES (continued)

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**

Operating lease commitments consisted of total future minimum lease payments of €nil (2025: €nil) for short-term leases and €45,000 (2025: €58,000) 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	2026 €000	2025 €000
Trade and other receivables		
Amounts receivable for the sale of goods and services	65,999	62,294
Expected loss allowance	(3,022)	(3,404)
Trade receivables	**62,977**	**58,890**
Other receivables	18,324	7,302
Supplier advances	94	10,923
Amount due from corporate group undertakings (note 35)	127	271
Amount due from other group undertakings (note 35)	5,861	441
Amount due from joint venture (note 35)	711	717
Accrued income	23,463	26,446
Prepayments	27,515	20,835
	139,072	**125,825**

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 income is unbilled revenue with no substantive task before billing, balances due from customers for contracted work performed, and revenue that 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 2026

21. TRADE AND OTHER RECEIVABLES (continued)

Amounts falling due after more than one year

	2026 €000	2025 €000
Other non-current assets		
Other receivables (see below)	1,337	859
Prepayments	23,584	2,638
	24,921	**3,497**

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 current amount of trade and other receivables are denominated in the following currencies:

	2026 €000	2025 €000
Euro	51,041	36,790
Sterling	58,125	62,392
US Dollar	3,993	6,835
Romanian Leu	6,239	5,122
Czech Koruna	373	756
Swedish Krona	2,049	661
Polish Zloty	5,610	6,215
Hong Kong Dollar	64	720
Bulgarian Lev	437	1,212
Turkish Lira	3,133	2,215
Chinese Yuan	4	16
Australian dollar	39	-
Hungarian Forint	684	531
Serbian Dinar	771	988
Emirati Dirham	975	261
Ukrainian Hryvnia	1,576	833
Indian Rupee	3,959	278
	139,072	**125,825**

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 2026

21. TRADE AND OTHER RECEIVABLES (continued)

Expected credit losses

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 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 income 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 €3,022,000 (2025: €3,405,000) is equivalent to 5% (2025: 5%) of gross trade receivables.

	Current	1 to 90 days past due €000	More than 90 days past due €000	2026 Total €000	Current €000	1 to 90 days past due €000	More than 90 days past due €000	2025 Total €000
Trade receivables	**50,017**	**4,234**	**11,748**	**65,999**	**46,008**	**3,774**	**12,512**	**62,294**
Loss allowance	-	61	2,961	3,022	-	245	3,160	3,405
ECL%	0%	1%	25%	5%	0%	6%	25%	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	2026 €000	2025 €000
Balance at beginning of year	3,405	2,975
Charged to the income statement (Continuing operations) (note 7)	1,598	1,435
Allowance acquired from acquisition	336	1,479
Utilisations and other movements	(462)	(944)
Foreign exchange movements	(2)	(16)
Release to the income statement	(358)	(154)
Transferred to assets classified as held for sale	(1,495)	(1,370)
Balance at end of year	**3,022**	**3,405**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

22. INVENTORIES

	2026 €000	2025 €000
Raw materials and consumables	4,882	3,098
Work in progress	10,100	8,476
Finished goods and goods for resale	3,282	3,771
	18,264	**15,345**

There was no write-down of inventories in either year. Inventories included in material costs in the year amounted to €386,313,000 (2025: €379,451,000). No inventories were pledged as security for liabilities at 30 June 2026 (2025: €nil).

23. DEFERRED INCOME

Amounts related to deferred income recognised in the Consolidated Statement of Financial Position:

	2026 €000	2025 €000
Advanced billing and other deferred income	12,333	8,486
Government grants	188	336
Deferred gains on property sale and lease back	129	210
	12,650	**9,032**
Within one year	12,471	8,887
Beyond one year	179	145
	12,650	**9,032**

Advance billings and other deferred income are current and will be recognised as revenues and collected in the next 12 months.

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 income. There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

	2026 €000	2025 €000
Revenue recognised that was included in the deferred income balance at the beginning of the year	8,887	7,195

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

23. DEFERRED INCOME (continued)

'The movement in government grants is as follows:

Government grants	2026 €000	2025 €000
At 1 July	336	526
Released during the year	(148)	(190)
At 30 June	**188**	**336**

The above grants have no unfulfilled obligations and contingencies.

24. CASH AND CASH EQUIVALENTS

	2026 €000	2025 €000
Cash and cash equivalents	86,310	131,471
Cash and cash equivalents	**86,310**	**131,471**

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 amount of short-term deposits approximates their fair value; short-term deposits at year end were €nil (2025: €nil). Included are restricted cash balances €3.2m (2025: €6.7m) arising from the Group factoring facility. The restrictions arise from contractual arrangements with third-party factoring providers and do not result from regulatory or legal requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

25. SOURCES OF FINANCE

Borrowings

The following table summarises the debt financing of the Group:

	2026 €000	2025 €000
Bank loans	7,643	40,395
Revolving credit facilities	35,000	130,000
Bonds	450,000	264,000
Unamortised debt issue costs	(10,362)	(4,276)
Loan with other group undertakings (note 35)	17,679	210
Loan with corporate group undertakings (note 35)	179	-
Bank overdrafts	5,553	3,557
Factored receivables with recourse	4,066	5,280
	509,758	**439,166**

The borrowings are repayable as follows:

	2026 €000	2025 €000
Within one year	27,144	102,326
Between two and five years	480,718	336,659
Beyond five years	1,896	181
	509,758	**439,166**

Supplementary information - Net debt analysis

	2026 €000	2025 €000
Cash and cash equivalents (note 24)	86,310	131,471
Bank overdrafts (note 25)	(5,553)	(3,557)
Cash net of bank overdrafts	**80,757**	**127,914**
Bank loans (note 25)	(7,643)	(40,395)
Revolving credit facilities (note 25)	(35,000)	(130,000)
Bonds net of unamortised issue costs (note 25)	(439,638)	(259,724)
Net loan with related party (note 35)	18,227	29,745
Invoice discounting (note 25)	(4,066)	(5,280)
Lease liabilities (note 20)	(76,646)	(81,990)
Net debt	**(464,009)**	**(359,730)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

25. SOURCES OF FINANCE (continued)

Related party loans

Related party loans are payable on demand, interest rate is charged between 6.13% and 8.75% (2025: 6.13% to 7.17%).

Bank loans

Bank loans comprise fixed-term bank loans and other credit facilities.

The term loan of €37.5m as at 30 June 2025 has been fully repaid by the Group on 13 November 2025.

Other credit facilities

In 2022, the Group borrowed loans 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 €0.2m (2025: €1.0m).

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 was repaid on 15 November 2025.
- 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 bond notes were repaid on 15 November 2025.
- 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 bond notes were repaid on 15 November 2025.

On 15 November 2025, the Group raised €450m of bond notes that were admitted to trading on The International Stock Exchange (TISE). There are 4,500 bond notes with a face value of €100,000 each. The repayment date is 15 November 2030.

The bond notes bear a fixed interest rate of 8.25% per annum. The bond notes are secured on shares of certain group entities and security interests over certain intercompany receivables. 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 no financial covenants. Management information is provided to the holders quarterly, semi-annually and annually.

Revolving credit facility

On 6 October 2023, the Group entered into €130m revolving credit facility with a maturity on 30 July 2026 (extendable by 1+1 year). The revolving credit facility were repaid on 15 November 2025.

On 15 November 2025, the Group entered a €135m revolving credit facility with a maturity on 31 May 2030. As at 30 June 2026, the Group has drawn €35m from the new revolving credit facility and approximately 74% of the facility remained undrawn.

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 leverage ratio covenant. At 30 June 2026, borrowings of €35m were outstanding under the facility and are presented as non-current liabilities as the Group has the right to defer settlement for more than twelve months after the reporting date. The Group had adequate headroom against the covenant limits at the reporting date and throughout the forecast period. Management information are provided to the borrower quarterly, semi-annually and annually and covenants are tested twice a year when utilisation exceeds the specified threshold.

Bank overdrafts

Bank overdrafts are repayable on demand. The average effective interest rate on bank overdrafts approximates 5% (2025: 5%) 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 (2025: €11.7m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

26. TRADE AND OTHER PAYABLES

	2026 €000	2025 €000
Amount falling due within one year		
Trade payables	216,091	178,683
Other taxes and social security	22,774	26,905
Holiday accrual	2,946	2,901
Amounts due to corporate group undertakings (note 35)	9,958	11,585
Amounts due to other group undertakings (note 35)	7,425	2,697
Payables for purchase of intangible assets	-	275
Customer advances	5,384	10,687
Other payables	22,981	10,353
Accruals for goods and services	70,505	49,225
Deferred consideration	200	8,348
	358,264	**301,659**

The deferred consideration is payable as follows:

	2026 €000	2025 €000
Within one year	200	8,348
	200	**8,348**

Deferred consideration of €8.0m for the acquisition of Service Graphics Limited and SG Print Dublin Limited was paid in the 2026 financial year.

The deferred consideration as of 30 June 2026 related to the €0.2m acquisition of Smartvotation, which will be repaid within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

27. PROVISIONS

	Retirement provision €000	Restructuring €000	Dilapidations €000	Other €000	Total €000
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	-	54	787	2,048	2,889
Balance as at 30 June 2025	**5,767**	**2,244**	**5,883**	**863**	**14,757**
Utilised during the period	(1,101)	(3,710)	(1,124)	(1,070)	(7,005)
Reclassification	(40)	-	-	40	-
Exchange movements	-	(11)	(59)	-	(70)
Addition of right of use assets	-	-	1,493	-	1,493
Charge during the period	669	11,760	152	1,855	14,436
Interest charged during the year	-	-	5	-	5
Transferred to liabilities directly associated with assets classified as held for sale (note 12)	-	(7,583)	-	-	(7,583)
Disposal of subsidiaries (note 12)	198	(494)	623	579	906
Acquisitions (note 14)	-	1,736	1,383	-	3,119
Balance As at 30 June 2026	**5,493**	**3,942**	**8,356**	**2,267**	**20,058**
Current	94	3,789	1,954	859	6,696
Non-current	5,399	153	6,402	1,408	13,362
Balance as at 30 June 2026	**5,493**	**3,942**	**8,356**	**2,267**	**20,058**
Current	246	1,677	1,454	693	4,070
Non-current	5,521	567	4,429	170	10,687

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. The ultimate amount and timing of settlement may differ from current estimates due to changes in employee circumstances, retirement dates and other factors affecting the final obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

27. PROVISIONS (continued)

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. The timing and amount of payments are subject to a degree of uncertainty as the final costs incurred may differ from current estimates and the timing of implementation may vary depending on local legal requirements and completion of the related activities. Management's estimates are based on approved restructuring plans and the best information available at the reporting date.

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. The amount and timing of settlement remain subject to uncertainty and may differ from current estimates depending on the outcome of ongoing matters and future events.

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. The amount and timing of settlement remain subject to uncertainty and may differ from current estimates depending on the outcome of ongoing matters and future events.

28. DEFERRED TAX

	2026 €000	2025 €000
Deferred tax assets	22,002	13,061
Deferred tax liabilities	(15,927)	(5,850)
Net deferred tax asset	**6,075**	**7,211**
Assets at the beginning of the year	7,211	4,574
Credit to the Consolidated Income Statement	1,566	1,978
Acquisitions (note 14)	(3,524)	1,984
Transfer to liabilities directly associated with assets classified as held for sale (note 12)	888	(1,200)
Exchange rate differences	(66)	(125)
Assets at the end of the year	**6,075**	**7,211**

Credit to the Consolidated Income Statement of deferred tax of €1,566,000 (2025: €1,978,000) includes €678,000 (2025: €1,197,000) arising from continuing operations and €888,000 (2025: Charge to the Consolidate Income Statement of €781,000) arising from discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 2024	**4,401**	**(19,038)**	**15,590**	**3,621**	**4,574**
Credit/(charge) 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**
Credit/(charge) to the Consolidated Income Statement	(5,690)	6,206	5,466	(4,416)	1,566
Acquisitions (note 14)	-	(3,967)	443	-	(3,524)
Disposal of subsidiaries (note 12)	-	-	-	888	888
Exchange rate differences	-	-	-	(66)	(66)
Balance at 30 June 2026	**(1,154)**	**(14,211)**	**24,920**	**(3,480)**	**6,075**

The Group has tax losses arising in the UK of €224.7m (2025: €102.0m) that are available indefinitely for offset against future taxable profits and €33.5m (2025: €31.5m) of tax losses and other temporary differences arising in overseas territories that are available to carry forward indefinitely and tax losses of €nil (2025: €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 unrecognised deferred tax assets on losses of €40.3m (2025: €14.7m), measured at the applicable tax rate. The Group has recognised deferred tax assets on losses of €25.0m (2025: €19.0m). The increase in losses primarily arose in the WE (Western Europe), UKIL 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 (2025: deferred tax assets) have not been recognised was €14.8m (2025: €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. This assessment is supported by objective evidence, including current trading performance being in line with approved budgets, a significant proportion of forecast revenues being derived from established customer relationships and recurring business, and cost reduction initiatives that have already been implemented. 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 2026

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	
	2026 €000	2025 €000	2026 €000	2025 €000
UK	5,591	5,412	1,389	1,154
The Netherlands	1,253	1,250	4	3
Poland	289	111	239	-
Ireland	65	92	-	-
Germany	77	96	-	-
Spain	5	5	-	-
USA	4	4	-	-
China	29	22	-	6
Italy	10	8	-	-
Ukraine	2	1	-	-
Sweden	7	14	-	-
	7,332	**7,015**	**1,632**	**1,163**

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 2026.

These valuations have been updated by the local actuaries to 30 June 2026. 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 loss of €268,000 (2025: gain of €177,000).

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 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

The actuarial valuations of the four schemes were carried out by local independent qualified actuaries as at 30 June 2026. The principal assumptions used for the purpose of the actuarial valuations were as follows:

	2026 per annum			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Discount rate	3.30%	3.30%	3.60%	5.90%
Inflation	0.00%	3.30%	0.00%	RPI inflation: 2.90% CPI inflation: 2.50%
Expected rate of salary increase	0.00%	0.00%	3.00%	2.60%
Rate of increase of pensions in payment	0.00%	2.00%	3.00%	2.90%

	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%

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:

	2026			
	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	21.8 years
Life expectancy at age 65 for a current 45-year-old	23.3 years	23.3 years	23.3 years	23.0 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	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

The amount recognised in the Consolidated Statement of Financial Position for the scheme assets and liabilities are as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Present value of funded operations	(490)	(2,244)	(3,481)	(5,489)
Fair value of scheme assets	619	2,015	-	6,273
Year-end assets/(liabilities)	**129**	**(229)**	**(3,481)**	**784**

	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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

Amounts recognised in the Consolidated Income Statement for the defined benefit schemes are as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Service cost	-	(6)	(36)	-
Interest charge on obligations	(16)	(66)	(120)	(307)
Interest income from scheme assets	20	58	-	349
	4	**(14)**	**(156)**	**42**

	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**

Amounts recognised in Other Comprehensive Income for the defined benefit schemes are as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Actuarial (loss)/gain on defined benefit obligation	(8)	(228)	(2)	79
Actual (loss)/return on plan assets	12	(67)	-	(54)
	4	**(295)**	**(2)**	**25**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	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**

Defined benefit scheme (continued)

Changes in the present value of defined benefit obligations are as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Opening defined benefit obligation	446	2,067	4,168	5,618
Service cost	-	7	36	-
Interest cost	15	67	121	308
Actuarial losses/(gains)	9	228	(2)	(79)
Benefits paid	(42)	(126)	(843)	(298)
Closing defined benefit obligation	**428**	**2,243**	**3,480**	**5,549**

	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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

Changes in the fair value of scheme assets are as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Opening fair value of scheme assets	579	1,797	-	6,339
Interest income	23	-	-	349
Actual return/(loss) on plan assets	10	59	-	(56)
Contribution by employer	-	353	-	-
Interest on effect of asset ceiling restriction	(2)	-	-	-
Actuarial loss	-	(68)	-	-
Benefits paid	(55)	(126)	-	(299)
Closing fair value of scheme assets	**555**	**2,015**	**-**	**6,333**

	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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

The fair value of the scheme assets at the Consolidated Statement of Financial Position date is analysed as follows:

	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Bonds	555	2,015	-	1,265
Equity instruments	-	-	-	1,320
Gilts	-	-	-	1,937
DCFS	-	-	-	1,770
CASH	-	-	-	41
	555	**2,015**	**-**	**6,333**

Fair value of the scheme assets

	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**

The plan assets 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 2026

29. RETIREMENT BENEFIT (continued)

Defined benefit scheme (continued)

	(Decrease)/increase in defined benefit obligation			
	2026 €000			
	Allianz scheme	Swiss Life scheme	Weingarten scheme	Service Graphics Ltd Pension Plan
Sensitivity analysis				
Discount rate increase by 50 basis points	-	-	(81)	(222)
Discount rate decrease by 50 basis points	-	-	85	277

	(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 points	-	-	(93)	(281)
Discount rate decrease by 50 basis points	-	-	98	281

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 between 2 and 5 years, 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 €316.6m (2025: €217.3m) and net current liabilities of €153.7m (2025: €165.8m), 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 2026 **Non-derivative financial liabilities**							
Lease liabilities	Level 2	29,578	67,027	22,191	118,796	(42,150)	76,646
Borrowings	Level 2	66,501	625,372	2,530	694,403	(184,645)	509,758
Trade and other payables	Level 3	358,064	-	-	358,064	-	358,064
Deferred consideration	Level 3	200	-	-	200	-	200
		454,343	**692,399**	**24,721**	**1,171,463**	**(226,795)**	**944,668**

		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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

30. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk management (continued)

The Group's Level 3 fair value measurements are performed using valuation techniques that incorporate significant unobservable inputs. The valuation methodology and key assumptions are reviewed and approved by management at each reporting date.

The significant unobservable input used in the fair value measurement of deferred consideration payable is future incremental EBITDA[1]. A significant decrease in EBITDA[1] 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 EBITDA[1] 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 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.

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 107

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

30. FINANCIAL RISK MANAGEMENT (continued)

Currency risk management (continued)

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2026	2025	2026	2025
Currency				
Sterling	1.15	1.19	1.16	1.17
Swedish Krona	0.09	0.09	0.09	0.09
Norwegian Krone	0.09	0.09	0.09	0.08
Romanian Leu	0.20	0.20	0.19	0.20
Polish Zloty	0.24	0.23	0.23	0.24
Czech Koruna	0.04	0.04	0.04	0.04
Australian Dollar	0.58	0.60	0.60	0.56
US Dollar	0.86	0.92	0.88	0.85
Hong Kong Dollar	0.11	0.12	0.11	0.11
Indian Rupee	0.01	0.01	0.01	0.01
Bulgarian Lev	0.51	0.51	0.51	0.51
Canadian Dollar	0.62	0.66	0.62	0.62
China Renminbi	0.12	0.13	0.13	0.12
Emirati Dirham	0.23	0.25	0.24	0.23
Hungarian Forint	0.003	0.002	0.003	0.003
Serbian Dinar	0.01	0.01	0.01	0.01
Turkish Lira	0.02	0.03	0.02	0.02
Ukrainian Hryvnia	0.02	0.02	0.02	0.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

30. FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis

A 10% weakening of these currencies at 30 June 2026 and 30 June 2025 would have had the following effect on profit on ordinary activities before tax:

	2026 €000	2025 €000
Sterling	184	(1,856)
Swedish Krona	(27)	187
Polish Zloty	107	25
Czech Koruna	(114)	(19)
Romanian Leu	(136)	(170)
US Dollar	20	(43)
Bulgarian Lev	93	(8)
Emirati Dirham	87	65
Hong Kong Dollar	(65)	(45)
Serbian Dinar	12	(8)
Turkish Lira	19	(42)
Hungarian Forint	17	11
Indian Rupee	(16)	(8)
Ukrainian Hryvnia	5	(10)
	186	**(1,921)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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

	2026 €000	2025 €000
Euro	51,054	78,318
Sterling	28,471	44,955
US Dollar	1,823	4,300
Romanian Leu	312	433
Swedish Krona	1,813	526
Polish Zloty	534	1,226
Czech Koruna	-	71
Indian Rupee	76	-
Bulgarian Lev	17	174
Emirati Dirham	654	23
Turkish Lira	107	630
Serbian dinar	-	168
Chinese Yuan	22	54
Ukrainian Hryvnia	502	592
Hungarian Forint	485	-
Hong Kong Dollar	440	1
	86,310	**131,471**

The Group's financial assets subject to interest rate risk comprise cash and cash equivalents of €86.3m (2025: €131.5m). These balances are included within the cash and cash equivalents line item presented in the Consolidated Statement of Financial Position, all of which attract interest at floating rates on EURIBOR, SOFR or equivalent measures. The Group does not have any variable-rate loans receivable or other interest-bearing financial assets at the reporting date.

At 30 June 2026, if interest rates had been 100 basis points higher or lower and all other variables remained constant, the impact on the Group's profit before tax would not have been material, arising principally from cash and cash equivalents held at floating rates. There would have been no direct impact on equity.

Financial liabilities subject to interest rate risk

	2026 €000	2025 €000
Euro bank and bond borrowings	487,834	433,676
	487,834	**433,676**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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.

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	2026 €000	2025 €000
100% movement in 3 month EURIBOR and SOFR	496	1,629

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.

Credit risk is the risk of financial loss to the Group if a customer or other counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from trade receivables, loans receivable, other receivables and cash and cash equivalents held with financial institutions.

The Group's maximum exposure to credit risk at the reporting date is represented by the carrying amounts of its financial assets recognised in the statement of financial position, comprising trade receivables, contract assets, cash and cash equivalents and other receivables.

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%. The Group's exposure to bad debt risk is reduced through the non-recourse factoring arrangement, under which the credit risk associated with the factored receivables is transferred to the factoring company.

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 (i.e. as prices) or indirectly (i.e. derived from prices);
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 (unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

30. FINANCIAL RISK MANAGEMENT (continued)

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 carrying amounts which approximate to their fair values.

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.

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 Financial Position, cash and cash equivalents, and equity attributable to the equity holders, 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.	2026 €000	No.	2025 €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 2026

32. RESERVES

Revaluation reserve

The revaluation reserve arose on the revaluation of all the Group property portfolio during the year ended 30 June 2026 and 30 June 2025. Movement of €4.6m during the year is the building revaluation surplus transferred to retained earnings (2026: €484k).

	2026 €000	2025 €000
Revaluation reserve	456	5,036

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, the euro.

	2026 €000	2025 €000
Cumulative translation reserve	(2,337)	(1,751)

Retained earnings

This reserve records the cumulative amount of profits and losses less any dividend distributions made.

	2026 €000	2025 €000
Retained earnings	(178,950)	(92,008)

Capital reserve

Capital reserve relates to PCC Global plc redenomination of shares completed on 31 May 2019.

Dividends paid

No dividends were paid in the current financial year (2025: €nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

33. UNRECOGNISED FAIR VALUE MERGER RESERVE (predecessor accounting)

Unrecognised fair value merger reserve

	2026 €000	2025 €000
Unrecognised fair value merger reserve	(376,324)	(369,084)

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 consolidated 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 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.

During the current year, the Group recognised additional unrecognised fair value merger reserve on the acquisition completed in the financial year 2025. The additional unrecognised fair value merger reserve arose on trade receivable adjustments recognised in the current year.

34. CONTINGENT LIABILITY

As at 30 June 2026, the Group had no contingent liabilities requiring disclosure under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The Group was not party to any material legal, regulatory, or contractual matters that could give rise to a contingent liability at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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 Grenadier CFH Sarl (Luxembourg), were:

	2026 €000	2025 €000
Sales	12	-
Corporate fees	12,036	11,509
Net interest income (note 9)	2,428	2,149
Amount due from corporate group undertakings (note 21)	127	271
Loan receivable from corporate group undertakings	21,940	19,871
Amount owed to corporate group undertakings (note 26)	(9,958)	(11,585)
Loan owed to corporate group undertakings (note 25)	(179)	-

Other group undertakings

Transactions and year-end balances with the companies which are commonly controlled by the ultimate parent company Grenadier CFH Sarl (Luxembourg) ("other group undertakings") were:

	2026 €000	2025 €000
Sales	1,441	3,344
Purchases	(1,615)	(1,965)
Net interest income (note 9)	395	573
Amount due from other group undertakings (note 21)	5,861	441
Loan receivable from other group undertakings	14,145	10,084
Amount owed to other group undertakings (note 26)	(7,425)	(2,697)
Loan owed to other group undertakings (note 25)	(17,679)	(210)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

35. RELATED PARTY TRANSACTIONS (continued)

Joint ventures

Transactions and year-end balances with joint ventures were:

	2026 €000	2025 €000
Sales	7,862	7,244
Purchases	(2,235)	-
Dividend received	116	236
Amounts due from joint ventures	711	717

Interests in joint ventures includes the Group's investment in DSI Billing Services Limited.

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 Group CEO, COO and CFO.

The aggregate cost of employing all key management personnel was:

	2026 €000	2025 €000
Short-term employee benefits	2,372	3,143
Post-employment benefits	101	170
Directors' fees	470	297
	2,943	**3,610**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

36. EVENTS AFTER THE REPORTING DATE

There have been no significant events affecting the Group since the year end and up to the date of approval of these consolidated financial statements that would require disclosure or adjustment to the consolidated financial statements.

37. 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 Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB. PCC Global plc and its subsidiaries represent the largest and smallest group into 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 2026

38. 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	Nature of business
Direct shareholdings					
Paragon Holdings Netherlands BV	Netherlands	Ordinary	100%		Holding Company
Paragon Germany GmbH	Germany	Ordinary	100%		Trading
Paragon Munich GmbH	Germany	Ordinary	100%	(1)	Trading
MeillerGHP AB	Sweden	Ordinary	100%		In liquidation
Paragon Customer Communications Limited	England	Ordinary	100%		Holding Company
Stat Company Limited	England	Ordinary	100%		Holding Company
Paragon Transaction (U.K.) Limited	England	Ordinary	100%		Dormant
Paragon Global Brands Holdings Limited	England	Ordinary	100%		Holding
Indirect shareholdings					
Paragon France SAS	France	Ordinary	100%		Holding Company
Paragon Business Process Services SAS	France	Ordinary	100%		Trading
Paragon Editique SAS	France	Ordinary	100%		Trading
Paragon Supply Services SAS	France	Ordinary	100%		Trading
Document Channel SAS	France	Ordinary	100%		Trading
Smartvotation SAS	France	Ordinary	100%	(1)	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
V8TE SAS	France	Ordinary	100%		Trading
Paragon Customer Communications Italy s.r.l.	Italy	Ordinary	100%		Trading
Paragon Services Poland Sp z.o.o	Poland	Ordinary	100%		Trading

(1) Acquired in 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. 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 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
MINC Fulfilment BV	Netherlands	Ordinary	100%		Trading
MINC E-Commerce BV	Netherlands	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%		Dormant
Paragon Workplace Solutions Hong Kong Limited	Hong Kong	Ordinary	100%		Trading
Paragon Workplace Solutions LLC	USA	Ordinary	100%		Trading
Paragon Customer Communications (Luxembourg) SA	Luxembourg	Ordinary	100%		Trading
Psona Limited	England	Ordinary	100%		Dormant
Psona 12 Limited	England	Ordinary	100%		Dormant
Editions Publishing Limited	Scotland	Ordinary	100%		Dormant
Communisis Inc	USA	Ordinary	100%		Holding
Checkprint Limited	England	Ordinary	100%	(1)	Dormant
DLRT Limited	N. Ireland	Ordinary	100%	(1)	Dormant
DMR Connect Limited	England	Ordinary	100%	(1)	Dormant
Parseq (Hellaby) Limited	England	Ordinary	100%	(1)	Dormant
Parseq Asia Limited	England	Ordinary	100%	(1)	Dormant
Parseq Limited	England	Ordinary	100%	(1)	Dormant
Parseq Services Limited	England	Ordinary	100%	(1)	Dormant

(1) Acquired in 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. 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)					
T.A.L.L. Security Print Limited	England	Ordinary	100%	(1)	Dormant
The TALL Group of Companies Limited	England	Ordinary	100%	(1)	Holding
Parseq Bulgaria EOOD	Bulgaria	Ordinary	100%	(1)	Dormant
Parseq Asia Private Limited	India	Ordinary	100%	(1)	Trading
Parseq India Private Limited	India	Ordinary	100%	(1)	Dormant
Editions Financial Inc	USA	Ordinary	100%		Trading
ZenOffice Limited	England	Ordinary	100%		Dormant
Despark Bulgaria EOOD	Bulgaria	Ordinary	100%		Dormant
Paperhat India Pvt Limited	India	Ordinary	99%		In liquidation
Celerity Information Services Inc (USA)	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%		Non-Trading
Paragon Customer Communications Ireland Limited	Ireland	Ordinary	100%		Trading
Devonshire Appointments Limited	England	Ordinary	100%		Trading
Devonshire Luxembourg 'S.à r.l.	Luxembourg	Ordinary	100%		Trading
Paragon Transaction (UK) Limited	England	Ordinary	100%		Dormant
Communisis Belgie NV	Belgium	Ordinary	100%		Trading
Communisis Ceska Republika SRO	Czech	Ordinary	100%		Trading
Communisis France SARL	France	Ordinary	100%		Trading
Communisis Deutschland GmbH	Germany	Ordinary	100%		Trading
Communisis Hellas Marketing Services EPE	Greece	Ordinary	100%		Trading
Communisis Marketing Services Hong Kong Limited	Hong Kong	Ordinary	100%		Trading
Communisis Magyarország Kft	Hungary	Ordinary	100%		Trading
Communisis Italia s.r.l	Italy	Ordinary	100%		Trading
Communisis Nederland BV	Netherlands	Ordinary	100%		Trading
Communisis Poland Sp z.o.o.	Poland	Ordinary	100%		Trading
Communisis Portugal Unipessoal LDA	Portugal	Ordinary	100%		Trading
Communisis Romania SRL	Romania	Ordinary	100%		Trading
Communisis Marketing Services DOO Beograd	Serbia	Ordinary	100%		Trading

(1) Acquired in 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. 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)					
Communisis Slovakia SRO	Slovakia	Ordinary	100%		Trading
Communisis Spain SL	Spain	Ordinary	100%		Trading
Communisis Sverige AB	Sweden	Ordinary	100%		Trading
Communisis Suisse Sarl	Switzerland	Ordinary	100%		In liquidation
Communisis Turkey OHTP Limited	Turkey	Ordinary	100%		Trading
Communisis Marketing Services LLC	United Arab Emirates	Ordinary	100%		Trading
Communisis PS Limited	England	Ordinary	100%		Trading
Communisis Ukraine LLC	Ukraine	Ordinary	100%		Trading
Communisis Adria LLC	Croatia	Ordinary	100%		Trading
PS Newco 1 Limited	England	Ordinary	100%		Holding Company
Communisis Europe Limited	England	Ordinary	100%		Holding Company
Communisis 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 Supply Group Trading (Suzhou) Co., Ltd	China	Ordinary	100%		Trading
Service Graphics Limited	England	Ordinary	100%		Trading
SG Print Dublin Limited	Ireland	Ordinary	100%		Trading
OTGI Limited	Ireland	Ordinary	100%		Trading
Paragon South Asia Services Private Limited	India	Ordinary	100%		Trading
Communisis Inc	USA	Ordinary	100%		Holding Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Registered address
Paragon Holdings Netherlands BV	Maria Montessorilaan 25, 2719DB Zoetermeer, The Netherlands
Paragon Germany GmbH	Mühlenstraße 57, 41352 Korschenbroich, Germany
Paragon Munich GmbH	Hansastrasse 15B, 80686, Munich, Germany
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 Transaction (U.K.) 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 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 Supply Services SAS	Parc d'Activités de la Galance, Rue des Enterprises, 62221 Noyelles-sous-Lens, France
Smartvotation SAS	Savoie Technolac, 48 Avenue du Lac du Bourget, 73370 Le Bourget-du-Lac, France
Cloud Factory Business Services SAS	2 Rue D'Amsterdam, 91250 Tigery, France
D'Haussy 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	1 Rue de 1er Mai, 92000 Nanterre, 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 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 Rodenrijs, 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
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 2026

38. 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 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 Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Psona 12 Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Editions Publishing Limited	City Link Central, 145 Helen Street, Glasgow G51 3HD, United Kingdom
Communisis Inc	Corporation Trust Center, 1209 Orange Street, Wilmington, 19801 Delaware, USA
Editions Financial Inc	79 Madison Avenue, New York, NY 10016, USA
ZenOffice Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Despark Bulgaria EOOD	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 Information Services Inc (USA)	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 Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Devonshire Luxembourg S.á.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
Communisis Belgie NV	Pegasus Park, De Kleetlaan 12A, 1831 Diegem, Belgium
Communisis Ceska Republika SRO	Pobrezni 394/12, Karlin, 18600 Prague 8, Czech Republic
Communisis France SARL	1 Rue de 1er Mai, 92000 Nanterre, France
Communisis Deutschland GmbH	Am Kronberger Hang 8, 65824 Schwalbach am Taunus, Germany
Communisis Hellas Marketing Services EPE	1 Patroklou Str., P.C. 15125, Maroussi, Attica, Greece
Communisis Marketing Services Hong Kong Limited	37/F, One Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Communisis Magyororszag Kft	Gulyás utca 24, 1112 Budapest, Hungary
Communisis Italia s.r.l	Via Alessandro Manzoni 38, CAP 20121 Milan, Italy
Communisis Nederland BV	Sir Winston Churchilllaan 299a, Monfor Offices 4th Floor, 2288DC, Rijswijk, The Netherlands
Communisis Poland Sp z.o.o.	ul. Inflancka 4, Warsaw 00-189, Poland
Communisis Portugal Unipessoal LDA	Avenida do Brasil, n 15, 1°, Parish of Alvalade, 1749-112, Lisbon, Portugal
Communisis Romania SRL	169A Calea Floreasca, Building A 4th Floor, Office 2081, District 1 Bucharest, Romania
Communisis Marketing Services DOO Beograd	Bulevar Mihalja Pupina 10B/1 Sprat 2, 11070 Belgrade, Serbia

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. INVESTMENT IN SUBSIDIARIES (continued)

Name of company	Registered address
Communisis Slovakia SRO	Hodžovo nám. 1/A, 811 06 Bratislava, Municipal District of Staré mesto, Slovak Republic
Communisis Spain SL	Calle Alcalá 58, Piso 1 Izquierda, 28014 Madrid, Spain
Communisis Sverige AB	Birger Jarlsgatan 57B, 113 56 Stockholm, Sweden
Communisis Suisse Sarl	11 Chemin du Faubourg-de-Cruseilles, 1227 Carouge, Switzerland
Communisis Turkey OHTP Limited	Küçükbakkalköy Mah.Defne Sk. Flora Residence No:1/365 Ataşehir, Istanbul, Turkey
Communisis Marketing Services LLC	The Control Tower, Floor 18, Office 1801, Motor City, Dubai, United Arab Emirates, PO Box 390114
Communisis PS Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Communisis Ukraine LLC	M. Solovtsova Street, Building 2/Office 38, Pecherskyi District, Kyiv, Ukraine
Communisis 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
Communisis Europe Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Communisis 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 Supply Group Trading (Suzhou) Co., Ltd	Room 1139, 11/F, Tower 2, Jinghope Plaza, 88 Hua Chi 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	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
SG Print Dublin Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
OTGi Limited	Third Floor, Donnybrook House, 36-42 Donnybrook Road, Dublin 4, Ireland D04EXC0
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
Checkprint Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
DLRT Limited	Lissue Industrial Estate East Unit 3, 9 Lissue Walk, Lisburn, N. Ireland BT28 2LV
Dmr Connect Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Parseq (Hellaby) Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Parseq Asia Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Parseq Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Parseq Services Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
T.a.l.l. Security Print Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
The TALL Group of Companies Limited	Lower Ground Floor, Park House, 16-18 Finsbury Circus, London EC2M 7EB, United Kingdom
Parseq Bulgaria EOOD	Rue Yakubitsa 19, 4e etage, Lozenets District, Sofia 1164, Bulgaria
Parseq Asia Private Limited	Lohia Jian IT Park, 6th Floor, SR. No 150 Praud Street, Kothrud Depot, Chandani Chowk, Pune,
Parseq India Private Limited	Plot No. 104 A/15, Grace Nagar, Puthagaram, Madhavaram, Chennai, Tamil Nadu India 600099
Paragon Services Poland Sp Z.o.o.	ul. Bitwy Warszawskiej 1920 nr 7B, 02-366 Warsaw, Poland

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. INVESTMENT IN SUBSIDIARIES (continued)

For the year ended 30 June 2026 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
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
Communisis PS Limited	13606790
Communisis International Limited	09069329
Service Graphics Limited	00551336
Paragon Global Brands Holdings Limited	13802998
PS Newco 1 Limited	13802991
Communisis Europe Limited	00249473
Parseq Limited	05815806
Parseq Asia Limited	12524589
DMR Connect Limited	06860290
The Tall Group of Companies Limited	06548791
T.A.L.L. Security Printing Limited	02509525
Parseq (Hellaby) Limited	01990317
Parseq Services Limited	02461931
Checkprint Limited	03323382
DLRT Limited	NI019111

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

38. INVESTMENT IN SUBSIDIARIES (continued)

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.

Editions Publishing Limited: City Link Central, 145 Helen Street, Glasgow G51 3HD

DLRT Limited: Lissue Industrial Estate East Unit 3, 9 Lissue Walk, Lisburn, N. Ireland BT28 2LV

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

39. 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

5. PARENT COMPANY FINANCIAL STATEMENT

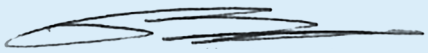
PARENT COMPANY STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2026

	Notes	2026 €000	2025 €000
Assets			
Non-current assets			
Intangible assets	4	2,901	2,458
Deferred tax assets	5	1,225	4,388
Investments in subsidiaries	6	453,212	464,661
		457,338	**471,507**
Current assets			
Trade and other receivables	8	17,861	22,617
Loan receivable from group undertakings	7	197,714	139,526
Loan receivable from corporate group undertakings	14	21,940	19,483
Cash and cash equivalents	9	12,270	18,827
		249,785	**200,453**
Total assets		**707,123**	**671,960**
Liabilities			
Current liabilities			
Trade and other payables	10	13,482	20,193
Borrowings from group undertakings	7	54,245	26,552
Loan and borrowings	11	-	92,616
		67,727	**139,361**
Non-current liabilities			
Loan and borrowings	11	474,637	334,607
		474,637	**334,607**
Total liabilities		**542,364**	**473,968**
Net assets		**164,759**	**197,992**
Equity			
Share capital	12	240,407	240,407
Capital reserve	13	142	142
Cumulative translation reserve	13	(3)	(3)
Retained earnings	13	(75,787)	(42,554)
Total equity		**164,759**	**197,992**

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 financial year was €33.2m (2025: loss of €24.0m).

These financial statements were approved by the Board of Directors of PCC Global plc (registered number 03526640) on 8 October 2026 and signed on its behalf by:



Jeremy Walters
Chief Executive Officer | Paragon

Martin Edstrom
Chief Financial Officer | Paragon

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Share capital €000	Capital reserve €000	Cumulative translation reserve €000	Retained earnings €000	Total equity €000
Balance as at 1 July 2025	**240,407**	**142**	**(3)**	**(42,554)**	**197,992**
Loss for the year	-	-	-	(33,233)	(33,233)
Other comprehensive income for the year	-	-	-	-	-
Balance as at 30 June 2026	**240,407**	**142**	**(3)**	**(75,787)**	**164,759**

For the year ended 30 June 2025

	Share capital €000	Capital reserve €000	Cumulative 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**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

For the year ended 30 June 2026

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 162.

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 2026, the company was in a net current asset position of €182.1m (2025: €61.1m 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. In November 2025, the Group successfully completed a refinancing of its debt facilities. The existing bonds, term loan and revolving credit facilities were refinanced and replaced with newly issued bonds and a new revolving credit facility. The refinancing significantly strengthened the Group's liquidity position and provides a stable funding platform, with no material debt maturities arising until 2030. 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 in Subsidiaries

Investments are stated at cost less accumulated allowance for impairment, if any. The carrying values of investments in subsidiaries are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. 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).

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 recognises impairment allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Expected credit losses are measured using a forward-looking approach and reflect the present value of cash shortfalls over the expected life of the financial asset. The Company considers reasonable and supportable information that is available without undue cost or effort, including historical experience, current conditions and forecasts of future economic conditions.

For amounts due from group undertakings and other receivables, the Company assesses at each reporting date whether the credit risk has increased significantly since initial recognition and measures the loss allowance accordingly. Where credit risk is considered low, a 12-month expected credit loss is recognised. Where there has been a significant increase in credit risk, a lifetime expected credit loss is recognised.

Financial assets are written off when there is no reasonable expectation of recovery.

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 Receivables

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 IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group's historical credit losses have been insignificant. Accordingly, the expected credit loss provision is determined based on specific customer circumstances and historical loss experience, adjusted for forward-looking information where relevant.

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.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. ACCOUNTING POLICIES (continued)

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 rate (EIR) method 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 is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes, except where exemptions under IAS 12 apply.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, unused tax losses, and unused tax credits can be utilised. The recoverability of deferred tax assets is assessed at each reporting date and is based on forecasts of future taxable profits and the reversal of existing taxable temporary differences. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

The company financial statements are prepared in euros as the majority of the company's transactions are denominated in euros.

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.

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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

In the application of the company's accounting policies, which are described in Note 1 in the parent company 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 accumulated allowance for impairment if any. The carrying values of 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 carrying 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

Intercompany balances are subject to the IFRS 9 expected credit loss model. The directors have assessed the expected credit losses on these balances at the reporting date and concluded that any resulting loss allowance is immaterial. Therefore, no material loss allowance has been recognised.

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 Group's assessment of the recoverability of deferred tax assets is based on approved forecasts demonstrating future taxable profits over the period in which the tax losses and temporary differences are expected to be utilised. In assessing recoverability, management has considered the expected performance of the Group's businesses, forecast EBITDA growth, the availability of taxable temporary differences, and other objective evidence supporting the generation of future taxable profits. Deferred tax assets are recognised only where management concludes that utilisation of the tax benefit is probable.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

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):

	2026 No. of employees	2025 No. of employees
Management and administration	19	14
	19	**14**

Employee benefits expense:

	2026 €000	2025 €000
Wages and salaries	3,618	3,283
Social security costs	435	419
Other pension costs	185	145
	4,238	**3,847**

Information on the emoluments of the directors who served during the year is included in note 5 on page 112 of the consolidated financial statements.

4. INTANGIBLE ASSETS

Software	2026 €000	2025 €000
Opening carrying value 1 July	2,458	1,326
Additions	1,287	1,865
Amortisation	(844)	(733)
Net carrying value at 30 June	**2,901**	**2,458**
At 30 June		
Cost	6,274	4,987
Accumulated amortisation	(3,373)	(2,529)
Net carrying value	**2,901**	**2,458**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

5. DEFERRED TAX ASSET

The individual movement in the deferred tax assets is as follows:

	2026 €000	2025 €000
Assets at the beginning of year	4,388	4,388
Charge to the Income Statement	(3,163)	-
Assets at the end of year	**1,225**	**4,388**

	Property, plant & equipment €000	Losses and other deductions €000	Total €000
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**
(Charge)/credit to the Income Statement	(316)	(2,847)	(3,163)
Balance at 30 June 2026	**(70)**	**1,295**	**1,225**

The Company has recognised a deferred tax asset of €1.3m (2025 : €4.1m) in respect of tax losses and other deductible temporary differences.

Recognition of the deferred tax asset is supported by management's assessment that sufficient future taxable profits will be available within the UK tax group against which these amounts can be utilised, including through group relief arrangements. In forming this assessment, management considered Board-approved forecasts, recent trading performance, post year-end results, the expected reversal of taxable temporary differences and other objectively verifiable evidence.

During the year, deferred tax assets of €2.8m (2025: €nil) were derecognised following a reassessment of recoverability. The remaining recognised balance represents the portion of deferred tax assets that management considers probable of recovery.

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 in investments in subsidiaries is as follows:

	2026 €000	2025 €000
At 1 July	464,661	449,364
Additions	-	26,794
Acquisitions	5,580	-
Disposals	(17,029)	-
Impairment	-	(11,497)
At 30 June	**453,212**	**464,661**

At the reporting date, the directors assessed whether there were any indicators of impairment in respect of the company's investments in subsidiaries. Based on this assessment, no indicators of impairment were identified and, accordingly, no impairment test was required under IAS 36. (2025: an impairment charge of €11.5m was recognised in respect of the investment in DACH & CEE).

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

During the financial year, PCC Global plc acquired the entire issued share capital of Computershare Communication Services GmbH and Paragon Transaction (U.K.) Limited. The acquisition of Computershare Communication Services GmbH is expected to strengthen the Group's position in the outsourced services market and support future growth opportunities. During the year, PCC Global plc also disposed of its investments in Paragon Poland SP z.o.o., Paragon Customer Communications Czech Republik AS and Paragon Print BV. Further details are provided in note 14 of the consolidated financial statements.

For the year ended 30 June 2026, the following subsidiaries of PCC Global plc were entitled to exemption by parental guarantee from audit under section 479A of the UK Companies Act 2006. 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
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
Communisis PS Limited	13606790
Communisis International Limited	09069329
Service Graphics Limited	00551336
Paragon Global Brands Holdings Limited	13802998
PS Newco 1 Limited	13802991
Communisis Europe Limited	00249473
Parseq Limited	05815806
Parseq Asia Limited	12524589
DMR Connect Limited	06860290
The Tall Group of Companies Limited	06548791
T.A.L.L. Security Printing Limited	02509525
Parseq (Hellaby) Limited	01990317
Parseq Services Limited	02461931
Checkprint Limited	03323382
DLRT Limited	NI019111

Information regarding the registered office for the subsidiaries listed above can be found in the Consolidated Financial Statements in note 38 page 167.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

7. LOAN RECEIVABLE AND BORROWING FROM GROUP UNDERTAKINGS

Amounts falling due to and from group undertakings within one year:

	2026 €000	2025 €000
Loan receivable from group undertakings	197,714	139,526
	197,714	**139,526**

	2026 €000	2025 €000
Borrowings from group undertakings	54,245	26,552
	54,245	**26,552**

Loans 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 8.75% (2025: 6.13% and 7.17%).

Borrowings from group undertakings are unsecured, interest bearing, have no fixed date of payment and are repayable on demand. Interest rate is charged between 5.19% and 7.18% (2025: 6.13% and 7.18%).

IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

8. TRADE AND OTHER RECEIVABLES

	2026 €000	2025 €000
Amounts due from group undertakings	17,644	22,495
Prepayments and accrued income	217	122
	17,861	**22,617**

Amounts 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 2026

9. CASH AND CASH EQUIVALENTS

	2026 €000	2025 €000
Cash and cash equivalents	12,270	18,827

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

	2026 €000	2025 €000
Trade creditors	109	1,585
Amounts due to group undertakings	3,235	1,104
Amounts due to corporate group undertakings (note 14)	3,692	4,324
Amounts due to other corporate group undertakings	61	61
Accruals	6,384	13,119
	13,482	**20,193**

11. LOANS AND BORROWINGS

The following table summarises the debt financing of the company:

	2026 €000	2025 €000
Term loans	-	37,500
Revolving credit facilities	35,000	130,000
Bonds	450,000	264,000
Unamortised debt issue costs	(10,363)	(4,277)
	474,637	**427,223**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

11. LOANS AND BORROWINGS (continued)

The borrowings are repayable as follows:

	2026 €000	2025 €000
Within one year	-	92,616
Between two and five years	474,637	334,607
Beyond five years	-	-
	474,637	**427,223**

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 was repaid on 15 November 2025.
- 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 bond notes were repaid on 15 November 2025.
- 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 bond notes were repaid on 15 November 2025.

On 15 November 2025, the Group raised €450m of bond notes that were admitted to trading on the The International Stock Exchange (TISE). There are 4,500 bond notes with a face value of €100,000 each. The repayment date is 15 November 2030.

The bond notes bear a fixed interest rate of 8.25% per annum. The bond notes are secured on shares of certain group entities and security interests over certain intercompany receivables. 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 no financial covenants. Management information is provided to the holders quarterly, semi-annually and annually.

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 revolving credit facility was repaid on 15 November 2025.

On 15 November 2025, the Group entered a €135m revolving credit facility with a maturity on 31 May 2030. As at 30 June 2026, the Group has drawn €35m from the new revolving credit facility. The undrawn balance on the revolving credit facility as at 30 June 2026 was €100m.

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 leverage ratio covenant. Management information is provided to the lenders quarterly, semi-annually and annually and covenants are tested twice a year when utilisation exceeds the specified threshold.

Term loan

The term loan of €37.5m as at 30 June 2025 was fully repaid on 13 November 2025.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2026

12. SHARE CAPITAL

Share capital	No.	2026 €000	No.	2025 €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 retranslation into the company's presentation currency, the 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 Grenadier CFH Sarl (Luxembourg), were:

	2026 €000	2025 €000
Corporate fees	(12,034)	(11,509)
Interest income	2,349	2,024
Loan receivable from corporate group undertakings	21,940	19,483
Amounts owed to corporate group undertakings	(3,692)	(4,324)

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 5.19% to 8.75% (2025: 6.13% to 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 Circus, London, EC2M 7EB. PCC Global plc and its subsidiaries represent the largest and smallest group into which the company is consolidated.

15. EVENTS AFTER THE REPORTING DATE

There have been no significant events affecting the company since the year end and up to the date of approval of the financial statements that would require disclosure or adjustment to the financial statements.

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