

WHISTL CONSOLIDATED LIMITED

**Annual Report 2024**



**whistl**



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**Whistl Consolidated Limited**  
Annual Report and Consolidated Financial Statements  
for the year ended 31 December 2024.  
Registered number: 11995959 (England and Wales)

For the year ended 31 December 2024

# Executive Chairman's Statement

I am delighted to report that we experienced profitability growth in all areas of the business in 2024, and we achieved this because of the depth of experience we have in our business areas, delivering a high quality of service by caring about our customers.

The markets in which we operate remained highly competitive and the inflationary pressures of 2023 remained, reflected in higher operational costs and reduced consumer spending, particularly in the second half of the year.

To mitigate the impact of these pressures, the team continued to drive operational efficiency programmes, and we retained tight control over costs. This led to improved profitability from turnover of £821.9m (2023: £766.3m) and an underlying EBITDA<sup>1</sup> of £27.4m (2023: £24.1m).

We remain a strong, cash-positive business and have renewed our banking facility of £65m for a further four years should it be required, together with £38.9m (2023: £32.7m) of cash on our balance sheet.

We continued to invest in the business with a new 160,000sqft multi-level mezzanine in our Fulfilment warehouse in Lutterworth enabling us to handle 250,000 pick and pack items a week. We also moved into a new Contact Centre facility in the Northeast, offering an enhanced working environment for colleagues in that area.

During the year, we consolidated our parcels offering for the Group under the Parcelhub brand and strengthened the leadership teams with new appointments and promotions in our Mail, Parcels, Fulfilment and Cross Border divisions. All of these sitting alongside our market leading Doordrop Media business.

In Mail, we won the largest contract that came up for tender in 2024, securing Nationwide, the world's largest Building Society with 17m customers. A great win on the 20th anniversary of us entering the deregulated UK postal market. Despite market volumes falling over that time, we have continued to consolidate our position as the largest DSA operator in the UK.

In 2024 we published our first ESG report detailing our approach to achieving Net Zero by 2045. One of the ways we will do this is through innovation and, in August, we launched our Fuel Carbon Calculator to enable customers to assess the carbon savings they can make by using HVO rather than diesel. We were pleased to announce NatWest as our launch customer.

Whistl's success is because of its people, who have a can-do attitude and want to do the best for their customers. This is reflected in our annual employee survey where engagement was up 8% to 81% and those motivated to do good work, rose to 80%, with 71% saying they were proud to work for Whistl.

Whistl is a strong, profitable, cash positive and diversified business that takes decisions for the long term but is agile enough to respond quickly to market changes. We will continue to consolidate our leadership positions and grow in our new areas such as Fulfilment and Parcels. And we will do this through retaining and winning new customers by delighting them with the service we deliver and the solutions we provide.



**Nick Wells**  
Executive Chairman

22 August 2025



<sup>1</sup> Underlying EBITDA represents operating profit before interest, tax and exceptional items adjusted for the depreciation and amortisation charge for the year.

# Our Business Areas

WE ARE COMMITTED TO PROVIDING THE MOST EFFICIENT SERVICE, INVESTING IN AUTOMATION INCLUDING LARGE LETTER SORTATION IN OUR BEDFORD SUPER DEPOT.

## Revenue



## Downstream Access Mail

Our Downstream Access Mail business continued its strong performance in 2024 with solid growth and significant new business wins, including, Nationwide, with 17 million customers, and Our Future Health, the UK's largest health research programme, through our Posthub business.

Despite operating in a declining letters market -7% (year on year)\* we outperformed the market with a volume decline of only -0.25% which reflects the attraction of the Whistl proposition.\*\*

We continue to build our market share due to the strength of our customer relationships. We are committed to providing the most efficient service, whether that is through investing in automation including large letter sortation in our Bedford Super depot; rolling out Flexipods, our real time information handheld devices for drivers; or through developing Paragon, our transport management system. These investments allow us to increase operational efficiency both in our depots and fleet but also offer customers real time transparency of their collections.

We introduced new telematics software across our fleet that led to safer driving and a reduction in driver incidents over the year, leading to the benefit of lower insurance costs.

We have also invested in our IT infrastructure and customer portal to enhance the customer experience, including self-serve loading of volume forecasts and management of collections.

Due to the proposed changes to the UK USO from Ofcom, we have had a big focus on communicating with our customers to keep them updated and help them navigate the proposed changes.

During the year, we strengthened the Mail division leadership team, with the promotion of Laura Sanjurjo to Commercial Director, Mail. Together with our best-in-class operations team we will continue to grow and continue to guide our customers through the Ofcom changes, the biggest in the history of the UK postal service.



\* International Distribution Services plc Q3 trading update  
\*\* Whistl management accounts

## Our Business Areas continued

### Revenue



### Parcels

The UK parcels market continues to remain competitive and take benefit from significant capacity in the market, as carriers seek volume to fill the capacity gap they have created in recent years.

We are seeing an accelerated move from untracked to tracked services as consumers request greater visibility of the parcel journey and because of the reduction in price differential between the two services.

The overall parcels market reversed two years of decline, growing by 8.3% to 3.9bn items, with domestic parcels volumes increasing by 5.3% to 3.4 billion.\* We experienced 9.8% growth in parcels volumes in 2024 with untracked up 12%.\*\*

Whistl's strength in the parcel sector is based on our broker model which enables us to provide multi-carrier solutions for customers through one point of contact. During the year we united our parcels businesses under one brand, Parcelhub, creating a unique position in the market.

Under the one brand we can cater for both large volume and SME multi-channel ecommerce retailers and brands that benefit from the scale of the Whistl Group. It also gives access to cost and efficiency benefits from consolidating customer volumes through the Parcelhub Carrier Management System.

As part of uniting the two parcel businesses, a refreshed leadership team has been put in place to drive the growth of the division through increasing customers for both existing and new services.

\* International Distribution Services plc Q3 trading update  
 \*\* Whistl management accounts

### Revenue



### Cross Border Solutions

In 2024 we consolidated our position as the largest broker in the Cross Border market by focussing on our key strengths in: collection flexibility; process capability; and excellent account management.

We invested for growth, hiring additional external expertise with a new Sales and Customer Experience Director alongside a new Product Development Manager to drive forward new propositions.

We increased our carrier mix which has strengthened our offering and helped us consolidate our position in the export market.

Trading conditions continued to be tough from an import perspective with increased price competition from overcapacity in the market. Pressure on volumes came from a change in consumer habits with a focus on basket size rather than individual items.

Continuing factors including the Ukraine War, ongoing delays and uncertainty around the Windsor Framework agreement for Northern Ireland, attacks on ships in the Red Sea and a high oil price also made international trade tougher.

Despite these challenges, we are confident of our potential to grow in our key markets, subject to changes in international trade due to tariffs.

WE INCREASED OUR CARRIER MIX WHICH HAS STRENGTHENED OUR OFFERING AND HELPED US CONSOLIDATE OUR POSITION IN THE EXPORT MARKET.





A £7.5M INVESTMENT IN MEZZANINE FLOORING AT OUR LUTTERWORTH WAREHOUSE INCREASED CAPACITY BY 50%, ENABLING 250,000 ITEMS TO BE PICKED & PACKED EACH WEEK.

### Revenue



### Revenue



### Fulfilment

Our E-commerce related fulfilment services division made significant progress in the year with its leadership team driving through operational efficiency and laying the foundations for future growth resulting in a successful peak period.

In recognition of the progress made, Fliss O'Hara was promoted to Managing Director, Fulfilment and given a seat on the Executive Board.

However, the fulfilment market continued to recalibrate from the peak experienced during the pandemic. This together with economic uncertainty in the second half of the year saw a decline in pitch opportunities, with some customers going out of business or leaving the UK market, hindering progress in our overall development plan for the business.

But Whistl's ability to take decisions and invest for the long-term were demonstrated with the £7.5m investment in the Lutterworth warehouse. Capacity was increased by 160,000sqft, from 300,000sqft, through the construction of a four floor, mezzanine structure within the existing building. Construction included automated conveyors, enabling the processing of around 250,000 pick and pack items per week.

During the year, the company secured a significant new customer for the new facility who began operation in late Spring 2025 as well as building a strong pipeline for 2025.

We moved our Gateshead Contact Centre team to a new site in Bullrushes and have had continued success with new business across a variety of sectors putting us in a good position for continued future growth.

We are pleased with the progress we have made in Fulfilment and 2025 will be a significant year for the business unit as we continue to reconfigure the operation to best meet the needs of all our current and future customers.

### E-commerce Marketing

During 2024 our E-commerce Marketing division continued the positive trajectory of growth established in the previous year.

Key highlights included: our inserts and sampling agency Relish moving into profit; our national Doordrop Media offer expanding, demonstrating the strength of integrating with above the line media for better ROI for campaigns; and Leafletdrop continuing its strong underlying growth with SMEs and e-commerce customers.

The continued resurgence of the national Doordrop Media business was helped by the UK general election but was followed by a more cautious approach to spend due to the economic worries about the Autumn Budget. However, we saw an increase in customers returning to the channel including ASDA, Co-op and Waitrose for their Christmas campaigns.

We continued to cross-sell the benefits of Relish to our wider customer base, picking up insert and sampling briefs as well as an increase within the experiential space for companies such as Tails.com Very.co.uk, Mars and Mondelez.

Our self-serve Leafletdrop proposition expanded its customer base throughout the year and continued to deliver campaigns particularly for SMEs as well as bigger brands, including Amazon, Oddbox and Greenspace, that benefited from the tight geographic and cost effective targeting the tool provides.

Our E-commerce Marketing division is reliant upon market and consumer confidence, but we have a good pipeline of opportunities. It is profitable, and we expect our positive progress to continue in the coming year.

\* Ofcom Post monitoring report 2023-24  
# Whistl Group Management Accounts

# Financial Review

A successful year of recovery with growth in revenues, profit and cash.

<b>Consolidated profit and loss</b>			
	2024 £m	2023 £m	Change £m
Revenue	821.9	766.3	55.6
Costs of Sales	(775.3)	(722.5)	(52.8)
<b>Gross Profit</b>	<b>46.6</b>	43.8	2.8
Administrative Expenses	(42.0)	(43.7)	1.7
<b>Operating profit before exceptional items</b>	<b>4.6</b>	0.1	4.5
<b>Underlying EBITDA<sup>1</sup></b>	<b>27.4</b>	24.1	3.3
<b>Reconciliation of Underlying EBITDA<sup>1</sup></b>			
	2024 £m	2023 £m	Change £m
Operating profit before exceptional items	4.6	0.1	4.5
Amortisation of intangible assets	0.7	0.5	0.2
Depreciation of tangible assets	22.1	23.5	(1.4)
<b>Group</b>	<b>27.4</b>	24.1	3.3
<b>Revenue</b>			
	2024 £m	2023 £m	Change £m
Downstream Access Mail	546.0	473.5	72.5
Parcels	132.7	136.9	(4.2)
Cross Border Solutions	33.3	35.9	(2.6)
Fulfilment	72.7	84.3	(11.6)
E-commerce marketing	37.2	35.7	1.5
<b>Total</b>	<b>821.9</b>	766.3	55.6
<b>Capex</b>			
	2024 £m	2023 £m	Change £m
Growth	3.2	0.5	2.7
Maintenance	1.5	1.5	0.0
<b>Group</b>	<b>4.7</b>	2.0	2.7
<b>Cash</b>			
	2024 £m	2023 £m	Change £m
<b>Closing Cash</b>	<b>38.9</b>	32.7	6.2



<sup>1</sup> Underlying EBITDA represents operating profit before interest, tax and exceptional items adjusted for the depreciation and amortisation charge for the year.

## Group Performance

The group returned to revenue and profit growth through improving customer sentiment and operational performance following restructuring activities carried out in 2023 and 2024. Group revenue increased by 7.3% to £821.9m and underlying EBITDA<sup>1</sup> improved to £27.4m.

Whistl's business divisions are diversified, and in line with prior years, overall group performance was tempered by variations within each division, however all Whistl's business divisions contributed to the £3.3m growth of underlying EBITDA<sup>1</sup>.

Revenue in the Fulfilment division declined by 14% from 2023 to 2024 as a result of the restructuring activities that took place in 2023 and the first half of 2024. At the end of 2023 we took the difficult decision to close the Gateshead fulfilment centre to focus activities on our sites in Lutterworth, Northampton, Rushden, Wrangaton and Paignton.

As a result of the restructuring activities, the operating results of the Fulfilment division have improved over the course of 2024 and into 2025. Further growth is expected due to a major investment programme in the second half of 2024 and early 2025 which has seen a mezzanine floor installed inside the Lutterworth fulfilment warehouse to support a large customer contract. This investment is expected to generate significant new business and new customer wins going forward and is also expected to increase the revenue, profitability and efficiency of the site.

The group is well positioned to benefit from the continued growth of the eCommerce market by offering integrated warehouse fulfilment and parcel solutions to eCommerce customers, leveraging our expertise in these areas.

Revenue in the Parcels, Cross Border Solutions and Mail divisions increased by 10.2% with growth driven by a strong performance in Downstream Access Mail where Whistl further enhanced its market leading position through new customer wins. These divisions operate in a very competitive market place with single digit gross profit margins which Whistl has been able to maintain consistently through our continued focus on network efficiency and investment.

The E-commerce Marketing division benefitted from improved consumer confidence which boosted marketing budgets and customer activity in what is traditionally a cyclical industry. Revenue increased by 4.2% compared to 2023 and gross profit margins remained strong.

Administration expenses excluding exceptional costs reduced by 3.9% to £42.0m in 2024 (2023: £43.7m) due to restructuring savings, partially offset by inflationary salary increases. Other overheads remained stable overall due to a continued focus on cost control and a reduction in bad debt costs which offset increases in insurance and IT costs. The Group exercises strong control of credit risk and insures debtors where applicable. We will continue to exercise tough control on costs and investigate opportunities for efficiency and value.

### Exceptional administrative expenses

Exceptional costs of £3.8m were incurred in 2024 mainly in relation to closure, restructuring, legal and refinancing costs. Closure and restructuring costs included the Gateshead fulfilment centre to correctly size our fulfilment property portfolio. Refinancing costs were incurred in the renewal of a £65m funding line jointly provided by HSBC and NatWest which is divided into a credit and working capital facility. The facility was renewed for a further four years plus one commencing June 2024.

In 2023 exceptional costs of £4.9m were incurred in relation to closure restructuring provisions, mainly relating to the Fulfilment division and other legal and advisory costs.

THE GROUP IS WELL POSITIONED TO BENEFIT FROM THE CONTINUED GROWTH OF THE ECOMMERCE MARKET BY OFFERING INTEGRATED WAREHOUSE FULFILMENT AND PARCEL SOLUTIONS TO ECOMMERCE CUSTOMERS, LEVERAGING OUR EXPERTISE IN THESE AREAS.

<sup>1</sup> Underlying EBITDA represents operating profit before interest, tax and exceptional items adjusted for the depreciation and amortisation charge for the year.

## Taxation

The effective rate of corporation tax was -0.3% (2023: 7.5%) and was lower than the standard UK corporation tax rate of 25.0% (2023: 23.5%) due to items not deductible for corporation tax purposes including amortisation of goodwill.

In 2023, the UK enacted legislation implementing the OECD's Pillar Two global minimum tax framework, which applies to accounting periods beginning on or after 31 December 2023. The legislation introduces a global minimum effective tax rate of 15% for large multinational groups, including through a Qualified Domestic Minimum Top-Up Tax (QDMTT) that ensures any necessary top-up tax is collected in the UK.

The Group's consolidated revenue exceeds the €750 million threshold for Pillar Two and it is therefore within scope of the rules. However, the Group operates exclusively within the United Kingdom and is subject to UK corporation tax at a statutory rate of 25%, which is above the global minimum rate. For the year ended 31 December 2024, the Group reported a loss before tax of £4.08m and a tax credit of £0.04 million. The Group's effective tax rate differs from the statutory rate primarily due to permanent differences, including the amortisation of goodwill.

The Group is currently assessing its position under the new legislation, including whether it may benefit from the transitional safe harbour rules available for the first three years of implementation. Based on the Group's UK-only structure and tax profile, no material top-up tax exposure is currently anticipated. However, the full impact of the legislation will continue to be assessed as implementation progresses.

As the Pillar Two regime applies to future accounting periods and its application remains subject to further guidance, no amounts have been recognised in these financial statements in respect of Pillar Two top-up taxes.

Whistl generates revenue, profit, and employment all of which deliver substantial tax revenues for the UK government in the form of VAT, Corporation Tax, and Income Tax. Our tax policy, which has been approved by the Board aligns with our strategy and ensures that we fulfil our obligations as a responsible UK taxpayer.

Financial Position	2024 £m	2023 £m	Change £m
Goodwill	69.9	69.9	(0.0)
Fixed assets	20.4	20.4	(0.0)
Right-of-use assets	66.3	74.2	(7.9)
Stocks	0.5	0.5	(0.0)
Debtors (inc deferred tax asset)	86.0	90.4	(4.4)
Cash at bank and in hand	38.9	32.7	6.2
Creditors: amounts falling due within one year	(167.6)	(163.1)	(4.5)
Lease liabilities falling due within one year	(16.2)	(15.2)	(1.0)
Creditors: amounts falling due after one year	(9.3)	(8.8)	(0.5)
Lease liabilities falling due after one year	(54.9)	(62.0)	7.1
Provisions for liabilities	(1.9)	(2.8)	0.9
<b>Net assets</b>	<b>32.1</b>	<b>36.2</b>	<b>(4.1)</b>



## Dividend

In the year the Board declared and paid priority dividends totalling £1.125m (2023: £0.75m) to holders of A Ordinary shares. No other dividends were declared or paid in 2024 or 2023. Priority dividends are treated as a compound instrument in the financial statements with a liability recognised on the balance sheet. Interest and revaluations are charged through the profit and loss account. In 2024 the liability was revalued to £2.7m as at 31 December 2024 (2023: £2.0m).

## Investment

Total capex increased to £4.7m in 2024 (2023: £2.0m) and included £3.2m of growth investment to construct a mezzanine in the Lutterworth fulfilment centre. The mezzanine, which was completed in the first half of 2025, expands operational capacity and has already driven significant new business wins.

We continue to invest steadily in maintenance capex to make sure that our operational network remains efficient and up to date.

Cash Flow	2024 £m	2023 £m	Change £m
<b>Underlying EBITDA<sup>1</sup></b>	<b>27.4</b>	<b>24.1</b>	<b>3.3</b>
Exceptional Costs	(3.8)	(4.9)	1.1
Change in net working capital	7.1	3.4	3.7
<b>Cash Flow from operating activities</b>	<b>30.7</b>	<b>22.6</b>	<b>8.1</b>
Net Investment in fixed assets	(4.8)	(2.0)	(2.8)
Principal paid on lease liabilities	(16.6)	(16.4)	(0.2)
Net interest received / (paid)	(3.1)	(4.0)	0.9
<b>Operating Free Cash Flow</b>	<b>6.2</b>	<b>0.2</b>	<b>6.0</b>
<b>Opening Cash</b>	<b>32.7</b>	<b>32.5</b>	<b>0.2</b>
<b>Closing Cash</b>	<b>38.9</b>	<b>32.7</b>	<b>6.2</b>

NET CASH FLOW FROM OPERATING ACTIVITIES WAS £30.7M, THANKS TO UNDERLYING EBITDA<sup>1</sup> OF £27.4M AND A £7.0M REDUCTION IN NET WORKING CAPITAL, WITH £3.8M OF EXCEPTIONAL COSTS.

## Financial Position & Liquidity

The Group's cash position grew by £6.2m to £38.9m with cash in flows from operating activities being partially offset by one off exceptional items and capital investment. The Group does not have any debt.

Net assets and shareholder's equity reduced by £4.1m to £32.1m due to the non-cash depreciation and amortisation of fixed assets in part of £4.5m.

In addition to cash at hand as at 31 December 2024 of £38.9m (2023: £32.7m), the Group's liquidity is further supported by our fully committed irrevocable £65m funding line jointly provided by HSBC and NatWest which is divided into a credit and working capital facility. This facility has been renewed for a further four years plus one from June 2024. Whistl's policy is to maintain a high level of liquidity headroom which together with our strong balance sheet, cash flow and credit rating gives us financial flexibility to invest and grow.

The net book value of tangible fixed assets and software remained steady at £20.4m (2023: £20.4m) due to depreciation charges and disposals offsetting capex investment.

Right-of-use assets have decreased by £7.9m to £66.3m (2023: £74.2m) due to the depreciation charge of £18.3m being greater than the new leases in the year.

Total debtors decreased by £4.4m (4.9%) to £86.0m (2023: £90.4m) despite growing revenue and this was achieved with a strong focus on credit control and cash collection. Prepayments and Accrued income accounted for a larger proportion of debtors as at 31 December 2024 in comparison to 2023 due to the alignment of the year end with Whistl's weekly billing cycle in 2023.

Creditors due in less than one year increased by £4.5m to £167.6m (2023: £163.1m) reflecting a growth in underlying trading activity.

Lease liabilities at the year end totalled £71.1m (2023: £77.2m), with the decrease due to net repayments £16.6m less the new leases in the year.

Creditors due in more than one year of £9.3m (2023: £8.8m) were consistent with 2023 and predominately relates to rent free period accruals on warehouses and hubs.

Provision for liabilities of £1.9m (2023: £2.8m) relates to property restructuring costs and onerous leases for unutilised office accommodation.

## Cash flow

Net Cash Flow from Operating activities was £30.7 in 2024 (2023: £22.6m) due to underlying EBITDA<sup>1</sup> of £27.4m, £3.8m of exceptional costs and a £7.1m reduction in Net Working Capital.

Net Working Capital cash inflow of £7.0m was mainly driven by a reduction in debtors of £7.2m from continued focus on collection efficiency.

The net increase in cash of £6.2m was after deducting £4.7m in relation to net investment in fixed assets, payment of the lease liabilities £16.6m and deducting £3.1m in relation to net interest paid.

## Credit and working capital management

The Board of Management closely monitors credit and liquidity risks and is continually looking for improvements to working capital management. Average days of trading in accounts receivable and accrued income, a key measure of debtor performance in Downstream Access and Parcels, decreased from 29.8 days to 24.6 days between 2023 and 2024 which represents an improvement of 17%.

## Key performance indicators

The Directors are reliant on specific key performance indicators such as, statistics related to market share, sales growth, and profitability to provide important guidance as to likely activity and performance within the business. The key performance indicators are described within this Strategic Report.

IN ADDITION TO CASH AT HAND OF £38.9M AT YEAR END, GROUP LIQUIDITY IS BOLSTERED BY A £65M FUNDING LINE JOINTLY PROVIDED BY HSBC AND NATWEST - RENEWED FOR FOUR YEARS PLUS ONE FROM JUNE 2024.

<sup>1</sup> Underlying EBITDA represents operating profit before interest, tax and exceptional items adjusted for the depreciation and amortisation charge for the year.

# Our People

Our approach to valuing employees is grounded in fairness, inclusion and opportunity, we have a culture that supports individuals and thus strengthens the business as a whole.

We've seen the impact of this approach on the way our people engage, grow and lead. Whether it's developing future leaders through internal progression or creating space for different voices to be heard, we're investing in the long-term success of our employees; and, by extension, our communities and customers.

Full details are available in the Whistl 2024 ESG Report.





## Equality, Diversity and Inclusion

In 2024, we strengthened our focus on turning equality, diversity and inclusion (EDI) into practical action with measurable outcomes. Building on the foundations laid in 2023, including the launch of the EDI Allies Network and appointment of a dedicated EDI Lead, we focused on a more strategic approach, visible and embedded across the business.

A new EDI calendar was introduced to coordinate activity across all sites and functions, providing a year-round view of campaigns and initiatives. This helped increase employee engagement, accountability and local ownership.

We also advanced our work on data transparency, with the introduction of a new HR system that improved our ability to collect and analyse employees' demographics. Our work on disability inclusion also progressed in 2024, with improvements to job advert accessibility and internal platforms such as Marvin, supporting our goal of achieving Disability Confident Level 2.

In addition, we launched the Women of Whistl (WoW) network, led by newly appointed Executive Board members Fliss O'Hara and Laura Sanjuro.

## Fair and decent work

At Whistl, fair and decent work means more than meeting baseline expectations, it's about creating a culture where people feel respected, secure and able to grow. We offer stable roles, fair pay, structured development opportunities and a supportive, inclusive environment.

In 2024, we continued to invest in leadership development, flexible working and performance management to support our people across all levels and life stages.

## Investors in People (IIP)

We maintained our Investors in People accreditation through to 2027, reflecting our commitment to employee development and structured progression. Our People Management at Whistl programme also expanded to offer more targeted training and career pathways.

## Employee Engagement

Our efforts are working. Participation rose to 81% in our latest My Say survey, and turnover dropped from 2.97% in 2023 to 2.5%. These improvements reflect how supporting people translates into long-term value for the business, strengthening resilience, continuity and capability.

To better understand and respond to our employees, we also introduced a new HR system in 2024. This has enhanced our visibility of employee demographics and is supporting the groundwork for Whistl's first ethnicity pay gap assessment, planned for 2025.

Our MySay survey is a key tool for listening to employees and shaping how we work. In 2024, we saw improvements in 41 out of 43 areas, confirming that our actions are making a difference.



Employees identified job security, progression and work-life balance as top priorities. Each team now reviews its results and creates action plans, supported by HR Business Partners. At the Group level, we're using these insights to improve communication, leadership and support for personal growth.

### TARGET:

**Improve employee engagement score**  
Annual MySay survey



## Our People continued

### Flexible working

We recognise the need for all employees to be able to request flexible working if required, and we comply with all legislation in regard to the Children and Families Act 2014.

Flexible working is more than a benefit at Whistl, it's a way to retain experience, unlock talent, and support people at every life stage. Whether it's returning parents, employees with caring responsibilities or those approaching retirement, flexibility helps people stay engaged while maintaining performance and continuity.

### Employee wellbeing

Wellbeing is a key part of how we operate, because when our people thrive, so does our performance. We take a proactive approach to wellbeing that reflects the realities of life inside and outside of work.

In 2024, our efforts were recognised with the Best Health and Wellbeing Programme of the Year at the UK Contact Centre Forum National Awards. But the real measure of success is how our people feel and whether they have access to support when they need it.

We refreshed our approach to increase engagement and reach more employees, especially those in frontline, lone-working and remote roles. Based on employee feedback, monthly wellbeing topics were chosen, including Eating Disorder Awareness, Mental Health Awareness, and Nutrition Month, which featured recipe-sharing from drivers and wellbeing champions.

To build interaction, we introduced competitions, live online workshops and updated Marvin (our employee portal) with clearer, more accessible content. Participation in wellbeing campaigns rose significantly, with stronger input from teams across the business.

#### Mental Health First Aiders (MHFA)

Our network of trained Mental Health First Aiders and Champions continues to offer peer-led support. In 2024, we maintained 32 MHFAs, with improved visibility by issuing pin badges, updating awareness posters and introducing monthly peer check-ins.

#### ANDYSMANCLUB

*Encouraging open conversations*

Our partnership with ANDYSMANCLUB has helped create safe spaces for men to talk about mental health, challenge stigma and find support.



#ITSOKAYTOTALK



### Employee training and development

Continuous development of employees is essential to operational excellence, innovation, and long-term resilience. Through structured training, career development, and apprenticeships, Whistl supports employees at every stage of their careers driving growth and securing future success.

#### My Academy

My Academy is Whistl's central learning platform, offering e-learning, performance reviews, and personal development tools. In 2024, we refreshed our Behaviour Framework an existing but underused resource to make it more accessible and impactful.

The revised framework was shaped by employee and manager feedback through workshops and engagement sessions. It has been especially well received in operations, where it helps close skill gaps and build confidence in leadership and teamwork.

#### GROW apprenticeships

Whistl's GROW apprenticeship programme offers employees hands-on, accredited learning pathways across key roles and departments. In 2024, 20 employees gained qualifications ranging from Level 2 (GCSE equivalent) to Level 7 (Master's equivalent). While slightly down from 2023, this continues to reflect strong uptake and Whistl's long-term commitment to upskilling.

We also launched the Express Delivery Manager Level 6 Degree Apprenticeship in collaboration with the University of West London, developed jointly by Whistl, DPD and Evri. This programme gives employees the opportunity to gain a BSc while applying learning in a real-time logistics environment.

## Gender Pay Gap Reporting

The gender pay gap snapshot for the reporting entity Whistl UK Ltd.

2023 Mean/Average	2024 Mean/Average	2023 Median/Middle	2024 Median/Middle
2.80%	3.60%	17.10%	5.60%
Lower	Lower	Lower	Lower

## Pay Quartiles

The gender pay metric is influenced by the proportion of men and women in each pay quartile. The table opposite shows the percentage of men and women in each quarter of our pay profile for our reporting entity.

2024	2023 Female	2024 Female	2023 Male	2024 Male
Top quartile	26%	27%	74%	73%
Upper middle quartile	24%	27%	76%	73%
Lower middle quartile	34%	30%	66%	70%
Lower quartile	31%	33%	69%	67%
Overall	29%	29%	71%	71%

## Pay gap notes

The average pay gap is slightly above the 2023 mean gap of 2.8% while the median gap is considerably lower than last year's median gap of 17.1%. Both the mean and the average gap this year are lower than the general UK gender pay gap of 7.0% as reported by the ONS.

## Bonus Gap

Table opposite shows the Women's bonus gap.

2023 Mean/Average	2024 Mean/Average	2023 Median/Middle	2024 Median/Middle
15.30%	9.50%	3.00%	1.30%
Higher	Lower	Lower	Lower

Proportion of relevant males and females receiving a bonus

2023 Females	2024 Females	2023 Males	2024 Males
64%	57%	69%	46%

## Bonus gap notes

2023 figures are influenced by the peak bonus paid to frontline staff in the operations who all received a flat rate bonus, and this population contained a significantly higher proportion of males (77%) in this population versus a more equal proportion of males and females in the non-frontline population where the bonus is based on performance against individual targets as a percentage of pay.

The bonus gap is 9.5% lower for women as opposed to 15.3% higher last year. This may be due to limited annual bonuses paid to the non-frontline population in the relevant period where an average men's bonus award was double that of women's, primarily driven by sales commission and finance bonus awards.

## Reward principles

Whistl is committed to ensuring pay is fair, equitable and competitive regardless of gender. Our policies, including our compensation framework, operational pay structures (which ensure the same rate of pay for a role regardless of gender or age), and salary benchmarking pay guidance approach, effectively promote equal pay and support gender pay aims.

## Trade Union Representation and National Living Wage

To ensure our workforce is fairly treated and represented, we have engaged with the trade union, Community, since January 2012. We continue to pay all employees above the National Living Wage.

# Environment, Social and Governance (ESG)

Our progress on ESG has accelerated rapidly in recent years. While we only launched our formal ESG strategy in 2022, the principles behind it have been part of our culture for far longer, so the groundwork was already in place.

We have now mapped our most important impacts, and embedded ESG into our governance and decision-making, underpinned with structure, accountability and ambition.

Full details of our ESG activity over the past year are available in the Whistl 2024 ESG Report.



## 1. ESG strategic framework

Our ESG framework puts our people at the centre of sustainable growth, structured around our three strategic pillars: *valuing colleagues*, *fulfilling opportunities* and *preserving our natural environment*.

It ensures that sustainability is part of our work, not just what we say.



### Our Suppliers

Due diligence and supply chain controls are in place to ensure that we only engage with reputable suppliers who share our commitment to our business values, ESG and legal and regulatory requirements. During pre-screening and on boarding processes, all potential suppliers are required to confirm their compliance with applicable and relevant criteria, including business, labour and employment laws, such as Anti-bribery and Anti-slavery / human trafficking. We manage our key suppliers closely and have a dedicated Supplier Relationship Management (SRM) programme.

### Our Customers

We work closely with our customers to assist them to act in an environmentally friendly way, offering guidance and tools that effectively reduce their carbon footprint.

Our purpose is to help our customers achieve their business goals by providing a high standard of products and services that meet their needs.

- We minimise the impact on the natural environment and the communities we operate in by raising awareness of our ESG with our customers and the wider market
- We operate openly and disclose performance information and data when requested by customers
- For a number of customers we provide carbon reporting for CDP (formerly the 'Carbon Disclosure Project') which discloses our impact within the supply chain alongside proof of other accreditations such as EcoVadis

Our customers can contribute through Ethical Superstore (part of the Whistl Group) by making charitable donations at the checkout stage and offset their carbon footprint by donating to 'Trees for life'. Ethical Superstore also run a 'Black Friday' deal to support a food bank, donating an item for every order placed.

WE WORK CLOSELY WITH OUR CUSTOMERS TO ASSIST THEM TO ACT IN AN ENVIRONMENTALLY FRIENDLY WAY, OFFERING GUIDANCE AND TOOLS THAT EFFECTIVELY REDUCE THEIR CARBON FOOTPRINT.

## 2. Carbon Reporting

In 2024, Whistl recorded a total emissions reduction of 13.01% against our 2022 baseline, reflecting progress across both direct operations and our value chain. This marks our third year of carbon footprint reporting and our strongest performance to date.

Scope 1 emissions fell by 9.53%, driven largely by improved fuel efficiency, HGV and van optimisation, and the introduction of alternative fuels such as HVO. Location-based Scope 2 emissions fell by 11.62%, with market-based emissions showing a significant 59.84% reduction, thanks to an increase in renewable electricity procurement to 98%.

THIS MARKS OUR THIRD YEAR OF CARBON FOOTPRINT REPORTING AND OUR STRONGEST PERFORMANCE TO DATE.

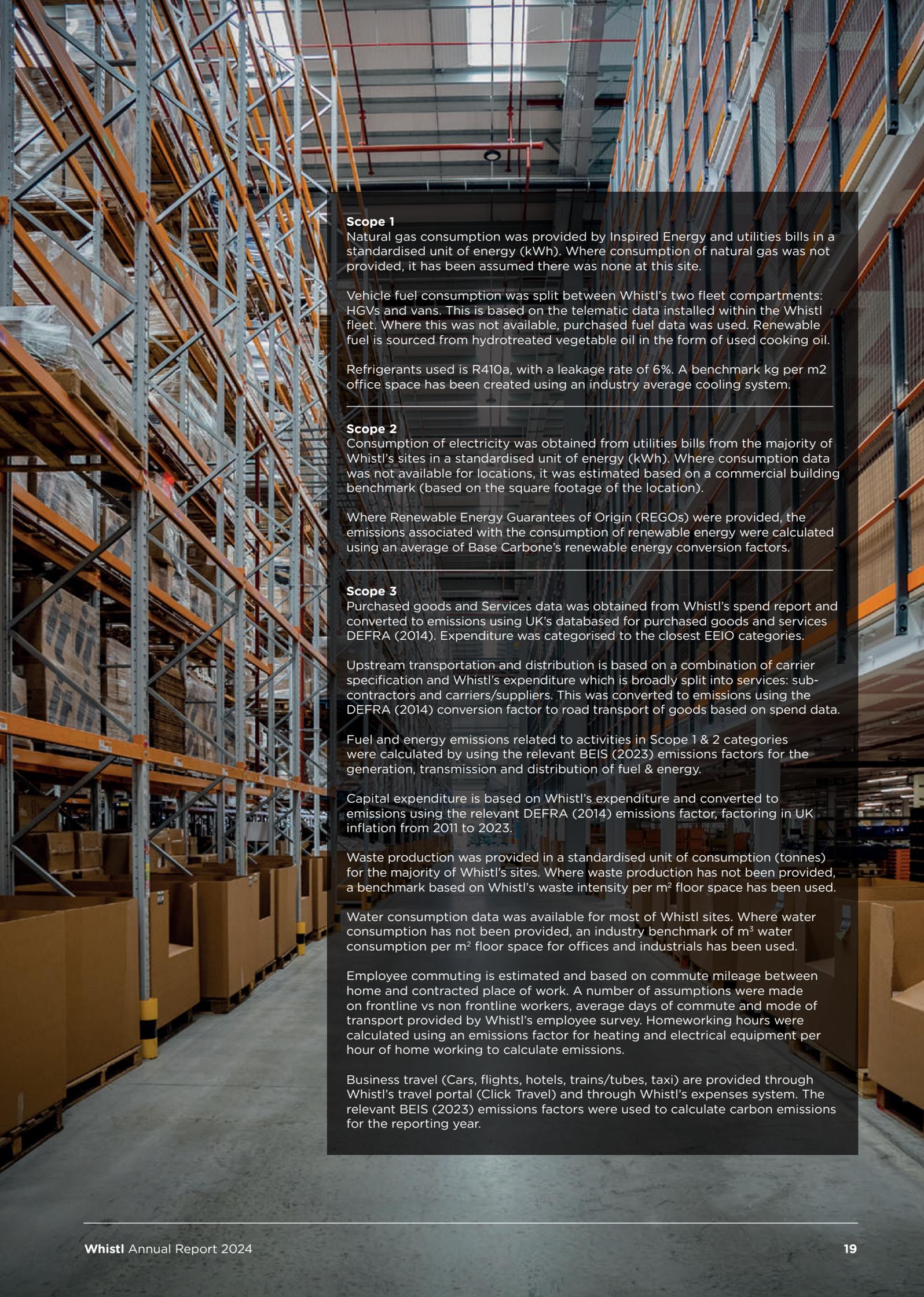
Scope 3 emissions – which represent the largest share of our carbon footprint – were reduced by 13.56%. Notable reductions include the following:

9.77%	REDUCTION IN TRANSPORT AND DISTRIBUTION EMISSIONS, REFLECTING STRONGER COLLABORATION WITH CARRIER PARTNERS AND ENHANCED DATA ACCURACY.
51.76%	REDUCTION IN EMISSIONS LINKED TO SUBCONTRACTOR SPEND, DRIVEN BY IMPROVED REPORTING AND DECARBONISATION OF KEY SERVICES.
12.62%	DECREASE IN EMISSIONS FROM PURCHASED GOODS AND SERVICES, ALIGNED WITH OUR SUPPLIER ENGAGEMENT STRATEGY.
32.75%	DECREASE IN EMPLOYEE COMMUTING EMISSIONS, AS HYBRID WORKING AND SUSTAINABLE TRAVEL OPTIONS CONTINUED TO TAKE EFFECT.

These results reflect a business-wide commitment to reducing emissions through better data, targeted initiatives and meaningful collaboration.

### Carbon emissions and energy consumption

EMISSIONS (tCO <sub>2</sub> e)	2022	2023	2024	Change since baseline
<b>Gross Scope 1 emissions (tCO<sub>2</sub>e)</b>	<b>17,410.19</b>	<b>17,566.18</b>	<b>15,750.19</b>	<b>-9.53%</b>
Vehicle fuel	15,695.77	16,214.40	14,667.88	-6.55%
Natural gas	791.70	529.91	260.44	-67.10%
Refrigerants	922.72	821.87	821.87	-10.93%
<b>Gross Scope 2 emissions (tCO<sub>2</sub>e)</b>	<b>1,380.34</b>	<b>1,401.64</b>	<b>1,219.99</b>	<b>-11.62%</b>
Grid electricity: location-based	1,380.34	1,401.64	1,219.99	-11.62%
Grid electricity: market-based	319.90	235.91	128.48	-59.84%
<b>Gross Scope 3 emissions (tCO<sub>2</sub>e)</b>	<b>115,483.41</b>	<b>101,749.63</b>	<b>99,828.32</b>	<b>-13.56%</b>
Upstream transport and distribution (carriers)	92,037.61	83,723.51	83,042.72	-9.77%
Upstream transport and distribution (sub-contractors)	8,578.40	4,478.18	4,138.36	-51.76%
Purchased goods and services	6,984.28	6,025.30	6,102.96	-12.62%
Fuel- and energy-related activities	4,323.74	4,479.17	4,041.95	-6.52%
Employee commuting: staff travel	1,626.05	1,543.34	1,093.58	-32.75%
Capital goods	1,381.89	704.68	676.19	-51.07%
Business travel: transport	263.00	472.16	262.95	-0.02%
Waste	50.07	90.38	10.44	-79.15%
Employee commuting: homeworking	206.43	194.42	422.31	104.58%
Business travel: hotel stays	21.80	29.36	29.79	36.65%
Water	10.15	9.13	7.07	-30.34%
<b>Total gross emissions (tCO<sub>2</sub>e): location-based</b>	<b>134,273.95</b>	<b>120,717.46</b>	<b>116,798.49</b>	<b>-13.01%</b>
<b>Total gross emissions (tCO<sub>2</sub>e): market-based</b>	<b>133,213.51</b>	<b>119,551.73</b>	<b>115,706.98</b>	<b>-13.14%</b>
ENERGY CONSUMPTION ('000 kWh)	2022	2023	2024	Change since baseline
Vehicle fuel	62,049	64,727	59,110	-4.47%
Natural gas	4,337	2,897	1,424	-67%
Electricity (non-renewable)	1,086	609	125	-88%
Electricity (renewable)	6,039	6,160	5766	-4.5%
<b>Total energy consumption ('000 kWh)</b>	<b>73,511</b>	<b>74,393</b>	<b>66,425</b>	<b>-9.64%</b>
<b>Share of renewable electricity</b>	<b>85%</b>	<b>91%</b>	<b>98%</b>	<b>15%</b>



### Scope 1

Natural gas consumption was provided by Inspired Energy and utilities bills in a standardised unit of energy (kWh). Where consumption of natural gas was not provided, it has been assumed there was none at this site.

Vehicle fuel consumption was split between Whistl's two fleet compartments: HGVs and vans. This is based on the telematic data installed within the Whistl fleet. Where this was not available, purchased fuel data was used. Renewable fuel is sourced from hydrotreated vegetable oil in the form of used cooking oil.

Refrigerants used is R410a, with a leakage rate of 6%. A benchmark kg per m<sup>2</sup> office space has been created using an industry average cooling system.

### Scope 2

Consumption of electricity was obtained from utilities bills from the majority of Whistl's sites in a standardised unit of energy (kWh). Where consumption data was not available for locations, it was estimated based on a commercial building benchmark (based on the square footage of the location).

Where Renewable Energy Guarantees of Origin (REGOs) were provided, the emissions associated with the consumption of renewable energy were calculated using an average of Base Carbone's renewable energy conversion factors.

### Scope 3

Purchased goods and Services data was obtained from Whistl's spend report and converted to emissions using UK's databased for purchased goods and services DEFRA (2014). Expenditure was categorised to the closest EEIO categories.

Upstream transportation and distribution is based on a combination of carrier specification and Whistl's expenditure which is broadly split into services: sub-contractors and carriers/suppliers. This was converted to emissions using the DEFRA (2014) conversion factor to road transport of goods based on spend data.

Fuel and energy emissions related to activities in Scope 1 & 2 categories were calculated by using the relevant BEIS (2023) emissions factors for the generation, transmission and distribution of fuel & energy.

Capital expenditure is based on Whistl's expenditure and converted to emissions using the relevant DEFRA (2014) emissions factor, factoring in UK inflation from 2011 to 2023.

Waste production was provided in a standardised unit of consumption (tonnes) for the majority of Whistl's sites. Where waste production has not been provided, a benchmark based on Whistl's waste intensity per m<sup>2</sup> floor space has been used.

Water consumption data was available for most of Whistl sites. Where water consumption has not been provided, an industry benchmark of m<sup>3</sup> water consumption per m<sup>2</sup> floor space for offices and industrials has been used.

Employee commuting is estimated and based on commute mileage between home and contracted place of work. A number of assumptions were made on frontline vs non frontline workers, average days of commute and mode of transport provided by Whistl's employee survey. Homeworking hours were calculated using an emissions factor for heating and electrical equipment per hour of home working to calculate emissions.

Business travel (Cars, flights, hotels, trains/tubes, taxi) are provided through Whistl's travel portal (Click Travel) and through Whistl's expenses system. The relevant BEIS (2023) emissions factors were used to calculate carbon emissions for the reporting year.

**Our approach to decarbonisation**

Our carbon emissions are concentrated in transport and logistics, with HGVs, vans and third-party delivery partners making up the majority of our Scope 1 and 3 emissions. Site-level emissions from energy use also contribute significantly. Our reduction approach focuses on electrification, fuel efficiency, renewable sourcing and value chain engagement.

**Reducing fleet emissions**

**Hydrotreated Vegetable Oil (HVO)**

Introducing HVO as a fuel option was a major initiative for Whistl in 2024, marking a significant step forward in our fleet decarbonisation strategy. We used 75,000 litres of HVO during the year, resulting in a reduction of 176 tCO<sub>2</sub>e in Scope 1 emissions. Whistl's HVO offering is classified as 'Group 2', meaning it is produced exclusively from waste (such as used cooking oil) and contains no material derived from palm oil. By sourcing only waste-based fuels, we significantly reduce the risk of contributing to deforestation and adverse land-use change compared with crop-based biofuels.

In 2024, we introduced our customer-facing Fuel Carbon Calculator - an industry first in the Downstream Access bulk mail sector. This tool enables clients to measure the emissions linked to their logistics activity and calculate the impact of switching from diesel to HVO. It supports Scope 3 transparency and makes climate action more accessible to our customers.

**Heavy goods vehicles (HGVs)**

Zero and ultra-low emissions HGVs are operationally and commercially challenging, but in 2024 we took targeted steps to improve fuel efficiency across our HGV fleet. Investments in new vehicles introduced advanced efficiency technologies such as active cruise control and upgraded Optifleet systems which provide real-time driving feedback. This insight supports tailored driver training and behavioural improvements.

Trailer upgrades also contributed to emissions reductions and we also reviewed and removed several trunking routes across the network, eliminating over 206,000 miles. These investments, alongside coaching and ongoing fleet analysis, are reducing fuel consumption, improving performance and supporting emissions reductions in one of our most carbon-intensive areas.

**Vans and route optimisation**

Operational changes helped remove an additional 130,000 van miles from our network in 2024, achieved through smarter route planning and schedule changes, including the elimination of two full routes in Leeds. Whistl's Transport Management System (TMS) played a vital role in this optimisation, enabling real-time adjustments based on customer needs and driver feedback.

In parallel, 10% of our small van fleet is now electric, supporting a lower-carbon last-mile service.

**Company car fleet**

Our company car fleet has undergone a significant transformation. In 2024, 79% of company cars were electric or ultra-low-emission vehicles, a sharp rise from 49% in 2023. This transition reflects both employee interest and Whistl's long-term commitment to decarbonising its fleet.

**Decarbonising our facilities**

In 2024, Whistl continued to focus on reducing emissions from its operational sites through smarter energy management and targeted technical improvements. While we are still reviewing the viability of solar panel installations, our near-term focus remains on proven energy-saving interventions that deliver reliable returns. These improvements are guided by ongoing asset reviews and strong engagement from our business services team.

A potential key initiative under evaluation is the rollout of voltage optimisation, which aims to reduce site-level power consumption by regulating incoming voltage closer to the optimal 220V. Most UK sites receive supply at 240V or higher, which can lead to unnecessary energy use and wear on equipment. By addressing this, Whistl aims to improve both energy efficiency and asset longevity. Initial trials at our Bedford and Bristol sites are expected to indicate potential electricity savings of 6-7%.

Whistl also operates in line with ISO 50001 energy management standards and continues to align with the Energy Savings Opportunity Scheme (ESOS) framework to guide our long-term improvement approach. Alongside our site-level updates, renewable electricity procured rose to 98% in 2024, significantly reducing Scope 2 emissions across our operations.





### Engaging suppliers on emissions reduction

With the majority of Whistl's emissions linked to its transportation and distribution partners, supplier engagement remained a critical driver of decarbonisation in 2024. As part of our science-based approach to climate action, we have committed to two key supply chain targets: ensuring that 90% of upstream transportation and distribution suppliers by spend have approved SBTi targets by 2025, and that 90% of suppliers of purchased goods and services meet this standard by 2026.

Strong progress was made in 2024 towards the upstream transportation and distribution target. Our efforts included targeted engagement with high-impact suppliers, education on the SBTi framework and collaboration to support target setting and implementation.

In 2025, our focus will be on expanding engagement with suppliers across more diverse areas of our value chain, ensuring they understand our expectations, have access to the tools they need and are supported in progressing towards science-based climate action.

As we move forward, supplier decarbonisation will remain a core component of our climate strategy, helping us to reduce Scope 3 emissions and embed sustainable practices throughout our business.

### Waste Management

Whistl is committed to a circular economy, aiming to minimise waste, extend resource use and improve recycling rates. As a logistics provider handling significant packaging and operational materials, we are responsible for waste management that reduces environmental impact while maintaining efficiency.

In 2024, we made further progress towards achieving zero operational waste to landfill by 2025. Our ongoing partnership with Zest Recycle, which operates a zero waste to landfill policy, plays a major role in ensuring general waste is diverted to recycling or energy recovery. The partnership extended to Parcelhub sites in 2024, bringing greater consistency to waste management across the business.

### Sustainable supply chain

Our approach to managing sustainability in the supply chain goes beyond decarbonisation.

A cornerstone of this approach is our Supplier Charter, which outlines Whistl's expectations around environmental responsibility, labour practices and ethical conduct. It provides a consistent framework for engagement and helps suppliers understand how they can contribute to our shared sustainability goals.

In 2024, all new strategic suppliers were required to align with the Supplier Charter, building on the foundations laid in the previous year. As a result, over 94% of our supplier spend is now covered by the Charter, up from 80.3%.

### Task Force on Climate-related Financial Disclosures (TCFD)

Climate change presents clear and growing risks to our business, customers and communities. From increasingly frequent extreme weather to regulatory shifts and changing customer expectations, the landscape is evolving fast – and we're committed to staying ahead of it.

As a large private company, Whistl falls within scope of the UK's mandatory climate-related financial disclosure requirements, introduced under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. This section outlines how we identify, assess and manage climate-related risks and opportunities in line with those regulations, covering governance, strategy, risk management, and metrics and targets.

Our approach is grounded in robust data, cross-functional oversight and ongoing engagement with suppliers, customers and colleagues. It also draws on the best practice framework developed by the Task Force on Climate-related Financial Disclosures (TCFD), which underpins the UK regulations.

**Governance**

Whistl continues to view climate-related issues as material to the day-to-day operations of the business. In line with our commitment to building long-term resilience, we have maintained a clear and robust governance structure that ensures accountability and oversight at the highest levels. Responsibility for the management of climate-related risks and opportunities is shared between the Business Services and ESG Director and the Head of ESG and Sustainability. Together, they oversee the implementation of Whistl’s net-zero programme, including emissions reporting, risk tracking and supplier engagement. Day-to-day delivery is supported by our cross-functional ESG Committee and underpinned by our risk and compliance system, Symbiant.

Ultimate accountability for ESG and climate-related matters rests with the Board of Management which receives regular updates from the Audit Committee, the ESG Committee and the Risk Management Committee. These forums ensure climate-related risks, performance and emerging issues are escalated and considered as part of broader risk governance and strategic planning.

In 2024, the ESG Committee, chaired by the Business Services and ESG Director, met monthly to review progress against climate-related KPIs, targets and initiatives. The Risk Management Committee, which brings together senior leaders from across the business, met quarterly to assess climate-related risks and provide input to the Board of Management. This dual structure supports informed decision-making and ensures integration of ESG factors across the business.

To further strengthen governance capability, updated ESG and climate risk training was delivered through Whistl’s My Academy platform. Senior leaders and ESG Committee members completed refresher sessions in 2024 to support more effective oversight and leadership.

**Strategy**

We recognise that both the physical impacts of climate change and the transition to a low-carbon economy present material risks and opportunities for our business. Our climate strategy is designed to manage long-term risk while delivering measurable emissions reductions in the short term.

WHISTL’S CLIMATE STRATEGY CONSIDERS TRANSITION AND PHYSICAL CLIMATE RISKS ASSESSED ACROSS SHORT-, MEDIUM- AND LONG-TERM TIME HORIZONS.

**Scenario analysis**

In 2022, we undertook a detailed scenario analysis to understand how different climate futures could impact our operations and value chain. For our analysis, we utilised two emissions scenarios across three time frames, enabling us to assess both physical and transition risks under varying levels of global warming and regulatory ambition. Physical risks relate to the direct impacts of climate change, such as increased frequency of extreme weather events (e.g. flooding and heatwaves) and longer-term shifts in climate patterns. Transition risks arise from the move to a low-carbon economy, including policy changes, evolving customer expectations, market disruption and the cost of adopting new technologies or fuels.

Whistl’s climate strategy considers transition and physical climate risks assessed across short-, medium- and long-term time horizons. These risks have been mapped using the Intergovernmental Panel on Climate Change (IPCC) and the UK Met Office guidance and aligned with the TCFD’s recommendations for risk categorisation.

Our climate scenario analysis utilised two IPCC-aligned Representative Concentration Pathways:

- **RCP4.5 (medium-emissions scenario)**  
Assumes global action to curb emissions, limiting temperature increases to 1.7–3.2°C by 2100. Reflects UK and international policies currently in place.
- **RCP8.5 (high-emissions scenario)**  
Reflects a business-as-usual trajectory with limited global mitigation, resulting in 3.2–5.4°C warming by 2100. Used to stress-test exposure to chronic and acute physical risks.

The time horizons we chose align with global emissions milestones spanning from the current period to 2050, and factor in sector-specific considerations across each interval.

- **Short term (present–2030):** Covers near-term policy, fleet transition, customer requirements and energy pricing.
- **Medium term (2030–2040):** Captures changes in infrastructure resilience, supply chain dependencies and emissions regulation.
- **Long term (2040–2050):** Assesses physical risk to buildings and transport networks, labour conditions and wider systemic change.

To inform our scenario analysis, we take a portfolio-wide scenario approach to consider the most significant climate-related risks and opportunities for Whistl’s business across the UK. We evaluate potential impacts to our core operating sites annually, engaging cross-functional teams to evaluate how risks may influence our financial planning, strategy and service resilience.

### Climate-related risks and opportunities

The following tables summarise Whistl's most material climate-related risks and opportunities as assessed in 2024. These are grouped under the categories recommended by the TCFD and reflect the actual and potential impacts on Whistl's operations, financial performance and wider value chain. Corresponding control measures have been identified or implemented to manage these risks and build organisational resilience. Climate-related opportunities are also presented, highlighting areas for innovation and value creation.

### Climate-related risks and opportunities

PHYSICAL CLIMATE RISKS			
Risk	Actual and potential impact	Materialisation	Management response 2024
Sustained temperature increase generates health and safety risks for Whistl employees and risk of damage/reduced performance of certain equipment.	<p><b>Impact Category:</b> Minor'</p> <p><b>Revenue:</b> Long-term decline in workforce productivity may affect output.</p> <p><b>Expenditures:</b> Ongoing investment may be needed to maintain safe and comfortable working environments.</p> <p><b>Assets:</b> Potential need to retrofit buildings or redesign operational sites over time.</p>	<p><b>Medium emissions (RCP4.5):</b> medium term</p> <p><b>High emissions (RCP8.5):</b> short term</p>	<p>Whistl continues to prioritise workforce wellbeing as temperatures rise. Existing building and transport management measures have so far been sufficient to manage heat-related risks.</p> <p>We have invested in mitigation measures such as the deployment of cooling fans at our Bedford depot to improve indoor working conditions. Building on this, we are now assessing further opportunities to improve airflow and temperature regulation across our facilities. Shift scheduling policies are also under review to reduce worker exposure during extreme heat, and we are considering the introduction of site-level protocols to guide operational decisions under adverse weather conditions.</p> <p>To inform our long-term response, we are undertaking risk mapping that draws on scientific projections and real-time feedback from operational sites, helping ensure our health and safety practices evolve with the climate.</p>
Extreme weather may disrupt Whistl's facilities and collection/delivery routes, affecting the utilisation of operational employees and the business's ability to deliver on time to customers through its carrier partners.	<p><b>Impact Category:</b> Minor'</p> <p><b>Revenue:</b> Disruptions to delivery or fulfilment could reduce service reliability and customer satisfaction.</p> <p><b>Expenditures:</b> Higher costs associated with heating, cooling and adapting facilities.</p> <p><b>Assets:</b> Increased wear and tear on equipment and infrastructure. <b>Liabilities:</b> Risk of workforce health-related claims or insurance exposure.</p>	<p><b>Medium emissions (RCP4.5):</b> long term</p> <p><b>High emissions (RCP8.5):</b> medium term</p>	<p>Both operational routes and infrastructure are subject to ongoing monitoring, helping us identify risks early and inform future site-specific resilience planning. We hold ISO 45001 certification for health and safety and have implemented a range of practical measures to protect our people and operations.</p> <p>Weather conditions are monitored on an ongoing basis to ensure the safety of our drivers and maintain service continuity. To date, this has been sufficient to manage the impact on routes. At our Bedford depot, cooling fans and low-energy heat mats were installed to mitigate temperature extremes, and we are actively exploring additional measures such as real-time temperature monitoring, improved airflow and seasonal shift adjustments.</p> <p>To strengthen facility resilience, our larger sites are constructed to modern standards, including the use of siphonic drainage systems to reduce water pressure during heavy rainfall. We also operate a planned preventative maintenance scheme across smaller sites to keep gutters and drainage systems clear.</p>

TRANSITION CLIMATE-RELATED RISKS			
Risk	Actual and potential impact	Materialisation	Management response 2024
Failure to attract and retain climate-conscious customers, especially business customers seeking to reduce their Scope 3 emissions, due to a failure to transition to or utilise low-carbon carrier partners and processing methods.	<p><b>Impact Category:</b> Incidental</p> <p><b>Revenue:</b> Reduced customer acquisition and retention, particularly among B2B clients seeking to cut Scope 3 emissions.</p> <p><b>Liabilities:</b> Reputational damage may impact contract renewals and access to capital.</p> <p><b>Expenditures:</b> Higher costs to retain clients if changes are reactive rather than proactive.</p>	Medium emissions (RCP4.5): long term	<p>Whistl has committed to an ambitious net-zero target, underpinned by a clear decarbonisation strategy and science-based targets validated by the SBTi. To support customer emissions reduction goals, we offer low-carbon services including HVO fuel options and a Fuel Carbon Calculator to help measure and reduce Scope 3 emissions. These tools are complemented by PrintGreen, which enables campaign managers to calculate and manage the carbon footprint of print-based campaigns.</p> <p>Our sustainable fulfilment services, including those delivered via the Ethical Superstore, and hybrid mail options provide further low-impact delivery solutions. We are also working closely with our carrier partners on decarbonisation and will step up supplier engagement on science-based targets in 2025 to accelerate emissions reductions across the value chain.</p> <p>Whistl's performance is independently assessed through platforms such as CDP, EcoVadis and the SBTi, and we continue to explore further ESG benchmarks to ensure transparency and accountability.</p>
Enhanced cost of compliance with low-emission vehicle policies, including the UK Government's planned 2030 ban on the sale of new petrol and diesel cars and the expanding implementation of local charging zones such as Clean Air Zones (CAZ) and Ultra Low Emission Zones (ULEZ).	<p><b>Impact Category:</b> Incidental</p> <p><b>Expenditures:</b> Increased capital cost for transitioning to a low-carbon fleet.</p> <p><b>Expenditures:</b> Increased operating costs associated with decreased efficiency of low-emission vehicles.</p>	Medium emissions (RCP4.5): short term	<p>Whistl has set fleet decarbonisation targets that exceed minimum regulatory requirements and are aligned with our net-zero commitment. Low- and zero-emission vehicles are actively evaluated at each lease renewal, and as of 2024, 10% of our small van fleet is fully electric. While current zero-emission HGV solutions are not yet commercially or operationally viable at scale, we continue to invest in high-efficiency HGVs and trailer technologies to reduce overall fleet emissions. These include vehicles with advanced telematics, sloped-roof designs and LED lighting to enhance fuel efficiency and reduce drag. We also monitor policy developments and charging infrastructure availability to inform long-term fleet planning and risk mitigation.</p>

CLIMATE-RELATED OPPORTUNITIES			
Opportunity	Actual and potential impact	Materialisation	Potential for realisation
Growing demand for sustainable delivery options.	<p><b>Revenue:</b> New and expanded customer contracts, driven by demand for ESG-aligned suppliers.</p> <p><b>Assets:</b> Strengthening of brand equity and commercial position in competitive tenders.</p> <p><b>Liabilities:</b> Lower reputational and transition risk exposure through early action.</p>	Medium emissions (RCP4.5): short term High emissions (RCP8.5): short term	<p>Whistl has expanded its low-carbon service offering to include electric vans, HVO-fuelled services and transparent Scope 3 reporting tools. Our Fuel Carbon Calculator enables clients to track emissions performance, which supports commercial differentiation.</p> <p>Whistl's science-based targets, validated by the SBTi in 2024, enhance credibility in procurement conversations and demonstrate leadership in low-carbon logistics.</p>
Through collaboration and engagement with its suppliers, Whistl can accelerate the progress of its net-zero trajectory and drive change across the industry.	<p><b>Revenue:</b> Increased revenue and market share due to an improved perception of Whistl's ESG performance.</p>	Medium emissions (RCP4.5): short term High emissions (RCP8.5): short term	<p>In 2024, Whistl built on its supplier engagement efforts by deepening collaboration with our largest suppliers, primarily carriers, to improve emissions data quality and identify opportunities to reduce impact.</p> <p>This work has strengthened reporting and accountability while positioning Whistl as a proactive and credible partner in driving carbon reduction across the logistics value chain..</p>



### Risk management

Climate-related risks are managed through our enterprise risk framework and tracked using our risk platform, Symbiant. These risks are integrated into our broader risk register and reviewed by the Risk Management Committee every six weeks.

Each climate-related risk and opportunity is assessed using a 1–6 scale for both likelihood and impact, and an inherent, residual and projected risk rating is assigned. Risks are prioritised based on materiality and proximity, and aligned to our overarching categories of strategic, operational, financial, compliance and reputational risk.

Where risks are outside our appetite, we implement control actions and assign ownership. Our governance structure and ESG reporting processes ensure these actions are tracked and outcomes are reviewed.

Whistl will continue to monitor risk levels closely, ensuring our business strategy remains resilient across plausible climate outcomes. We review assumptions and risk ratings annually, or more frequently should we identify a significant change that could impact our business – particularly where there are shifts in business scope, policy, climate variables, emissions pathways or customer expectations.

### Metrics and targets

Metrics and targets are key tools for monitoring, managing and communicating Whistl's climate performance.

Our emission reduction targets were validated by the Science Based Targets initiative (SBTi) in 2024 and align to a 1.5°C pathway. They are designed to reduce emissions across our direct operations and value chain, with interim milestones to ensure continuous improvement.

In 2024, we continued to report Scope 1, 2 and 3 emissions and monitor progress against our targets. This helps us understand the effectiveness of our decarbonisation activities and where strengthened action is required.

Further information on our climate-related metrics and targets is provided in the 'Preserving our natural environment' section of this report.

Work is also underway to improve the relevance and utility of our climate-related KPIs. This includes aligning metrics more closely with internal decision-making. We are also exploring how to track revenue from low-carbon products and services, helping to reflect climate-related opportunity alongside risk.

### Health and safety

At Whistl, the safety of our employees is non-negotiable. Strong safety performance is driven by collective effort, where every employee – from frontline workers to senior leadership – contributes to a culture of accountability, awareness and continuous improvement. Our ISO 45001-certified Occupational Health and Safety (OHS) management system controls risk management, hazard identification and incident prevention across all sites while complying with legal and regulatory requirements.

In 2024, we integrated OHS governance into our business services department, aligning safety leadership with facilities and property management to improve risk mitigation and embed safety into operational decision-making. Local ownership of safety remains a priority, with SHE executives at each site reporting to depot managers and streamlining communication with central safety leadership.

Whistl benefits from close engagement with our insurance partners who support us through training, site inspections and risk assessments. LRQA, a business assurance and inspection service, runs regular third-party audits for Whistl which confirm that our OHS management system remains aligned with ISO 45001 and industry best practices.

### Warehouse and depot safety

Safety performance across our depots and fulfilment centres has improved in 2024, supported by structured training, mentoring and real-time incident learning. Weekly incident reviews and ongoing Toolbox Talks help embed awareness into day-to-day decision-making.

We've focused heavily on developing safety leaders on-site. SHE executives are supported through regular feedback and cross-functional engagement, helping build confidence and consistency in risk management.

A key initiative this year was the Managers Managing Safety programme, delivered in partnership with Aviva. The practical on-site training equipped 41 operational managers, including those based at Bolton and Lutterworth, with the tools to identify and address risks in real time. This has already led to greater ownership and more visible leadership in safety performance.

Whistl has also maintained a long-standing external partnership with its insurance brokers and risk management partners, Verlingue, to support health and safety risk management across the business. Through regular site visits, training sessions and structured reviews, this relationship has helped strengthen our safety governance, improve incident defensibility and proactively manage operational risk.



**Fleet-wide driver safety**

Whistl's commitment to safety extends well beyond the depot. Our fleet drivers operate in diverse environments every day and keeping them and other road users safe is critical to our business. In 2024, we retained our Van Excellence Operator accreditation with Logistics UK, reflecting high standards across driver compliance, training and performance monitoring. The reaccreditation followed targeted improvements in how we monitor and retrain drivers, supported by closer use of telematics to identify risk behaviours.

We also completed the transition to the Optifleet telematics platform, enhancing accuracy and responsiveness. This has significantly improved our ability to assess driver performance using harsh braking, rapid acceleration, speeding and fuel efficiency metrics. Our goal is to ensure as many drivers as possible achieve a 'green' performance status recognising safe, efficient and consistent driving.

To support continuous improvement, we introduced structured retraining programmes in 2024, helping reduce accident rates across the fleet. Four dedicated driver trainers now lead on targeted coaching, providing real-time feedback and support to individual drivers. This has created a more responsive safety culture and embedded greater confidence and accountability across the transport team.

**Supporting community safety**

We also extended our commitment to operating safely to our wider communities. Through our School Road Safety Initiative, the transport team visited local schools to deliver interactive sessions on road safety and vehicle awareness. Using HGVs, vans and electric vehicles, the sessions gave students a close-up look at the challenges of road visibility and vehicle handling. Feedback from students and schools was overwhelmingly positive.

**Measurable progress in 2024**

Our collective effort to improve safety culture, risk identification and incident response across our fleet and facilities has delivered strong results for Whistl. In 2024, we recorded an Accident Frequency Rate (AFR) of 3.2 and an Accident Severity Rate (ASR) of 15.4, both significant improvements over previous years.

Metric	Target	2022	2023	2024
<b>Total fatalities</b>	0	0	0	0
<b>Accident Frequency Rate (AFR)</b>	<5	4.2	4.3	3.2
<b>Accident Severity Rate (ASR)</b>	<30	38.6	32.3	15.4

## Compliance and Accreditation

Across the company we have regular and mandatory training in place for employees in order to:

- Comply with the law and requirements of regulatory bodies
- Carry out duties safely and efficiently
- Foster a culture of risk awareness and mitigation
- Provide an awareness and understanding of specific organisational and industry requirements
- To maintain competence to the required standards identified by our customers and/or external bodies e.g. ISO, IIP.

Employees are required to complete this training at different stages of their career with Whistl, including at induction, change of role, and on a regular basis to ensure they are aware of any updates – which supports our approach to continual improvement.

The core mandatory training that is covered for all staff includes:

- Information Security
- Data Protection – GDPR
- Mail Integrity
- Safety, Health and the Environment
- Equality diversity and inclusion
- Business Ethics and Whistleblowing
- Bribery, Corruption, Tax Evasion and Corporate Criminal Offence.

We also have a number of optional e-Learning packages available which cater to specific topics or requirements which can be delivered on a case by case basis.

### Certification

All of our existing certifications are audited by Lloyds Registered; we undergo external audits alongside our formal internal audit schedule to demonstrate our ongoing compliance with, and improvement within, these standards.

Many of our existing customers require us to complete security or business continuity audits on our operations as required.

## We are certified to and follow the standards below:

<b>OFCOM requirements</b>	<i>UK Postal Regulator</i>
<b>Mail Industry Code of Practice (MICOP)</b>	<i>Operational requirements for postal operators</i>
<b>Postal Services Act 2011</b>	<i>Legislation enabling privatisation of Royal Mail</i>
<b>Data Protection Act</b>	<i>Controls how personal information is used by organisations, businesses or the Government</i>
<b>ISO 9001:2015 certified (DSA)</b>	<i>International standard dedicated to Quality Management Systems</i>
<b>ISO 27001:2013 Information Security (DSA)</b>	<i>A set of standardised requirements for an Information Security Management System</i>
<b>ISO 45001:2018 certified (DSA, Whistl Fulfilment and Parcelhub)</b>	<i>International standard for health and safety at work</i>
<b>ISO 14001:2015 Environmental, Health &amp; Safety, Quality Management (DSA)</b>	<i>The criteria for an environmental management system</i>
<b>ISO 50001:2018 Energy Management</b>	<i>The international standard for Energy Management</i>
<b>Business Continuity Good Practice Guidelines 2018</b>	<i>The definitive guide for business continuity and resilience professionals</i>
<b>PCI:DSS compliant</b>	<i>The Payment Card Industry Data Security Standard</i>
<b>Carbon Disclosure Programme (CDP)</b>	<i>Recognised as a global leader for engaging with our suppliers on climate change</i>
<b>EcoVadis Gold Medal</b>	<i>Gold award for environmental performance and corporate social responsibility (CSR).</i>
<b>FSQS (Financial Services Qualification System)</b>	<i>Requirement by the largest financial services companies' supplier procurement processes</i>
<b>RSQS (Retail Suppliers Qualification System)</b>	<i>A supplier is complying with a minimum set of standards including CSR, legislation, information security and GDPR</i>
<b>Ad NetZero</b>	<i>To reduce the carbon impact of developing, producing and running UK advertising</i>
<b>Investors in People (IIP)</b>	<i>A framework to help focus on organisational priorities and improve performance through people</i>
<b>CHAS (Contractor Health and Safety) Advanced Standard</b>	<i>Standard which allows us to demonstrate our ability to ensure supply chain compliance, mitigate risks and support efficient supply chain management</i>
<b>PAS91 (Publicly Available Specification) Standard</b>	<i>Standard which enables us to fast-track procurement process by demonstrating as a contractor that we already comply to the latest standards across a number of criteria. The accreditation covers Health and Safety, Bribery and Corruption, Fraud, Training, Compliance, legal and regulatory requirements across modern slavery and EDI.</i>

# Risk Management

## Principal risks and uncertainties

The Group has determined its key principal risks as those risks that the Group considers material and which could have a significant impact on the Group's financial position, its operations and/or reputation.



## Risk management

The Group's principal risk management processes comprise risk registers and reviews, control risk self-assessment and a Risk Management Committee. The Group faces a diverse range of risks and uncertainties which could have an adverse effect on its success if not managed. The Group has designed and embedded a risk management process to identify and monitor potential risks and uncertainties relevant to the Group and then seeks to eliminate or reduce these to the lowest extent possible to protect the business, its people and customers, and support delivery of its strategy.

The risk management process is intended to mitigate and reduce risk to the lowest extent possible but cannot eliminate all risks to the Group and its businesses. The Group's risk management process and controls can only provide reasonable and not absolute assurance against material misstatement or loss.

The risk management process incorporates both top-down and bottom-up elements to the identification, evaluation and management of risks. Mitigating controls are identified and opportunities for the enhancement are implemented.

## Risk Governance

The Board of Management is ultimately responsible for the Group's system of risk management and internal controls and reviews their effectiveness on a regular basis throughout the year.

## Risk overview

The Board of Management recognises that the risks faced by the Group change and it regularly assesses risks to manage and mitigate any impact.

**Summarised below are the key risks, not in order of significance that the Board of Management has identified as the primary risks to the Group's successful financial performance, reputation or operations in the year ended 31 December 2024 and future years.**

### Financial risk management

The Group has established processes to identify, monitor, mitigate and where feasible, eliminate these risks.

#### Capital management

Management consider capital to consist of equity plus net debt as disclosed in the balance sheet. The primary objective of the Group's capital management is to ensure healthy capital ratios in order to support its business and maximise shareholder value. The Group's financial instruments comprise of cash and liquid resources and various other items, such as receivables and trade payables that arise directly from its operations. The Group's policy is to finance its operations through operating cash flows and has access to a fully committed irrevocable £65m facility jointly provided by HSBC and Natwest.

#### Market risk

The Group's activities are principally provided to UK businesses and as a result the fortunes of the business are linked to the general health of the UK economy. The company's exposure is limited by having a broad customer base and a diversified portfolio of services, however the business remains exposed to fluctuations in marketing budgets, e-substitution, recession and continued market evolution.

#### Regulatory risk

The DSA part of the Group operates in a regulated market which affords a level of protection against any anti-competitive behavior, mandates access to Royal Mail's network and controls elements of Royal Mail's pricing. The regulator, Ofcom, has made changes to the postal regulatory regime following its last review, and this framework will remain in place until 2027. Management considers this risk to be manageable and in control.

#### Credit risk

The Group has significant credit risk which is managed by specialist credit control teams. Standardised company processes, credit checks, managed and monitored credit limits and tight credit control processes are adhered to in order to minimise the risk. In addition, the Group utilises credit insurance, where available to protect any significant exposure to bad debts.

#### Treasury management

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, all risk exposures including funding, foreign currency, interest rate exposures and cash management are regularly monitored by the Board of Management. The prime focus being performance and strategic issues as well as the mitigation and management of these risks to an acceptable level. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, the Group has substantial, fully committed unused credit facilities available.

#### Price Competition

The Group operates in a highly competitive environment. The Group is focusing on excellent account management and consistent quality of service with initiatives designed to improve competencies surrounding customer services, operational improvement, sales support and training. In the Parcel and Mail business, the key factors for success are quality, customer confidence and competitive prices. The Group mitigates this risk through close customer contact, with key account managers regularly undertaking performance review. Pricing of Royal Mail services is determined by Royal Mail but is monitored by the Regulator, Ofcom.

Our success in the E-commerce fulfilment sector is dependent on a continued focus on the development of our services which are aimed at a growing E-commerce market. We continually monitor our competition and the market to ensure that we remain in a competitive position.



**Inflationary pressures and supply chain**

Inflationary pressures had already been increasing globally with the continued demand for goods and energy outpacing supply. Further increases in global energy and fuel prices and shortages of certain commodities and labour negatively impacted growth forecasts. Any increase in our cost-base is partially protected via clauses in our customer and supplier contracts.

**Cyber and IT data risk**

Our data and systems are exposed to risks and the enhanced threat landscape that has become more hostile. These risks could lead to data breaches or disruption to our systems or operations.

The Group operates an Information Security Management System (ISMS) aligned to the principles of ISO 27001, controls include but not limited to vulnerability management, penetration testing, 24/7 network monitoring, regular audits and routine access reviews.

The Group reviews information security regularly and invests in proportionate and appropriate services, resources, systems, training and processes to endeavor to ensure the security of its systems, data and customer information. The Group also utilises integrated and complementary solutions and services to protect against data security risks and provide solutions for mitigation and remediation supported by our Business Continuity Plan and by communicating to our staff the importance of maintaining vigilance to protect digital assets. We enforce robust security and privacy controls to offer our customers and employees the assurance that we are committed to compliance with the regulatory requirements of both Payment Card Industry Data Security Standard (PCI DSS) and fulfilling our obligations under data protection laws.

**Business continuity**

The Group has detailed business continuity plans in place for all sites to ensure an immediate and appropriate response to a business continuity issue or disaster scenario.

**Anti-bribery and corruption**

The Group operates an anti-bribery and corruption policy which was put in place in response to UK Bribery Act 2010. This policy sets out the responsibilities of employees of the Group in observing and maintaining the Group's position on bribery and corruption, which is that the Group will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which it operates. All employees are required to undertake a Bribery Corruption Awareness training programme as part of their induction process upon joining the Group.

We publish our anti-bribery procedure on our intranet and each member of staff has to complete an assessment on joining, and then every two years through the company's myAcademy online training portal. We are committed to actively investigating any reports of a breach in policy. No breaches were reported this year.

**Whistleblowing**

The Group has in place a Whistleblowing Policy, which all employees and other defined individuals are required to adhere to and is open to suppliers and customers to use if they wish to report any concerns. The Whistleblowing Policy sets out the ethical standards expected of all persons the policy legally applies to and includes the procedure for raising concerns in strict confidence. Employees are encouraged to raise their genuine concerns regarding any malpractice within the Group without fear of harassment or victimisation. Any instances of employee disclosures concerning malpractice are reported to the Executive Board. We respond to all instances of Whistleblowing within 48 hours of the report.



### Modern Slavery Act compliance

Whistl is committed to ensuring that there is no modern slavery or human trafficking practices within our business or our supply chain. Our Anti-Slavery and Human Trafficking Policy reflects our responsibility to act ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our supply chain.

This policy works in conjunction with a range of other relevant policies and procedures that set out steps to be taken to support the identification and steps to prevent slavery and human trafficking in the business.

Our Modern Slavery Committee meet at least twice per year and includes representation from Legal; Audit and Compliance; Human Resources; Procurement; Communications; and Security reviewing across the Whistl Group.

Our Anti-Slavery and Human Trafficking Statement for 2020 has been published outlining our plans to ensure our approach and practices are assessed, reviewed and improved upon continually in line with best practice.

### Staff Development and Retention

The Group is highly reliant on the continued service of its key management and employees, who possess the necessary commercial, operational, HR, IT and financial skills that are critical to the success of the Group. The Group actively encourages the development of all their employees and has a number of programmes that can assist in achieving this at all levels in the business, including e-learning and apprenticeships. The Group's policy and practice is to encourage the recruitment and subsequent learning, development, career development and promotion of all regardless of age, race, disability, gender, sexual orientation and according to aptitudes and abilities. Diversity and inclusion is a main priority for the Whistl Group and our Be You initiative aims to improve our already strong performance in this area.

### Tax Evasion

The Group operates a policy as part of its efforts against tax evasion and the facilitation of tax evasion. This policy arises from compliance with the Criminal Finances Act 2017. The policy is available on the Group's intranet, and forms part of a training programme which all employees are required to take each year.

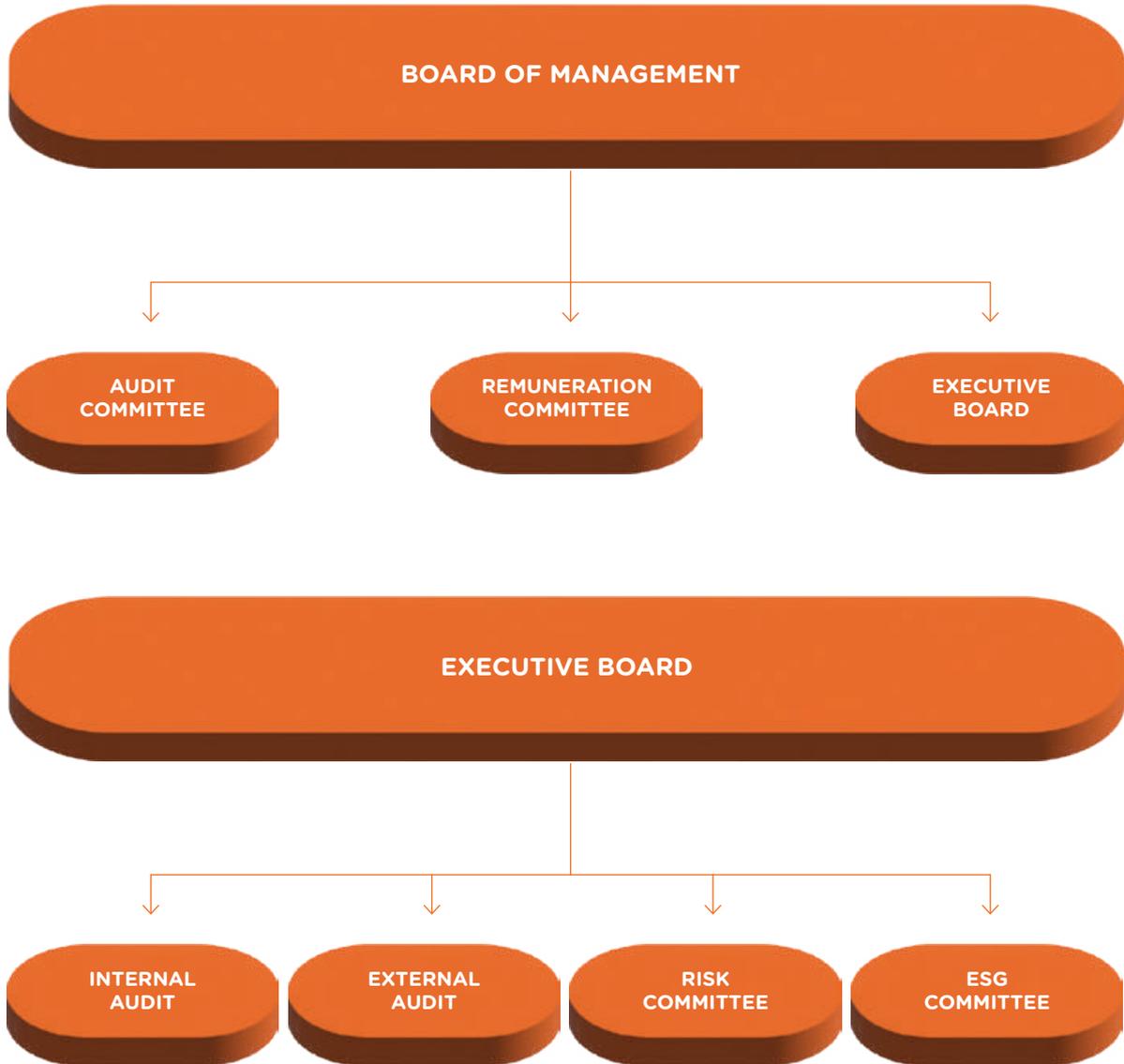
The policy applies to anyone working for any company in the Group (whether they are employees, contractors, workers or in any other form of contract). Specific provisions are also included in our contracts with suppliers. The policy and supplier provisions set out the prohibitions on engaging in any form of tax evasion or facilitating it in any way and require those working in Whistl and our suppliers to notify us if there is any form of tax evasion or facilitation of tax evasion.

### Climate-related risks and opportunities

At Whistl, we have integrated the monitoring of climate-related risks and opportunities into our principal risk management process; this comprises control risk assessments, risk registers and reviews, See page 23.

THE GROUP'S POLICY AND PRACTICE IS TO ENCOURAGE THE RECRUITMENT AND SUBSEQUENT LEARNING, DEVELOPMENT, CAREER DEVELOPMENT AND PROMOTION OF ALL REGARDLESS OF AGE, RACE, DISABILITY, GENDER, SEXUAL ORIENTATION AND ACCORDING TO APITUDES AND ABILITIES

## GOVERNANCE STRUCTURE



## Governance

For the year ended 31 December 2024, the Group has voluntarily applied the Wates Corporate Governance Principles for Large Private Companies.

The Directors have set out below an explanation of how the Wates Principles have been applied during the 2024 year.

### 1. Purpose and leadership

The Group's purpose is to be the UK's leading logistics specialist e-fulfilment, parcels and mail. The Whistl Group comprises market-leading businesses providing efficient, high-quality, and competitively priced services and support for businesses, large or small, across a range of sectors with can-do people working efficiently to deliver exceptional services to all our customers.

### 2. Board Composition

Whistl Consolidated Limited, the ultimate parent and controlling party is led and controlled by the Board of Management, which is collectively responsible for the long-term success of the Group and the endorsement and application of corporate governance.

The Board of Management is currently comprised of three executives, and three non-executives. The executives and non-executives are not currently subject to retirement by rotation and there is no plan to implement such a regime. The Board of Management always aims to keep an appropriate balance of Board of Management expertise and length of director tenure and recognises that tenure must be considered when examining the independent status of non-executive directors.

### Board of Management and its sub-committees

The Board of Management acknowledges its accountability in the performance and success of the business to its shareholders.

The Board of Management's scope of authority also covers:

- Planning and monitoring Group strategy
- Financial and operational risk management
- Financial reporting, tax and treasury matters
- Performance of key management personnel and the Executive Board
- Management of shareholders and investors

Our approach to corporate governance is to instill it throughout the business, with the Board of Management, taking collective responsibility for the overall management and leadership of the business, together with individuals and teams, taking ownership and being empowered to take appropriate decisions while reporting into the Executive Board, which in turn, reports into the Board of Management.

The Board of Management operates robust procedures to ensure all decisions are made objectively:

- Board of Management meetings take place on a monthly basis
- Conflicts of interest are declared openly and in advance and are managed respectfully
- The Board of Management receives a report from the Executive Chairman and Chief Financial Officer as well as reports from its various committees and the Executive Board
- Members of the senior management team make presentations to both the Board of Management and the Executive Board on specific topics, creating a close connection between the Board of Management and the rest of the business
- In the period between Board of Management and Executive Board meetings, all Directors receive email updates on significant matters arising. This may result in discussion by conference call between Board of Management meetings.

The Board of Management is supported by three sub-committees - the Audit Committee, the Remuneration Committee and the Executive Board.

The Executive Board operates from Whistl Group Holdings Limited, and comprises individuals with a diversity of knowledge and experience from the management, service and operational functions of the Group. The membership of both the Remuneration Committee and the Audit Committee is appointed by the Board of Management. At present the members of each committee are the non-executive directors of the Board of Management. Each of the Remuneration Committee and the Audit Committee has terms of reference which sets out the scope of their authority and which are reviewed and revised where necessary.

## Executive Board profiles

**Nick Wells**  
**Executive Chairman**

Nick has led the business since its formation in 2001 becoming Executive Chairman in 2022. He has overall responsibility for the growth and strategy of the Whistl Group and is Chair of Executive Board and Board of Management. He is an industry leading innovator and commentator.



**Ian Keilty**  
**Chief Executive Officer** (appointed 1 July 2025)

Ian joined Whistl in July 2025 from Wincanton, where he had been Chief Operating Officer since 2020. Prior to joining Wincanton, Ian built up extensive experience in supply chain as an Executive for Brakes Group, Booker Group, Iceland Stores and Mars. He holds an MBA from London Business School and a degree in Engineering from the University of Durham.



**Nigel Polglass**  
**Chief Commercial Officer**

Nigel joined the company in 2008 and became CCO in 2022. He also has Board responsibility for Whistl Mail and Posthub and function areas of HR, Property & Procurement, Security, SH&E & ESG and Regulation. Prior to Whistl, Nigel held senior positions in Hays PLC and Ceridian Corporation.



**Manoj Parmar**  
**Chief Finance Officer**

Manoj has been with Whistl for over fourteen years as CFO. He qualified as a Chartered Accountant with PwC and joined Cable & Wireless, holding senior finance and international positions. He has also held similar roles in several private equity backed businesses.



**John Evans**  
**Director of Legal and Company Secretary**

John was promoted to these roles in 2019 and joined the company in 2011. He is a specialist in commercial and corporate law, and provides strategic, legal, risk management and compliance advice and support across the Group.



**Fliss O'Hara**  
**Fulfilment Managing Director**

Fliss joined Whistl in 2023 from Clipper Logistics where she was Business Development Director. Fliss also worked for Tesco plc for five years and began her finance career within the aerospace industry.



**Andrew Goddard**  
**Managing Director Mail, Parcels & Cross Border**

Andy joined Whistl in 2006 as National Sales Director, became Commercial Director in 2013 and Managing Director for the Mail division in 2023. He joined the company on secondment from Express Dairies and prior to that he was Client Director Home Shopping, also running Door to Door, at Royal Mail.



**Laura Sanjurgo**  
**Commercial Director - Mail**

Laura joined Whistl in 2010 as a Business Development Manager and has since progressed through several senior commercial roles before becoming the Commercial Director for our Mail business in 2023.



**Dave Twiddle**  
**Director of Operations Mail & Parcels**

Dave joined Whistl in 2014 undertaking a number of operational leadership roles. He has played a central role in the development of the network delivering industry leading service to customers. Dave took up his current role in 2019.



**Mark Davies**  
**Managing Director E-commerce Marketing (ECM)**

Mark joined Whistl in 2003 and occupied several key sales roles before becoming MD (ECM). A leading ECM expert and commentator, he is President of ELMA (European Letterbox Marketing Association) and sits on the DMA Print Council and JICMAIL Board.



**Lynn Dillon**  
**HR Director**

Lynn joined the business over 19 years ago becoming the Operations Director in the DDM business. She took over the HR Director role across the Group in 2014 and has been instrumental in creating a culture of continuous improvement.



**Jason Powell**  
**IT Director**

Jason has been with Whistl since 2015 and is responsible for the design and implementation of the IT strategy, ensuring a seamless customer experience and leading Whistl's technology innovation programmes. He has held similar roles in the banking, BPO, utilities and retail sectors.



**Gareth Hughes**  
**Business Services and ESG Director**

Gareth has been with Whistl since 2014 where he has responsibility for procurement, property and ESG. He has held leadership positions at Bupa and Legal & General and is a Fellow of the CIPS.



### 3. Director Responsibilities

The board and individual directors have a clear understanding of their accountability and responsibilities. The board's composition, policies and procedures support effective decision making and independent challenge.

Individually each executive Director is required to perform his/her role in accordance with prescribed role profiles and competency requirements, which helps to ensure the board members remain "fit and proper" to undertake their duties (whether commercial, fiduciary or regulatory) and responsibilities to the Group. The three non-executive Directors provide independent challenge to the executive Directors and provide balance to decision-making processes.

Good governance supports open and fair business, ensures that the Group has the right safeguards in place and makes certain that every decision it takes is underpinned by the right considerations.

Whilst board oversight is always maintained, key decisions are made by individuals and committees with the most appropriate knowledge and industry experience.

The Group has a defined organisational structure with clear roles and responsibilities. The structures in place ensure appropriate limits are used for internal authorisation. Decisions are made in -line with approved annual budgets.

There are sufficient internal authorisation controls which includes separate controls covering purchasing and sales contracts.

The Board of Management and the Executive Board each meet on a monthly basis and in advance of each meeting each receives a board pack containing information on all key aspects of the business including health & safety, risks and opportunities, financial performance of the business, strategy, operational matters and market conditions. Key financial information is collated from the Group's accounting and operational systems. The Group's financial function is appropriately qualified to ensure the integrity of this information and is responsible for remaining compliant with reporting standards and regulatory changes. Financial information is currently externally audited by Ernst & Young LLP on an annual basis.

### 4. Opportunity and Risk

The board aims to promote the long term sustainable success of the Group by identifying opportunities to create and preserve value, and establishing oversight for the identification and mitigation of risks.

The Group has in place a team dedicated to Risk Management Committee which includes representatives from all of our businesses, internal audit, security, legal, procurement, finance, HR, as well as executives so that it can identify risks from across the business and the sector, review the nature and extent of them and develop solutions to manage or mitigate the risks.

The Risk Management Committee also works closely with the business, providing guidance and support to key risk owners within the Group's business and support functions. Key risk owners within the business attend quarterly Risk Management Committee meetings to provide updates on key strategic and emerging risks within their remit. Monthly Board of Management, Executive Board, Senior Management & Operational Team meetings provide a forum for discussion on long term opportunities and risk.

The Risk Management Committee keeps under review and makes recommendations to the Board on the Group's risk appetite, tolerance and strategy on an annual basis or more frequently if required. The Risk Management Committee also sets the standard for ensuring the accurate and timely monitoring of large exposures and certain risk types of critical importance and ensures that these are escalated to the Board as appropriate.

The Group maintains full compliance with all applicable legislation either through certifications or alignment to best practice. The Group has developed an Operating Framework which includes the Group's operating rules, processes, best practices and delegated authorities. The Group is also certified to the ISO 9001 - International standard dedicated to Quality Management Systems. For other certifications, see page 27.

We view climate issues as material to the day-to-day operations of our organisation and we continue to adhere to our ESG strategy and all relevant climate-related regulatory requirements. As we undergo our transformation to a climate-ready business, we understand that strong governance is imperative to efficiently manage corresponding climate-related risks and opportunities.

In 2023, we set up an ESG Committee reporting to the Executive Board. The ESG Committee is responsible for delivering the ESG strategy across the business, drafting ESG-related policies and disclosures for approval, keeping up to date with ESG and climate-related issues, proposing large projects and costs, and reviewing ESG and climate-related risks and opportunities quarterly.

In addition the Group maintains full compliance with all applicable legislation and contractual requirements and any supporting management system certifications and by operating an Information Security Management System (ISMS) aligned to the principles of ISO 27001. The Group fully complies with relevant UK legislation.

The Audit Committee ensures that material risks both inherent and emerging are identified and managed appropriately. The Audit Committee meets annually. Robust internal processes exist to ensure systems and controls operate effectively, and that the quality and integrity of information provided is reliable.

## 5. Remuneration

The Group's Remuneration Policy and compensation practices were kept under review by the Board of Management, the Remuneration Committee and by the Executive Board throughout 2023, with a view to ensuring that they were consistent, and promoted effective risk management and were aligned to the Group's business strategy, values and long term objectives.

Remuneration for the directors and the senior managers in the Group is set by the Remuneration Committee which reviewed any changes to the remuneration packages of all executive directors, and certain senior managers within the Group for 2024, with a view to ensuring that executive performance was remunerated not only on financial performance, but also on qualitative measures aimed at preserving the legal, regulatory and reputational health of the Group.

The Board is committed to improving the Group's Gender Pay Gap. The Group's latest Gender Pay Gap Report (see page 15), which was reviewed by the Board prior to publication and is available on the company's website at [www.whistl.co.uk](http://www.whistl.co.uk).

## 6. Communication with stakeholders

The Directors seek to foster effective stakeholder relationships aligned to the Group's purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions.

The Group undertake an annual employee engagement survey: MySay in which we have consistently achieved an overall Engagement score that is above the average for our sector, (see page 13).

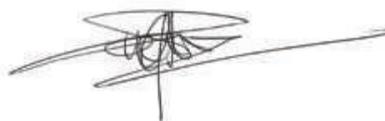
The Group keeps employees up to date on strategy and performance through a variety of channels, including formal leadership events, employee briefings, the Employee Forum and a digital employee communication tool. Regular meetings with the Employee Forum have continued on a quarterly basis and are supported by members of the Executive Board.

The Group issues a regular monthly communication to all shareholders and investors which includes the monthly performance of the business as well as its performance in the year to date. The communication provides an assessment of the company's position and prospects and its latest news.

Whistl Group is wholly UK resident and commits to complying with all relevant laws, rules, regulations and reporting and disclosure requirements in relation to its tax activities alongside maintaining an open and honest relationship with all relevant tax authorities.

Whistl's tax strategy can be found at <https://www.whistl.co.uk/corporate-documents>

The strategic report on pages 5 to 37 is approved on behalf of the Board.



**Manoj Parmar**  
Director

22 August 2025

# Directors' Report for the year ended 31 December 2024

The Directors present their report and the audited consolidated financial statements of the Group for year ended 31 December 2024.

## Directors

The statutory directors who served the company during the year and up to the date of signing the financial statements were as follows:

N Wells  
N Polglass  
M Parmar  
J Greenbury  
P Berendsen  
I Keilty (appointed 1 July 2025)  
M Nunny (resigned 26 March 2024)  
S Ledwidge (appointed 26 March 2024 and resigned 19 December 2024)  
E Kovalikhina (appointed 19 December 2024 and resigned 30 May 2025)

The directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

## Political donations

The Group made no political donations during the year.

## Employee involvement

The Group is committed to eliminating discrimination and encouraging diversity and inclusion amongst our workforce and that all employees or workers are treated with respect and dignity. Our aim is to provide equality and fairness for all in our employment and not to discriminate on grounds of age, disability, gender re-assignment, marriage and civil partnership, race, religion or belief, sex and sexual orientation. We oppose all forms of unlawful and unfair discrimination.

Additionally, we conform to the requirements around Modern Day Slavery legislation to ensure we only use resource that can legally work within the organisation and ensure no workforce is engaged that in any way has links to people trafficking activity.

The company is committed that the workforce whether part-time, full-time or temporary are treated fairly in respect of employment, promotions, performance appraisals, transfers and training. Whistl will appoint, train, develop and promote on the basis of aptitude and ability. It is recognised that staff with disabilities may require reasonable adjustments to their workplace or have equipment provided in order that they may carry out their normal duties. The company will endeavor to provide reasonable solutions for such situations.

## Matters covered in the Strategic report

Discussion of going concern, financial risk management, future developments, and payment of dividends have been included in the Strategic report.

## Directors' duties

Directors of UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the Companies Act 2006 which is summarised as follows:

'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the need to maintain a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Company.'

As part of their induction, a Director is briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser. It is important to recognise that in a large organisation such as ours, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the Company.

The following paragraphs summarise how the Directors' fulfil their duties:

### Risk Management

As we grow, our business and our risk environment also become more complex. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face, and that we continue to evolve our approach to risk management. For details of our principal risks and uncertainties, and how we manage our risk environment, see pages 28 to 31.

### Our People

The group is committed to being a responsible business. Our behavior is aligned with the expectations of our people, clients, customers, suppliers and society as a whole. People are at the heart of our specialist services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behavior so we achieve our goals in the right way. For further details on our people and employee involvement, see pages 12 to 15.

### Business Relationships

Our strategy prioritises organic growth, driven by cross-selling and up-selling services to existing clients and bringing new clients into the Group. To do this, we need to develop and maintain strong client relationships. We value all of our clients and suppliers and have contracts with our key suppliers, see pages 17 and 21.

### Culture and Values

The Board recognises the importance of having the right corporate culture. Our long-term success depends on achieving our strategic goals in the right way, so we look after the best interests of our clients, people and other stakeholders. Through the use of employee forums and management workshops, we identify values that govern how we act as a business, see page 17.

### Communication with stakeholders

Throughout the period, the Group has maintained regular monthly contact with its shareholders and investors to ensure that the interests of shareholders are aligned with the Company's. Good governance is an essential tool in ensuring that stakeholders remain committed partners as we invest in our business for the longer term. It is important to us that shareholders understand our strategy and objectives, so these must be explained clearly, feedback heard and any issues or questions raised properly considered, see page 37.

### Going concern

The directors have prepared cash flow forecasts for the Group from the date of approval of the 2024 financial statements through to 31 August 2026 ("the going concern period"). These forecasts reflect an assessment of current and future market conditions and their impact on the Group's future cash flow performance. The forecasts have been reverse stress tested by considering the impact of a sudden and significant reduction in revenue and profitability. In both the forecasts and the reverse stress tested scenarios the Group and the Company will have sufficient cash and existing borrowing facilities to continue in operation. In addition to cash at hand as at 31 December 2024 of £38.9m (2023: £32.7m), the Group's liquidity is further supported by our fully committed irrevocable £65m funding line jointly provided by HSBC and Natwest which is divided into a credit and working capital facility. This facility has been renewed for a further four years plus one commencing June 2024.

In assessing whether the going concern basis is appropriate the directors have taken account of all available information about the future up to and including 31 August 2026, which is 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.

### Statement of disclosure of information to auditor

In the case of each Director in office at the date the Directors' report is approved under section 418, the following applies:

- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought 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.

### Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law),

including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") in respect of the company.

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

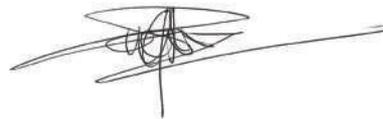
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- in respect of the Group financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and/or Group will continue in business.

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

### Independent auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

Signed on behalf of the Board of Management.



Manoj Parmar  
Director  
22 August 2025

# Independent Auditor's Report to the Members of Whistl Consolidated Limited

## Opinion

We have audited the financial statements of Whistl Consolidated Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Consolidated statement of changes in equity, the Consolidated Statement of cash flows, the Company statement of financial position, the Company statement of changes in equity, and the related notes 1 to 45, including a summary of material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period to 31 August 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

## 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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

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

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

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 39 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.

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

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

### Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group or the parent company and determined that the most significant are those related to the reporting framework (UK adopted international accounting standards for the Group, United Kingdom Generally Accepted Accounting Practice for the Company, and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulations in the United Kingdom.
- We understood how the group and the parent company are complying with those frameworks by making inquiries of management and those charged with governance to understand how the group and the parent company maintain and communicate its policies and procedures in these areas and corroborated this by inspecting supporting documentation.
- We assessed the susceptibility of the group and the parent company's financial statements to material misstatement, including how fraud might occur by considering the risk of

management override and by assessing revenue cut off to be a fraud risk. Through these procedures, we determined there to be a risk of management override and fraud around revenue recognition and in particular revenue recognition around the year-end date. We selected a sample of revenue transactions around the year-end date and performed detailed testing including agreeing to source documentation to validate that the revenue had been recognised in the appropriate period. In relation to management override, we used data analytics to sample from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria which we investigated further to gain an understanding of the transaction and agree to source documentation ensuring appropriate authorisation of the transactions.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of the management, those charged with governance, and those responsible for legal and compliance. We also reviewed the board minutes to identify any non-compliance with laws and regulation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Daniel Dennett (Senior statutory auditor)

for and on behalf of Ernst & Young LLP  
Statutory Auditor  
Reading

22 August 2025

# Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	Note	31 December 2024 £'000	31 December 2023 £'000
<b>Revenue</b>	4	<b>821,916</b>	766,300
Cost of sales		<b>(775,344)</b>	(722,505)
<b>Gross profit</b>		<b>46,572</b>	43,795
Administrative expenses		<b>(42,043)</b>	(43,722)
Administrative expenses – exceptional items	5	<b>(3,793)</b>	(4,885)
Total administrative expenses		<b>(45,836)</b>	(48,607)
Other operating income		<b>57</b>	68
<b>Operating profit before amortisation, depreciation and exceptional items</b>		<b>27,360</b>	24,094
- Amortisation and depreciation		<b>(22,774)</b>	(23,953)
- Exceptional items		<b>(3,793)</b>	(4,885)
<b>Operating profit/(loss)</b>	5	<b>793</b>	(4,744)
<b>Profit/(loss) before interest and taxation</b>		<b>793</b>	(4,744)
Finance income	8	<b>599</b>	98
Finance expense	9	<b>(5,472)</b>	(5,751)
<b>Loss before taxation</b>		<b>(4,080)</b>	(10,397)
Tax (expense)/credit on loss	10	<b>(40)</b>	1,352
<b>Loss for the financial year and total comprehensive expense</b>		<b>(4,120)</b>	(9,045)

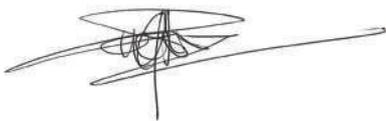
All results derive from continuing operations. None of the Group's activities were discontinued during the current year or previous year. There is no material difference between the loss before taxation and the loss for the year stated above and their historical cost equivalents.

The notes on pages 45 to 75 form part of these statements.

# Consolidated Statement of Financial Position as at 31 December 2024

	Note	31 December 2024 £'000	31 December 2023 £'000	31 December 2022 £'000
<b>Non-current assets</b>				
Intangible assets	11	71,557	71,684	71,500
Property, plant and equipment	12	18,667	18,609	21,554
Right-of-use assets	13	66,321	74,208	92,493
Deferred tax asset	20	1,690	2,209	391
<b>Total non-current assets</b>		<b>158,235</b>	166,710	185,938
<b>Current assets</b>				
Inventories	14	545	556	531
Trade and other receivables	15	84,303	88,206	94,551
Cash and cash equivalents		38,943	32,659	32,512
<b>Total current assets</b>		<b>123,791</b>	121,421	127,594
Trade and other payables: due within one year	16	(167,632)	(163,034)	(165,574)
Lease liabilities	18	(16,158)	(15,182)	(13,198)
<b>Net current liabilities</b>		<b>(59,999)</b>	(56,795)	(51,178)
<b>Total assets less current liabilities</b>		<b>98,236</b>	109,915	134,760
Other payables: due after more than one year	17	(9,262)	(8,832)	(8,902)
Lease liabilities	18	(54,890)	(62,045)	(79,295)
Provisions	19	(1,936)	(2,810)	(1,320)
<b>Net assets</b>		<b>32,148</b>	36,228	45,243
<b>Capital and reserves</b>				
Called up share capital	21	8	8	8
Share premium account	21	72,983	72,983	72,983
Other reserves	21	173	133	97
Retained deficit	21	(41,016)	(36,896)	(27,845)
<b>Total equity</b>		<b>32,148</b>	36,228	45,243

The notes on pages 45 to 75 form part of these statements. The financial statements on pages 42 to 75 were approved by the Board on 22 August 2025 and were signed on its behalf by:



**Manoj Parmar**  
Director

Registered number: 11995959

# Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Called up share capital £'000	Share Premium £'000	Other reserves £'000	Retained deficit £'000	Total equity £'000
<b>At 1 January 2023</b>	<b>8</b>	<b>72,983</b>	<b>97</b>	<b>(27,845)</b>	<b>45,243</b>
Total comprehensive expense for the year	-	-	-	(9,045)	(9,045)
<i>Contributions by and distributions to owners</i>					
Share based payment (note 22)	-	-	36	-	36
Purchase of own shares	-	-	-	(6)	(6)
Total contributions by and distributions to owners	-	-	36	(6)	30
<b>At 31 December 2023</b>	<b>8</b>	<b>72,983</b>	<b>133</b>	<b>(36,896)</b>	<b>36,228</b>
Total comprehensive expense for the year	-	-	-	(4,120)	(4,120)
<i>Contributions by and distributions to owners</i>					
Share based payment (note 22)	-	-	40	-	40
Purchase of own shares (note 21)	-	-	-	-	-
Total contributions by and distributions to owners	-	-	40	-	40
<b>At 31 December 2024</b>	<b>8</b>	<b>72,983</b>	<b>173</b>	<b>(41,016)</b>	<b>32,148</b>

The notes on pages 45 to 75 form part of these statements.

# Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
Cash from operating activities before exceptional items	23	<b>34,438</b>	27,423
Exceptional items	5	<b>(3,793)</b>	(4,885)
<b>Net cash from operating activities</b>	23	<b>30,645</b>	22,538
Taxation received		-	33
<b>Net cash generated from operating activities</b>		<b>30,645</b>	22,571
<b>Cash flows from investing activities</b>			
Purchases of intangible fixed assets	11	<b>(570)</b>	(683)
Purchases of property, plant and equipment	12	<b>(4,194)</b>	(1,370)
Proceeds from disposal of property, plant and equipment		-	10
Interest received		<b>599</b>	98
<b>Net cash outflow from investing activities</b>		<b>(4,165)</b>	(1,945)
<b>Cash flows from financing activities</b>			
Purchase of own shares	21	-	(6)
Other interest paid		-	(2)
Principal paid on lease liabilities	18	<b>(16,558)</b>	(16,361)
Interest paid on lease liabilities	18	<b>(3,638)</b>	(4,110)
<b>Net cash used in financing activities</b>		<b>(20,196)</b>	(20,479)
Net increase in cash and cash equivalents		<b>6,284</b>	147
Cash and cash equivalents at beginning of year		<b>32,659</b>	32,512
<b>Cash and cash equivalents at end of year</b>		<b>38,943</b>	32,659
<b>Cash and cash equivalents at end of year consist of:</b>			
<b>Cash at bank and in hand</b>		<b>38,943</b>	32,659

The notes on pages 45 to 75 form part of these statements

# Notes to the Consolidated Financial Statements for the year ended 31 December 2024

## 1 General information

The principal activities of Whistl Consolidated Limited (the “Company”) and its subsidiaries are mid-market multi-user warehouse fulfilment, business parcel brokerage, doordrop and e-commerce marketing and Downstream Access Mail. Whistl Consolidated Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The address of the registered office is Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY. The Company and its subsidiaries, as detailed in note 28, are referred to as the Group throughout these financial statements.

## 2 Accounting policies

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

### Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards (“IFRS”) in conformity with the requirements of the Companies Act 2006 and as applicable to companies reporting under those standards.

For all periods up to and including the year ended 31 December 2023 the Group prepared its financial statements in accordance with Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”). These financial statements for the year ended 31 December 2024 are the first the Group has prepared in accordance with IFRS.

Refer to note 31 for information on how the Group adopted IFRS.

The financial statements are presented in Pounds Sterling (£) and are rounded to the nearest thousand unless otherwise stated.

These financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the recognition of certain fixed assets and liabilities measured at fair value. See note 31 for further information.

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

### Changes in accounting policies

New standards and interpretations

*New standards and amendments – applicable 1 January 2024*

The following amendments are effective for the period beginning 1 January 2024:

- Amendment to IFRS 16 – Leases: Leases on sale and leaseback
- Amendment to IAS 1 – Presentation of Financial Statements: Non-current liabilities with covenants
- Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Supplier finance
- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024. The directors have considered the impact of each amendment and do not consider there to be a material impact on the Groups accounting.

*New standards, interpretations and amendments not yet effective*

The following amendments are effective for the annual reporting period beginning 1 January 2025:

- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards
- Amendments to IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
- Amendments to IFRS 9 Financial Instruments
- Amendments to IFRS 10 Consolidated Financial Statements
- Amendments to IAS 7 Statement of Cash flows
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Group is currently assessing the effect of these new accounting standards and amendments.

### **Going Concern**

The directors have prepared cash flow forecasts for the Group from the date of approval of the 2024 financial statements through to 31 August 2026 (“the going concern period”). These forecasts reflect an assessment of current and future market conditions and their impact on the Group’s future cash flow performance. The forecasts have been reverse stress tested by considering the impact of a sudden and significant reduction in revenue and profitability. In both the forecasts and the reverse stress tested scenarios the Group will have sufficient cash and existing borrowing facilities to continue in operation. In addition to cash at hand as at 31 December 2024 of £38.9m (2023: £32.7m), the Group’s liquidity is further supported by our fully committed irrevocable £65m funding line jointly provided by HSBC and Natwest which is divided into a credit and working capital facility. This facility has been renewed for a further four years plus one commencing June 2024.

In assessing whether the going concern basis is appropriate the directors have taken account of all available information about the future up to and including 31 August 2026, which is 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.

### **Basis of consolidation**

The Group financial statements include the results of the company and all of its subsidiary undertakings as if they formed a single entity. Upon consolidation uniform accounting policies under IFRS are applied throughout the Group and intra-group transaction and balances are eliminated on consolidation.

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2024. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The company has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual profit and loss account.

### **Revenue**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for delivery services provided in the normal course of business, net of discounts, rebates and value added tax. Mail, Parcels and Cross Border (letters and parcels of various sizes) sales are recognised at a point in time only on the passing over of Downstream Access Mail to Royal Mail and other carriers for final distribution. Agency revenue is recognised where the Group enters into an agency agreement relationship, only the Whistl component of services provided is recognised as revenue and not the amounts collected on behalf of the principal. The normal credit terms are 14 to 30 days upon handover to Royal Mail and other carriers.

The group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract concerning volume rebates. The refund liability is recognised for the expected future rebates.

E-commerce marketing revenue relates to unaddressed mail which is derived from client specific contractual arrangements, for delivery of marketing material and/or market research across a variety of distribution networks. Invoiced amounts, exclusive of value added tax, are recognised at a point in time within the profit and loss account in the month of delivery. The normal credit terms are 14 days prior to distribution to 30 days post distribution.

Fulfilment revenue comprises revenue recognised by the Group in respect of services supplied during the period, exclusive of value added tax and net of trade discounts. Service revenue is recognised at a point in time once the company has performed its service to the client. The normal credit terms are 25 to 30 days from invoice date.

Revenue recognised but not billed for services delivered during the financial year has been recognised as accrued income in the statement of financial position.

### **Business combinations and goodwill**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred;
- the liabilities incurred to the former owners of the acquired business;
- the equity interests issued by the Group;
- the fair value of any asset or liability resulting from a contingent consideration arrangement; and
- the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of; the consideration transferred, the amount of any non-controlling interest in the acquired entity, and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

#### **Intangible assets**

Intangible assets, not including goodwill, are measured at cost less accumulated amortisation and any accumulated impairment losses. For details on goodwill measurement, see 'Business combinations and goodwill' in note 2.

Amortisation is charged to allocate the cost of intangibles less their residual values over their estimated useful lives. Amortisation is recognised within administrative expenses. The intangible assets are amortised over the following useful economic lives:

Computer software/IT infrastructure – 3 to 5 years straight line

Assets under construction, which consist of computer software under development and are not depreciated. See Development costs in note 2 for further information. The expected useful lives of the assets are reassessed periodically in the light of the experience.

#### **Development costs**

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

#### **Property, plant and equipment**

Property, plant and equipment is measured at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bring the asset to its working condition for intended use. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Long leasehold property	- Over term of lease
Plant and machinery	- 3 to 10 years straight line
Fixtures and fittings	- 3 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 25% reducing balance
Right-of-use assets	- Over the life of the lease

Assets under construction, which consist of plant and machinery are included in the category of tangible assets at cost and are not depreciated. Assets under construction are depreciated from the date they are brought into use as per the above depreciation rates.

### **Impairment of assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal represents the amount obtainable from the sale of an asset or CGU in an arm's length transaction between knowledgeable and willing parties, less costs of disposal. Fair value is estimated using market-based evidence such as comparable company trading multiples. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs. CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses are included within administrative expenses.

### **Financial instruments**

#### ***Financial assets***

##### *Classification*

The Group classifies its financial assets in the following measurement categories of either those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss) or those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income.

The Group reclassifies debt instruments only when its business model for managing those assets changes.

##### *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all of the risks and rewards of ownership.

##### *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

#### ***Financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

#### **Impairment of Financial assets**

The Group recognises an allowance for expected credit losses ("ECL"), for all financial assets not held at fair value through profit or loss. The ECL is based on its historical credit loss experience, adjusted for forward-looking factors specific to the economic environment. ECL is the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision based on its historical credit loss experience, adjusted for forward-looking factors specific to the economic environment.

Impairment losses and any subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and are recognised in the consolidated statement of comprehensive income

#### **Inventories**

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Finished goods include labour and attributable overheads. At each statement of financial position date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in statement of comprehensive income.

#### **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand.

#### **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### **Leases**

##### *Identifying Leases*

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- (a) There is an identified asset;
- (b) The Group obtains substantially all the economic benefits from use of the asset; and
- (c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRS Accounting Standards rather than IFRS 16.

### Recognition

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase optional granted in favour of the Group if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimate on the basis of termination option being exercised.

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 provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

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.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase optional granted in favour of the Group if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimate on the basis of termination option being exercised.

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 provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

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 (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

### Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### **Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

The Group operates a defined contribution pension scheme for employees. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into Pounds Sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Related party disclosures**

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

#### **Grants**

Grants are included within accruals in the balance sheet and credited to the profit and loss account within administrative expenses over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

#### **Share based payments**

The company operates a growth share incentive arrangement under which employees selected by the Remuneration Committee of the company are issued Ordinary Shares. See note 22 for further information on the scheme.

#### **Own shares**

Own shares consist of treasury shares and are recognised at cost as a deduction from shareholders' equity. Subsequent consideration received for the sale of such shares is also recognised in equity, with any difference between the sale proceeds from the original cost being taken to retained earnings. No gain or loss is recognised in the performance statements on transactions in treasury shares.

#### **Priority dividend**

Future potential dividend payments to A ordinary shareholders have been recorded at fair value based on the probability of dividend payments becoming due in the future. The fair value is based on the probability of a liquidity event occurring at various future dates and a weighted average dividend payment thereafter calculated, discounted to present value using a cost of capital. The probability attached to the timing of a liquidity event and the ensuing change to the fair value of the dividend payments will be reassessed each year, with an ensuing adjustment to the fair value.

#### **Classification of Compound Financial Instrument**

When financial instruments are issued, any component that creates a financial liability of the Group is presented as a liability in the statement of financial position, recognised initially at fair value net of transaction costs and thereafter at amortised cost using the effective interest method until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement. The initial fair value of the liability component is determined using a market rate for an equivalent liability without a conversion feature.

The remainder of the proceeds on issue is allocated to the equity component and included in shareholders' equity, net of transaction costs. The carrying amount of the equity component is not re-measured in subsequent years. Transaction costs are apportioned between the liability and equity components of the shares based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

### 3 Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. Actual results may differ from these estimates.

Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgements, estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are detailed below.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial instruments risk management and policies (note 27)
- Capital management (note 27)

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### Going Concern

The financial statements have been prepared on the going concern basis, which assumes the Group will have sufficient funds available to enable it to continue to trade for the foreseeable future. Please refer to Note 2 under basis of preparation for more details on the judgements involved.

#### Goodwill

The Group considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable values is required. This requires estimation of the future cashflows and also selection of appropriate discount rates in order to calculate the net present value of those cashflows. See Note 11 for net carrying value of goodwill.

#### Deferred Tax

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the net effect of future tax planning strategies. Further details on taxes are disclosed in Note 20.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Provisions

Provision is made for impairment of fixed assets. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement. The adequacy of provisions is reviewed monthly.

#### Impairment of trade receivables

The Group makes an estimate of the recoverable value of trade receivables. When assessing impairment of trade receivables, management considers factors including the current credit rating of the receivable, the ageing profile of receivables and historical experience. See Note 15 for the net carrying amount of the receivables and the associated impairment provision.

#### Lease liabilities

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease were such clauses exist in the contracts. Please refer to Note 2 under lease liabilities for more details on the judgements involved.

## 4 Revenue

The Group's turnover is derived from the provision of delivery and fulfilment services within the UK. The turnover and profit before tax are attributable to the principal activity of the company. An analysis of turnover is given below:

	31 December 2024 £'000	31 December 2023 £'000
Mail, Parcels and Cross Border (letters and parcels of various sizes)	712,039	646,300
Fulfilment	72,696	84,300
E-Commerce Marketing	37,181	35,700
	<b>821,916</b>	766,300

No other single customers contributed 10% or more to the Group's revenue in either 2024 or 2023.

## 5 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	31 December 2024 £'000	31 December 2023 £'000
Amortisation of intangible fixed assets	655	467
Depreciation of property, plant and equipment	3,847	4,091
Depreciation of right-of-use assets	18,272	19,395
Loss from disposal of intangible fixed assets	-	10
Profit on disposal of right-of-use assets	-	(15)
Inventory expense (note 14)	4,122	3,802
Employee benefit expense (note 6)	74,055	80,222
Impairment of trade receivables	400	1,328
Grant income	(124)	(67)
Net loss on foreign currency translation	1	30
Exceptional loss from disposal of property, plant and equipment *	289	237
Exceptional impairment of intangible fixed assets	42	-
Other exceptional costs*	3,462	4,648
<b>Total exceptional costs</b>	<b>3,793</b>	4,885
Auditor's remuneration		
- as auditor	367	325
- other non-audit related services	19	47

\*Exceptional costs of £3,793k were incurred 2024 which included £3,462k in relation to property closure and restructuring/redundancy costs and £331k loss on disposal of intangible fixed assets and property, plant and equipment.

Exceptional costs of £4,885k were incurred 2023 which included £4,271k in relation to property closure and restructuring/redundancy costs and £237k loss on disposal of property, plant and equipment. Other exceptional costs include £260k of mergers and acquisitions ("M&A") advisory costs and £117k relating to legal and professional restructuring costs.

## 6 Employee information

The average monthly number of staff (including Executive Directors) employed by the Group during the year amounted to:

	31 December 2024 Number	31 December 2023 Number
Sales, management, finance and administration	612	686
Operations	1,357	1,727
	<b>1,969</b>	<b>2,413</b>

The aggregate payroll costs of the above were:

	31 December 2024 Number	31 December 2023 Number
Wages and salaries	65,260	70,941
Share based payment expense	40	36
Social security costs	6,625	6,997
Other pension costs (note 24)	2,130	2,248
	<b>74,055</b>	<b>80,222</b>

## 7 Directors' emoluments

The Directors' aggregate emoluments in respect of qualifying services were:

	31 December 2024 £'000	31 December 2023 £'000
Aggregate emoluments	956	1,136
Value of Group pension contributions to money purchase schemes	3	25
	<b>959</b>	<b>1,161</b>

Emoluments of highest paid Director:

	31 December 2024 £'000	31 December 2023 £'000
Aggregate emoluments	388	387
	<b>388</b>	<b>387</b>

The number of Directors who accrued benefits under Group pension schemes was as follows:

	31 December 2024 £'000	31 December 2023 £'000
Money purchase schemes	1	2

The Statutory Directors are also considered to be the key management personnel of the company and Group therefore please refer to the disclosures regarding the Directors emoluments for information on the key management personnel. The Directors' aggregate emoluments in respect of qualifying services for the year are recharged to Group companies.

## 8 Interest receivable and similar income

	31 December 2024 £'000	31 December 2023 £'000
Bank interest	597	97
Other interest	2	1
	<b>599</b>	<b>98</b>

## 9 Interest payable and similar expenses

	31 December 2024 £'000	31 December 2023 £'000
Interest expense on compound financial instrument	1,834	1,639
Interest expense on lease liabilities	3,638	4,110
Other interest	-	2
	<b>5,472</b>	<b>5,751</b>

## 10 Tax on loss

The tax charge/(credit) is based on the loss for the year and represents:

	31 December 2024 £'000	31 December 2023 £'000
<b>Current tax</b>		
UK corporation tax	(463)	19
Adjustment in respect of prior periods	(16)	448
<b>Total current tax (credit)/charge</b>	<b>(479)</b>	<b>467</b>
<b>Deferred tax</b> (note 20)		
Origination and reversal of timing differences	483	(1,091)
Rate changes	4	(214)
Adjustment in respect of prior periods	32	(514)
<b>Total tax charge/(credit) for the year</b>	<b>40</b>	<b>(1,352)</b>

The tax charge (2023: credit) on the loss for the year is higher (2023: lower) than the standard rate of corporation tax in the UK of 25% (2023: hybrid rate of 23.5%). The differences are explained below.

	31 December 2024 £'000	31 December 2023 £'000
Loss on ordinary activities before taxation	(4,080)	(10,397)
Loss for the year multiplied by 25% (2023: 23.5%)	(1,020)	(2,443)
Items not deductible for tax purposes	1,040	1,371
Adjustment in respect of prior periods	16	(66)
Rate changes	4	(214)
<b>Total tax charge/(credit) for the year</b>	<b>40</b>	<b>(1,352)</b>

Deferred tax has been calculated at 25%, being the corporation tax rate, applicable in future periods when the deferred tax is expected to be reversed.

The Whistl Group is within the scope of the OECD Pillar Two model rules which has been enacted in the UK and came into effect from 1 January 2024.

The Whistl Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided by amendments to IAS 12, issued in May 2023.

Under the Pillar Two legislation, the Whistl Group is liable to pay domestic top up tax for the difference between its effective tax rate and the minimum 15% rate.

For 2024 the effective tax rate of the Whistl Group in the UK is -0.3%

The Whistl Group has assessed its exposure to the Pillar Two legislation. Although the average effective tax rate may be below 15%, this assessment indicates that the Whistl Group will take advantage of the transitional rules set out in Schedule 16 of Finance Act (no 2) 2023, which will reduce its liability to domestic top up tax to nil.

## 11 Intangible assets

	Purchased Goodwill £'000	Computer software/IT infrastructure £'000	Assets under construction £'000	Total £'000
<b>Cost</b>				
<b>At 1 January 2023</b>	<b>105,131</b>	<b>3,577</b>	<b>189</b>	<b>108,897</b>
Reclassification	-	-	(22)	(22)
Disposals	(65)	(184)	-	(249)
Additions – external	-	219	464	683
Transfer	-	239	(239)	-
<b>At 31 December 2023</b>	<b>105,066</b>	<b>3,851</b>	<b>392</b>	<b>109,309</b>
Additions – external	-	417	153	570
Transfer	-	392	(392)	-
<b>At 31 December 2024</b>	<b>105,066</b>	<b>4,660</b>	<b>153</b>	<b>109,879</b>
<b>Accumulated amortisation and impairment</b>				
<b>At 1 January 2023</b>	<b>35,203</b>	<b>2,194</b>	<b>-</b>	<b>37,397</b>
Disposals	(65)	(174)	-	(239)
Amortisation	-	467	-	467
<b>At 31 December 2023</b>	<b>35,138</b>	<b>2,487</b>	<b>-</b>	<b>37,625</b>
Amortisation	-	655	-	655
Impairment	42	-	-	42
<b>At 31 December 2024</b>	<b>35,180</b>	<b>3,142</b>	<b>-</b>	<b>38,322</b>
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>69,886</b>	<b>1,518</b>	<b>153</b>	<b>71,557</b>
At 31 December 2023	69,928	1,364	392	71,684
At 1 January 2023	69,928	1,383	189	71,500

During the prior year, £22k was transferred from assets under construction to plant and machinery (see note 12). Assets under construction represent computer software currently under development by a third party.

The Group has committed to acquiring £153k (31 December 2023: £392k, 1 January 2023: £239k) of computer software/IT infrastructure at the statement of financial position date.

#### Impairment assessment of goodwill

For impairment testing goodwill acquired through business combinations are allocated to Whistl Group

The Group performed its annual impairment test in December 2024 and 2023. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 31 December 2024, there was no indication of a potential impairment.

The carrying amount of goodwill is allocated to each CGU as follows:

	<b>31 December 2024 £'000</b>	31 December 2023 £'000	31 December 2022 £'000
Whistl Group	<b>69,886</b>	69,928	69,928

The recoverable amounts of all the above CGUs have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five year period to December 2029. Other major assumptions are as follows:

2024	<b>Whistl Group</b>
Discount rate	7.9%
Operating margin	0.9%
Growth rate	2%

2023	<b>Whistl Group</b>
Discount rate	7.9%
Operating margin	0.5%
Growth rate	2%

Operating margins have been based on past experience and future expectations in the light of anticipated economic and market conditions. Discount rates are based on the Group's beta adjusted to reflect management's assessment of specific risks related to the cash generating unit. Growth rates beyond the first five years are based on economic data pertaining to the region concerned.

Sensitivities to key assumptions were considered and given the significant headroom in the valuation of the CGU the directors have concluded no reasonable possible changes would give rise to an impairment at 31 December 2024.

## 12 Property, plant and equipment

	Long leasehold property £'000	Plant and machinery £'000	Fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>						
<b>At 1 January 2023</b>	<b>3,494</b>	<b>23,777</b>	<b>759</b>	<b>2,958</b>	<b>95</b>	<b>31,083</b>
Reclassification	-	22	-	-	-	22
Disposals	(148)	(205)	(145)	(142)	-	(640)
Additions	126	1,200	7	37	-	1,370
Transfer	100	(530)	-	430	-	-
<b>At 31 December 2023</b>	<b>3,572</b>	<b>24,264</b>	<b>621</b>	<b>3,283</b>	<b>95</b>	<b>31,835</b>
Reclassification	-	(125)	-	125	-	-
Disposals	(356)	(1,002)	(132)	(904)	(7)	(2,401)
Additions	123	3,929	32	110	-	4,194
Transfer	71	(215)	-	144	-	-
<b>At 31 December 2024</b>	<b>3,410</b>	<b>26,851</b>	<b>521</b>	<b>2,758</b>	<b>88</b>	<b>33,628</b>
<b>Depreciation</b>						
<b>At 1 January 2023</b>	<b>629</b>	<b>6,693</b>	<b>560</b>	<b>1,562</b>	<b>85</b>	<b>9,529</b>
Disposals	(83)	(62)	(107)	(142)	-	(394)
Depreciation	529	2,616	86	855	5	4,091
<b>At 31 December 2023</b>	<b>1,075</b>	<b>9,247</b>	<b>539</b>	<b>2,275</b>	<b>90</b>	<b>13,226</b>
Disposals	(237)	(884)	(125)	(859)	(7)	(2,112)
Depreciation	470	2,644	39	691	3	3,847
<b>At 31 December 2024</b>	<b>1,308</b>	<b>11,007</b>	<b>453</b>	<b>2,107</b>	<b>86</b>	<b>14,961</b>
<b>Net Book Value</b>						
<b>At 31 December 2024</b>	<b>2,102</b>	<b>15,844</b>	<b>68</b>	<b>651</b>	<b>2</b>	<b>18,667</b>
At 31 December 2023	2,497	15,017	82	1,008	5	18,609
At 1 January 2023	2,865	17,084	199	1,396	10	21,554

Assets under construction of £3,574k (31 December 2023: £410k, 1 January 2023: £807k) are included in Plant and machinery.

During the year, the Group recognised £3,829k (31 December 2023: £304k) of additions to assets under construction included in plant and machinery. £665k (31 December 2023: £701k) of assets included in assets under construction were completed, and were depreciated from the date the asset was brought into use.

During the year, £125k (31 December 2023: £nil) was transferred from plant and machinery to Computer equipment once the assets under construction was brought into use.

During the prior year, £22k was transferred from assets under construction shown in note 11 to plant and machinery.

## 13 Right-of-use assets

The Group's leases consist of property, motor vehicles and certain items of plant and machinery. All of the leases held by the Group comprise of fixed payments over the lease term.

The Group sometimes negotiates break clauses in its property leases. On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically factors considered in deciding to negotiate a break clause include:

- The length of the lease term;
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new are of operations for the Group.

At 31 December 2024 the carrying amounts of lease liabilities are not reduced by the amount of payments that would be avoided from exercising break clauses because on both dates it was considered reasonably certain that the Group would not exercise its right to exercise any right to break the lease. Total lease payments of £NIL (2023: £NIL) are potentially avoidable were the Group to exercise break clauses at the earliest opportunity.

See note 18 for information on the associated lease liabilities.

	Plant and machinery £'000	Long leasehold property £'000	Motor vehicles £'000	Total £'000
<b>At 1 January 2023</b>	<b>2,258</b>	<b>73,495</b>	<b>16,740</b>	<b>92,493</b>
Additions	-	637	1,130	1,767
Disposals	-	(1,330)	(278)	(1,608)
<b>At 31 December 2023</b>	<b>2,258</b>	<b>72,802</b>	<b>17,592</b>	<b>92,652</b>
Additions	22	565	9,792	10,379
Disposals	-	(302)	(5,509)	(5,811)
<b>At 31 December 2024</b>	<b>2,280</b>	<b>73,065</b>	<b>21,875</b>	<b>97,220</b>
<b>Depreciation</b>				
<b>At 1 January 2023</b>	-	-	-	-
Disposals	-	(672)	(279)	(951)
Depreciation charge for the year	602	12,032	6,761	19,395
<b>At 31 December 2023</b>	<b>602</b>	<b>11,360</b>	<b>6,482</b>	<b>18,444</b>
Disposals	-	(302)	(5,515)	(5,817)
Depreciation charge for the year	612	11,436	6,224	18,272
<b>At 31 December 2024</b>	<b>1,214</b>	<b>22,494</b>	<b>7,191</b>	<b>30,899</b>
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>1,066</b>	<b>50,571</b>	<b>14,684</b>	<b>66,321</b>
<b>At 31 December 2023</b>	<b>1,656</b>	<b>61,442</b>	<b>11,110</b>	<b>74,208</b>
<b>At 1 January 2023</b>	<b>2,258</b>	<b>73,495</b>	<b>16,740</b>	<b>92,493</b>

## 14 Inventory

	31 December 2024 £'000	31 December 2023 £'000	1 January 2023 £'000
Finished goods and goods for resale	<b>545</b>	556	531

There is no significant difference between the replacement cost of finished goods and goods for resale and their carrying amounts. Inventory recognised as expenses during the period amounted to £4,122k (31 December 2023: £3,802k).

## 15 Trade and other receivables

	<b>31 December 2024 £'000</b>	31 December 2023 £'000	1 January 2023 £'000
Trade receivables	<b>58,139</b>	77,763	74,207
Less provisions for impairment of trade receivables	<b>(581)</b>	(1,483)	(711)
Trade receivables - net	<b>57,558</b>	76,280	73,496
Other receivables	<b>353</b>	138	416
Total financial assets other than cash and cash equivalents classified as amortised cost	<b>57,911</b>	76,418	73,912
Corporation tax receivable	<b>463</b>	-	485
Prepayments and accrued income	<b>25,929</b>	11,788	20,154
	<b>84,303</b>	88,206	94,551

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Groups historical credit losses experienced over a 3 year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified rising cost of employment, inflation and reducing interest rates as the key macroeconomic factors in the country where the Group operates.

The lifetime expected loss provision for trade receivables is as follows:

	<b>Current</b>	<b>More than 30 days past due</b>	<b>More than 60 days past due</b>	<b>More than 120 days past due</b>	<b>Total £'000</b>
31 December 2024					
Expected loss rate	0.96%	1.26%	1.30%	0.0%	
Gross carrying amount	53,860	4,526	543	(790)	58,139
Loss provision	517	57	7	-	581
31 December 2023					
Expected loss rate	1.83%	2.50%	2.50%	0.0%	
Gross carrying amount	69,565	8,070	293	(164)	77,764
Loss provision	1,274	202	7	-	1,483
1 January 2023					
Expected loss rate	0.95%	1.00%	1.00%	0.0%	
Gross carrying amount	70,711	3,590	309	(403)	74,207
Loss provision	672	36	3	-	711

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

	<b>31 December 2024 £000</b>	31 December 2023 £000
Opening loss allowance	<b>1,483</b>	711
Increase in loan loss allowance recognised in profit or loss during the year	<b>501</b>	999
Receivables written off during the year as uncollectible	<b>(850)</b>	(147)
Unused amount reversed	<b>(553)</b>	(80)
Closing loss allowance at 31 December	<b>581</b>	1,483

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

## 16 Trade and other payables: due within one year

	<b>31 December 2024 £'000</b>	31 December 2023 £'000	1 January 2023 £'000
Trade and other payables	<b>48,812</b>	54,822	62,802
Other payables	<b>4,200</b>	2,741	3,265
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	<b>53,012</b>	57,563	66,067
Taxation and social security	<b>20,111</b>	21,162	21,281
Corporation tax	-	14	-
Accruals and deferred income	<b>94,509</b>	84,295	78,226
	<b>167,632</b>	163,034	165,574

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

## 17 Other payables: due after more than one year

	<b>31 December 2024 £'000</b>	31 December 2023 £'000	1 January 2023 £'000
Other payables	<b>80</b>	160	240
Compound financial instrument/liability	<b>2,739</b>	2,030	1,141
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	<b>2,819</b>	2,190	1,381
Accruals and deferred income	<b>6,443</b>	6,642	7,521
	<b>9,262</b>	8,832	8,902

The carrying value of other payables classified as financial liabilities measured at amortised cost approximates fair value.

The future priority dividend creates a financial liability which is presented as a compound financial instrument and has been recognised based on the probability of dividend payments becoming due in the future, the fair value of the dividend being £2,739k (31 December 2023: £2,030k, 1 January 2023: £1,141k), measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the profit or loss.

## 18 Lease liabilities

Refer to note 13 for information on the nature of the right-of-use assets held by the Group.

	Total £'000
<b>At 1 January 2023</b>	92,493
Additions	1,767
Disposals	(673)
Lease payments	(20,470)
Interest expense	4,110
<b>At 31 December 2023</b>	77,227
Additions	10,379
Lease payments	(20,196)
Interest expense	3,638
<b>At 31 December 2024</b>	71,048

The ageing of the lease liability is shown below:

	31 December 2024 £'000	31 December 2023 £'000	1 January 2023 £'000
Within 1 year	16,158	15,182	13,198
Within 1 to 5 years	35,791	38,081	46,841
More than 5 years	19,099	23,964	32,454
	<b>71,048</b>	<b>77,227</b>	<b>92,493</b>

The table below shows amounts recognised within the statement of comprehensive income:

	31 December 2024 £'000	31 December 2023 £'000
Depreciation expense on right of use assets	<b>18,272</b>	19,395

The total cash outflow the leases during the reporting period was £20,196k (31 December 2023: £20,470k).

## 19 Provisions for liabilities

	Onerous provision £'000	Total £'000
<b>At 1 January 2023</b>	1,320	<b>1,320</b>
Additions in the year	1,490	<b>1,490</b>
At 1 January 2024	2,810	<b>2,810</b>
Utilised in the year	(874)	<b>(874)</b>
<b>At 31 December 2024</b>	1,936	<b>1,936</b>

The onerous provision relates to property restructuring costs and office accommodation liability. Additions during the prior year relate to provision for additional accommodation liability costs in relation to leased property the Group had committed to exit as of 31 December 2023. The provision is expected to be utilised over the period to 2026 when all lease related property end. All provisions are considered as non-current.

## 20 Deferred tax

	31 December 2024 £'000	31 December 2023 £'000	1 January 2023 £'000
Deferred tax asset	<b>1,690</b>	2,209	391

The movement in the year in the Group's deferred tax position is as follows:

	31 December 2024 £'000	31 December 2023 £'000
At 1 January	<b>2,209</b>	391
Profit and loss account movement arising during the period	<b>(483)</b>	1,604
Prior year adjustment	<b>(32)</b>	-
Changes in tax rate	<b>(4)</b>	214
<b>At 31 December</b>	<b>1,690</b>	2,209

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	31 December 2024 £'000	31 December 2023 £'000
Capital allowances in excess of depreciation	<b>(3,194)</b>	(2,656)
Tax losses	<b>4,703</b>	4,814
Short term timing differences	<b>181</b>	51
<b>At 31 December</b>	<b>1,690</b>	2,209

Deferred tax assets have been recognised in respect of all corporation tax losses and other temporary differences, giving rise to deferred tax assets, because, based on forecasted future profits and capital budgets, these assets are expected to be recovered.

The Group recognised a net deferred tax asset of £1,690k (31 December 2023: £2,209k, 1 January 2023: £391k) relating to reversal of existing differences on property, plant and equipment and corporation tax losses carried forward at 31 December 2024. Management believe that the Group will generate sufficient future profits over the next 5 years in order to support the recognition of the deferred tax asset.

## 21 Called up share capital and other reserves

### Share capital - allotted and fully paid in 2024:

	Number	Share Capital £	Share Premium £	Total consideration received £
A Ordinary shares of £0.0001 each	15,000,000	1,500	14,998,500	15,000,000
B Ordinary shares of £0.0001 each	30,886,695	3,089	30,883,606	30,886,695
C Ordinary shares of £0.0001 each	7,286,920	729	7,286,191	7,286,920
D Ordinary shares of £0.0001 each	9,962,661	996	12,825,389	12,826,385
E Ordinary shares of £0.0001 each	9,000,000	900	8,999,100	9,000,000
F Ordinary shares of £0.0001 each	5,988,724	599	-	-
Reclassification of shares as debt	-	-	(2,009,381)	-
	<b>78,125,000</b>	<b>7,813</b>	<b>72,983,405</b>	<b>75,000,000</b>

The company transferred share capital during the year as presented below:

Date	A Ordinary Shares Number	B Ordinary Shares Number	C Ordinary Shares Number	D Ordinary Shares Number	E Ordinary Shares Number	F Ordinary Shares Number	Total Number
<b>At 1 January 2024</b>	<b>15,000,000</b>	<b>30,886,695</b>	<b>7,286,920</b>	<b>9,962,661</b>	<b>9,000,000</b>	<b>5,988,724</b>	<b>78,125,000</b>
Transfer	-	-	-	2,359,375	-	(2,359,375)	-
<b>As at 31 Dec 24</b>	<b>15,000,000</b>	<b>30,886,695</b>	<b>7,286,920</b>	<b>12,322,036</b>	<b>9,000,000</b>	<b>3,629,349</b>	<b>78,125,000</b>

### Share capital - allotted and fully paid in 2024:

The company held the below shares in treasury and purchased/(issued) its own shares during the year as follows:

Date shares purchased/(issued)	A Ordinary Shares Number	B Ordinary Shares Number	C Ordinary Shares Number	D Ordinary Shares Number	E Ordinary Shares Number	F Ordinary Shares Number	Total Consideration £
<b>As at 1 January 2024</b>	-	-	-	<b>963,134</b>	-	<b>2,359,375</b>	<b>97,365</b>
6 February 2024	-	-	-	(761,979)	-	-	-
11 February 2024	-	-	-	(234,375)	-	-	-
6 March 2024	-	-	-	241,841	-	414,062	66
7 June 2024	-	-	-	(1,289,060)	-	-	-
17 July 2024	-	-	-	(156,250)	-	-	-
2 September 2024	-	-	-	(78,125)	-	-	-
1 October 2024	-	-	-	-	-	156,250	16
Transfer	-	-	-	2,359,375	-	(2,359,375)	-
<b>As at 31 December 2024</b>	-	-	-	<b>1,044,561</b>	-	<b>570,312</b>	<b>97,447</b>

## Reserves

### Share premium

The share premium account contains the premium arising on issue of equity shares.

### Other reserves

This reserve contains movements in relation to share-based payments.

### Retained deficit

The retained deficit reserve relates to movements in the cumulative profits and losses less amounts distributed to shareholders.

## Share capital – allotted and fully paid in 2023:

	Number	Share Capital £	Share Premium £	Total consideration received £
A Ordinary shares of £0.0001 each	15,000,000	1,500	14,998,500	15,000,000
B Ordinary shares of £0.0001 each	30,886,695	3,089	30,883,606	30,886,695
C Ordinary shares of £0.0001 each	7,286,920	729	7,286,191	7,286,920
D Ordinary shares of £0.0001 each	9,962,661	996	12,825,389	12,826,385
E Ordinary shares of £0.0001 each	9,000,000	900	8,999,100	9,000,000
F Ordinary shares of £0.0001 each	5,988,724	599	-	-
Reclassification of shares as debt	-	-	(2,009,381)	-
	78,125,000	7,813	72,983,405	75,000,000

The rights attaching to the respective classes of shares are as follows:

### Voting

Holders of A, B, C and E Ordinary Shares have the right to receive notice of, attend, vote, speak at any general meeting and vote on any written resolution of the Company. D and F Ordinary Shares do not confer any voting rights on their holders.

### Dividends

Holders of A Ordinary Shares are entitled to receive the Priority Dividends in accordance with the Articles of Association of the Company. Any additional profits of the Company resolved to be distributed in any financial period are divided between holders of A, B, C, D, E and F Ordinary Shares equally as if they constituted a single class of shares.

### Distributions of capital

On a return of capital where the capital to be returned exceeds the A Ordinary Threshold, (i) the amount of capital up to, and including, £75 million will be distributed amongst holders of A, B, C, D and E Ordinary Shares equally as if they constituted one and the same class of share, and (ii) the capital in excess of £75 million will be distributed amongst holders of A, B, C, D, E and F Ordinary Shares equally as if they constituted one and the same class of share.

On a return of capital where the capital to be returned is the same as, or less than, the A Ordinary Threshold, the capital will be distributed (i) as to the amount which is up to the value of the A Shareholder Minimum Return, to the holders of A Ordinary Shares, (ii) as to the amount which is in excess of the value of the A Shareholder Minimum Return but does not exceed £75 million, equally between the holders of B, C, D and E Ordinary Shares, and (iii) as to the amount which is in excess of £75 million, equally between the holders of B, C, D, E and F Ordinary Shares.

## 22 Share Based payments

### Growth Shares

The company operates a growth share incentive arrangement under which employees selected by the Remuneration Committee of the company are issued D Ordinary Shares of £0.0001 each, or F Ordinary Shares of £0.0001 each.

During the year the company has issued D Ordinary Shares to certain employees by way of gift. The fair value of these has been estimated at £264k (2023: £nil) and a charge of £40k (2023: £36k) has been made to the statement of comprehensive income in the year.

The fair value of the D Ordinary Shares issued to employees is based on an externally obtained tax valuation per share of £0.105 (2023: n/a) and an expected time frame from issue of share to exit of 10 years.

## 23 Notes to consolidated statement of cash flows

	31 December 2024 £'000	31 December 2023 £'000
Loss for the year before exceptional items	(327)	(4,160)
Exceptional items (see note 5)	(3,793)	(4,885)
<b>Loss for the financial year</b>	<b>(4,120)</b>	<b>(9,045)</b>
Adjustments for:		
Tax on loss	40	(1,352)
Net interest expense	4,873	5,654
<b>Operating profit/(loss)</b>	<b>793</b>	<b>(4,743)</b>
Amortisation of intangible fixed assets	655	467
Depreciation of property, plant and equipment	3,847	4,091
Depreciation of right-of-use assets	18,272	19,395
Loss on disposal of intangible fixed assets	-	10
Impairment of intangible fixed assets	42	-
Loss on disposal of property, plant and equipment	289	237
Profit on disposal of tangible fixed assets	(6)	(15)
Government grants	(124)	(67)
Equity settled share-based payment expense	40	36
Working capital movements:		
- Decrease/(increase) in stocks	11	(25)
- Decrease in receivables	4,368	5,858
- Increase/(decrease) in payables	2,458	(2,706)
<b>Cash from operating operations</b>	<b>30,645</b>	<b>22,538</b>

## 24 Pension costs

The Group operates one defined contribution pension scheme. The assets of the scheme are held separately from the company in an independently administered fund. The pension cost charges represent contributions payable by the Group to the fund and amounted to £2,130k (31 December 2023: £2,248k).

There were £342k accrued pension contributions at 31 December 2024 (31 December 2023: £180k, 1 January 2023: £186k). These are included in the statement of financial position within other payables.

## 25 Guarantees

The Group is subject to a multilateral guarantee by other Group entities. The Group can draw on a fully committed irrevocable £65m facility jointly provided by HSBC and Natwest which includes a supplier guarantee facility of £29m. This facility has been renewed for a further four years commencing June 2024. HSBC and Natwest have a fixed and floating charge over the Group's assets. An additional £3m supplier guarantee has been provided by another Group company, Whistl Group Holdings Limited.

## 26 Related party transactions

Sales and purchases in the year and amounts due to/by Whistl Consolidated Limited as at the year end to related parties/undertakings are disclosed below. The Whistl Group is the group including Whistl Consolidated Limited and subsidiaries as described in Note 28.

	Purchase/ recharges to Whistl Group 2024 £'000	Amounts due by Whistl Group 2024 £'000	Purchase/ recharges to Whistl Group 2023 £'000	Amounts due by Whistl Group 2023 £'000
Business Growth Fund (BGF)	86	-	83	-
PostNL Data Solutions B.V.	212	49	231	79
Prime Vision B.V.	49	-	59	44
	<b>347</b>	<b>49</b>	<b>373</b>	<b>123</b>

All transactions were undertaken at arms' length and on normal commercial terms.

## 27 Financial instruments

The Group has the following financial instruments:

	31 December 2024 £'00	31 December 2023 £'000	1 January 2023 £'000
<i>Financial assets measured at amortised cost:</i>			
Trade receivables (note 15)	57,558	76,280	73,496
Other receivables (note 15)	353	138	416
Cash and cash equivalents	38,943	32,659	32,512
Total financial assets at amortised cost	<b>96,854</b>	<b>109,077</b>	<b>106,424</b>
<i>Financial liabilities measured at amortised cost:</i>			
Trade payables (note 16)	(48,812)	(54,822)	(62,802)
Other payables (note 16 & 17)	(4,280)	(2,901)	(3,505)
Compound financial instrument (note 17)	(2,739)	(2,030)	(1,141)
Total financial liabilities at amortised cost	<b>(55,831)</b>	<b>(59,753)</b>	<b>(67,448)</b>

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and compound financial instruments.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

### Risk management

The Group is exposed through its operations to the following financial risks:

- Market risk;
- Credit risk; and
- Liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Compound financial instrument

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and compound financial instruments.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

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- Cash and cash equivalents
- Trade and other payables
- Compound financial instrument

### **General objectives, policies and processes**

The Group's principal risk management processes comprise risk registers and reviews, control risk self-assessment and a Risk Management Committee. The Group faces a diverse range of risks and uncertainties which could have an adverse effect on its success if not managed. The Group has designed and embedded a risk management process to identify and monitor potential risks and uncertainties relevant to the Group and then seeks to eliminate or reduce these to the lowest extent possible to protect the business, its people and customers, and support delivery of its strategy.

The risk management process is intended to mitigate and reduce risk to the lowest extent possible but cannot eliminate all risks to the Group and its businesses. The Group's risk management process and controls can only provide reasonable and not absolute assurance against material misstatement or loss.

The risk management process incorporates both top-down and bottom-up elements to the identification, evaluation and management of risks. Mitigating controls are identified and opportunities for the enhancement are implemented. The Board of Management is ultimately responsible for the Group's system of risk management and internal controls and reviews their effectiveness on a regular basis throughout the year.

#### *Market risk*

Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

The Group's activities are principally provided to UK businesses and as a result the fortunes of the business are linked to the general health of the UK economy. The company's exposure is limited by having a broad customer base and a diversified portfolio of services; however the business remains exposed to fluctuations in marketing budgets, e-substitution, recession and continued market evolution.

#### *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. The Group is mainly exposed to credit risk from credit sales.

The Group has significant credit risk which is managed by specialist credit control teams. Standardised company processes, credit checks, managed and monitored credit limits and tight credit control processes are adhered to in order to minimise the risk. In addition, the Group utilises credit insurance, where available to protect any significant exposure to bad debts

The Group holds all of its cash with HSBC which has a credit rating of A+.

Management monitors the credit rating regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 15.

#### *Liquidity risk*

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, all risk exposures including funding, foreign currency, interest rate exposures and cash management are

regularly monitored by the Board of Management. The prime focus being performance and strategic issues as well as the mitigation and management of these risks to an acceptable level. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, the Group has substantial, fully committed unused credit facilities available.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	Up to 3 months £'000	3 to 12 months £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
<b>31 December 2024</b>					
Trade and other payables	46,300	5,107	1,554	51	53,012
Lease liabilities	4,040	12,118	35,791	19,099	71,048
	Up to 3 months £'000	3 to 12 months £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
<b>31 December 2023</b>					
Trade and other payables	52,596	3,426	1,541	0	57,563
Lease liabilities	3,796	11,386	38,081	23,964	77,227

#### Capital disclosures

The Group monitors adjusted capital which comprises all components of equity (i.e. share capital, share premium and retained earnings).

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt lease liabilities less cash and cash equivalents.

The debt-to-adjusted-capital ratios at 31 December 2024 and at 31 December 2023 were as follows:

	31 December 2024 £'00	31 December 2023 £'000
*Lease liabilities	<b>71,048</b>	77,227
Less: cash and cash equivalents	<b>(38,943)</b>	(32,659)
Net debt	<b>32,105</b>	44,568
Total equity	<b>32,148</b>	36,228
Total adjusted capital	<b>64,253</b>	80,796
Debt to adjusted capital ratio (%)	<b>50.0%</b>	55.2%

## 28 Subsidiaries and related undertakings

The related undertakings whose results or financial performance principally affect the figures shown in the consolidated financial statements are as follows:

Name	Country of incorporation	Activity	Proportion of Ordinary shares held (%)	Immediate direct parent undertaking
Whistl Group Holdings Limited	UK *	Holding company	100	Whistl Consolidated Limited
Whistl Limited ^	UK *	Holding company	100	Whistl Group Holdings Limited
Whistl Group Limited ^	UK *	Holding company	100	Whistl Group Holdings Limited
Whistl UK Limited ^	UK *	Trading parent company Addressed Downstream Access	100	Whistl Group Ltd
Whistl North Limited ^ =	UK *	Dormant	100	Whistl UK Limited
Whistl Scotland Limited ^ =	UK *	Dormant	100	Whistl UK Limited
Whistl South West Limited ^ =	UK *	Dormant	100	Whistl UK Limited
Whistl Midlands Limited ^ =	UK *	Dormant	100	Whistl UK Limited
Whistl London Limited ^ =	UK *	Dormant	100	Whistl UK Limited
Whistl Marketing Service Group Ltd ^	UK *	Holding company - non trading	100	Whistl Group Ltd
Whistl (Doordrop Media) Limited ^	UK *	Trading - Unaddressed Mail	100	Whistl UK Ltd
Whistl Fulfilment Limited ^	UK *	Holding Company	100	Whistl Limited
Whistl Fulfilment (Rushden) Limited ^	UK *	E-commerce fulfilment & contact centre services	100	Whistl Limited
Whistl Fulfilment (Farnborough) Ltd ^	UK *	E-commerce fulfilment & contact centre services	100	Whistl Limited
Parcelhub Limited ^	UK *	Parcel and delivery solutions	100	Whistl UK Limited
Mail Workshop Limited ^	UK *	Dormant	100	Whistl UK Limited
Whistl Ecommerce Group Limited ^	UK *	Holding Company	100	Whistl Limited
Whistl Fulfilment (Gateshead) Limited ^	UK *	E-commerce fulfilment & contact centre services	100	Whistl Ecommerce Group Ltd
Spark Etail Limited ^	UK *	Trading of organic and ethically sourced products	100	Whistl Ecommerce Group Ltd
Whistl Fulfilment (Southwest) Limited ^	UK *	E-commerce fulfilment & contact centre services	100	Whistl Limited
Relish Agency Limited ^	UK *	E-commerce Marketing (brand partnership & sampling)	100	Whistl (Doordrop Media) Limited

\* All the above subsidiaries are included in the consolidation, registered office at Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY.

^ Entities are indirectly held

= Entity exempt from audit under Section 479A of the Companies Act 2006.

## 29 Events after the reporting period

During 2025 the group settled a commercial dispute which resulted in an inflow of funds. After the receipt of these funds the group subsequently agreed to buy back the shares held by one investor and issued an interim dividend to the remaining shareholders. These transactions are considered to be non-adjusting events under IAS 10 Events after the reporting period and as such will be accounted for in the financial statements of the group for the year ended 31 December 2025. The directors consider the net impact on the Group of these transactions to be immaterial.

## 30 Ultimate controlling party

There is no single shareholder which has absolute control over the financial and operating policies of the Group. These financial statements are available from the registered office at Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY

## 31 First-time adoption of IFRS

The financial statements for the year ended 31 December 2024 are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2023, the Group prepared its financial statements in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102').

Accordingly, the Group has prepared financial statements that comply with IFRS (as described in the summary of significant accounting policies in note 2) for the year ended 31 December 2024, the comparative information presented in these financial statements for the year ended 31 December 2023, and an opening IFRS consolidated statement of financial position at 1 January 2023 (the Group's date of transition to IFRS).

In preparing its opening IFRS consolidated statement of financial position, the Group has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (FRS 102). An explanation of how the transition from FRS 102 to Adopted IFRSs has affected the Group's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

### Exemptions applied and related considerations

IFRS 1 allows first-time adopters exemptions from the retrospective application of certain requirements under IFRS. The Group has applied the following exemptions:

- a) The Group has elected to apply the exemptions in Appendix C of IFRS 1 relating to IFRS 3 Business Combinations for acquisitions of subsidiaries that are considered businesses under IFRS, acquisitions of interests in associates and joint ventures that occurred before 1 January 2023.

Use of this exemption means that the FRS 102 carrying amounts of assets and liabilities, that are required to be recognised under IFRS, are their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with IFRS. Assets and liabilities that do not qualify for recognition under IFRS are excluded from the opening IFRS statement of financial position. The Group did not recognise any assets or liabilities that were not recognised under FRS 102 or exclude any previously recognised amounts as a result of IFRS recognition requirements.

IFRS 1 also requires that the FRS 102 carrying amount of goodwill must be used in the opening IFRS consolidated statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with IFRS 1, the Group has tested goodwill for impairment at the date of transition to IFRS.

- b) The Group has taken advantage of IFRS 1 paragraphs D9-D9E which provide first-time IFRS adopters with certain exemptions from full retrospective application of IFRS 16 Leases. The Group has therefore assessed all contracts existing at 1 January 2023 (its date of transition) to determine whether a contract contains a lease based upon the conditions in place as at 1 January 2023.

Lease liabilities have been measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2023. Right-of-use assets have been measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2023.

The lease payments associated with leases for which the lease term ends within 12 months of the date of transition to IFRS and leases for which the underlying asset is of low value have been recognised as an expense on either a straight-line basis over the lease term or another systematic basis.

### Estimates

The estimates at 1 January 2023 and 31 December 2023 are consistent with those made for the same dates in accordance with FRS 102 (after adjustments to reflect any differences in accounting policies detailed as part of this note and in note 2 of these financial statements).

Group reconciliation of equity as at 1 January 2023 (date of transition to IFRS)	FRS 102 as at 1 January 2023 £'000	Reclassifications and remeasurements £'000	IFRS as at 1 January 2023 £'000
<b>Non-current assets</b>			
Intangible assets	71,500	-	<b>71,500</b>
Property, plant and equipment	21,554	-	<b>21,554</b>
Right-of-use assets	-	92,493	<b>92,493</b>
Deferred tax asset	-	391	<b>391</b>
<b>Total non-current assets</b>	<b>93,054</b>	<b>92,884</b>	<b>185,938</b>
<b>Current assets</b>			
Inventories	531	-	<b>531</b>
Trade and other receivables	94,942	(391)	<b>94,551</b>
Cash and cash equivalents	32,512	-	<b>32,512</b>
<b>Total current assets</b>	<b>127,985</b>	<b>(391)</b>	<b>127,594</b>
Trade and other payables: due within one year	(165,574)	-	<b>(165,574)</b>
Lease liabilities	-	(13,198)	<b>(13,198)</b>
<b>Net current liabilities</b>	<b>(37,589)</b>	<b>(13,589)</b>	<b>(51,178)</b>
<b>Total assets less current liabilities</b>	<b>55,465</b>	<b>79,295</b>	<b>134,760</b>
Other payables: due after more than one year	(8,902)	-	<b>(8,902)</b>
Lease liabilities	-	(79,295)	<b>(79,295)</b>
Provisions	(1,320)	-	<b>(1,320)</b>
<b>Net assets</b>	<b>45,243</b>	<b>-</b>	<b>45,243</b>
<b>Capital and reserves</b>			
Called up share capital	8	-	<b>8</b>
Share premium account	72,983	-	<b>72,983</b>
Other reserves	97	-	<b>97</b>
Retained deficit	(27,845)	-	<b>(27,845)</b>
<b>Total equity</b>	<b>45,243</b>	<b>-</b>	<b>45,243</b>

Group reconciliation of equity as at 31 December 2023	FRS 102 as at 31 December 2023 £'000	Reclassifications and remeasurements £'000	IFRS as at 31 December 2023 £'000
<b>Non-current assets</b>			
Intangible assets	61,051	10,633	<b>71,684</b>
Property, plant and equipment	18,609	-	<b>18,609</b>
Right-of-use assets	-	74,208	<b>74,208</b>
Deferred tax asset	-	2,209	<b>2,209</b>
<b>Total non-current assets</b>	<b>79,660</b>	<b>87,050</b>	<b>166,710</b>
<b>Current assets</b>			
Inventories	556	-	<b>556</b>
Trade and other receivables	90,415	(2,209)	<b>88,206</b>
Cash and cash equivalents	32,659	-	<b>32,659</b>
<b>Total current assets</b>	<b>123,630</b>	<b>(2,209)</b>	<b>121,421</b>
Trade and other payables: due within one year	(163,034)	-	<b>(163,034)</b>
Lease liabilities	-	(15,182)	<b>(15,182)</b>
<b>Net current liabilities</b>	<b>(39,404)</b>	<b>(17,391)</b>	<b>(56,795)</b>
<b>Total assets less current liabilities</b>	<b>40,256</b>	<b>69,659</b>	<b>109,915</b>
Other payables: due after more than one year	(8,832)	-	<b>(8,832)</b>
Lease liabilities	-	(62,045)	<b>(62,045)</b>
Provisions	(2,810)	-	<b>(2,810)</b>
<b>Net assets</b>	<b>28,614</b>	<b>7,614</b>	<b>36,228</b>
<b>Capital and reserves</b>			
Called up share capital	8	-	<b>8</b>
Share premium account	72,983	-	<b>72,983</b>
Other reserves	133	-	<b>133</b>
Retained deficit	(44,510)	7,614	<b>(36,896)</b>
<b>Total equity</b>	<b>28,614</b>	<b>7,614</b>	<b>36,228</b>

<b>Group reconciliation of total comprehensive income for the year ended 31 December 2023</b>	FRS 102 as at 31 December 2023 £'000	Reclassifications and remeasurements £'000	<b>IFRS as at 31 December 2023 £'000</b>
Revenue	766,300	-	<b>766,300</b>
Cost of sales	(722,505)	-	<b>(722,505)</b>
<b>Gross profit</b>	<b>43,795</b>	<b>-</b>	<b>43,795</b>
Administrative expenses	(55,446)	11,724	<b>(43,722)</b>
Administrative expenses - exceptional items	(4,885)	-	<b>(4,885)</b>
Total administrative expenses	(60,331)	11,724	<b>(48,607)</b>
Other operating income	68	-	<b>68</b>
<b>Operating profit before amortisation, depreciation and exceptional items</b>	<b>3,608</b>	<b>20,486</b>	<b>24,094</b>
- Amortisation and depreciation	(15,191)	(8,762)	<b>(23,953)</b>
- Exceptional items	(4,885)	-	<b>(4,885)</b>
<b>Operating loss</b>	<b>(16,468)</b>	<b>11,724</b>	<b>(4,744)</b>
<b>Loss before interest and taxation</b>	<b>(16,468)</b>	<b>11,724</b>	<b>(4,744)</b>
Finance income	98	-	<b>98</b>
Finance expense	(1,641)	(4,110)	<b>(5,751)</b>
<b>Loss before taxation</b>	<b>(18,011)</b>	<b>7,614</b>	<b>(10,397)</b>
Tax expense on loss	1,352	-	<b>1,352</b>
<b>Loss for the financial year and total comprehensive expense</b>	<b>(16,659)</b>	<b>7,614</b>	<b>(9,045)</b>

<b>Group reconciliation of cash flows for the year ended 31 December 2023</b>	FRS 102 as at 31 December 2023 £'000	Reclassifications and remeasurements £'000	<b>IFRS as at 31 December 2023 £'000</b>
Cash from operating activities before exceptional items	6,972	20,451	<b>27,423</b>
Exceptional items	(4,885)	-	<b>(4,885)</b>
<b>Net cash from operating activities</b>	<b>2,087</b>	<b>20,451</b>	<b>22,538</b>
Taxation received	33	-	<b>33</b>
<b>Net cash generated from operating activities</b>	<b>2,120</b>	<b>20,451</b>	<b>22,571</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets	(683)	-	<b>(683)</b>
Purchase of property, plant and equipment	(1,370)	-	<b>(1,370)</b>
Proceeds from disposal of property, plant and equipment	10	-	<b>10</b>
Interest received	98	-	<b>98</b>
<b>Net cash outflow from investing activities</b>	<b>(1,945)</b>	<b>-</b>	<b>(1,945)</b>
<b>Cash flows used in financing activities</b>			
Purchase of own shares	(6)	-	<b>(6)</b>
Other interest paid	(2)	-	<b>(2)</b>
Repayment of obligation under finance leases	(20)	20	<b>-</b>
Principal paid on lease liabilities	-	(16,361)	<b>(16,361)</b>
Interest paid on lease liabilities	-	(4,110)	<b>(4,110)</b>
<b>Net cash used in financing activities</b>	<b>(28)</b>	<b>(20,451)</b>	<b>(20,479)</b>
Net increase in cash and cash equivalents	147	-	<b>147</b>
Cash and cash equivalents at beginning of year	32,512	-	<b>32,512</b>
<b>Cash and cash equivalent at end of year</b>	<b>32,659</b>	<b>-</b>	<b>32,659</b>

## Explanation of transition adjustments

### Recognition of right-of-use assets

Under FRS 102, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under IFRS, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the date of transition to IFRS, the Group applied the transitional provision and measured lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to IFRS.

Right-of-use assets were measured at the amount equal to the lease liabilities adjusted by the amount of any prepaid or accrued lease payments. As a result, the Group recognised of £77,227k (1 January 2023: £92,493k) of lease liabilities and £74,208k (1 January 2023: £92,493k) of right-of-use assets at transition to IFRS.

The difference between lease liabilities and right-of-use assets has been recognised in retained earnings.

Additionally, rent expense decreased by £20,470k, depreciation increased by £19,395k (included in administrative expenses) and finance costs increased by £4,110k for the year ended 31 December 2023.

### Change in goodwill accounting policy

Under FRS 102, after initial recognition goodwill is measured at cost less accumulated amortisation and impairment losses. Under IFRS amortisation of goodwill is not permitted and instead goodwill is subject to an impairment test annually and/or when there is an indicator of impairment.

The carrying amount of goodwill under FRS 102 at transition to IFRS has been brought into the Group's statement of financial position. Amortisation for the year ended 31 December 2023 previously recorded under FRS 102 has been reversed, resulting in a reduction of £10,633k within administrative expenses.

At transition to IFRS on 1 January 2023 and at 31 December 2023, the remaining carrying amount of goodwill (after adjustments for restated acquisitions and reversal of 2023 amortisation) was subject to an impairment test.

### Change in deferred tax asset recognition

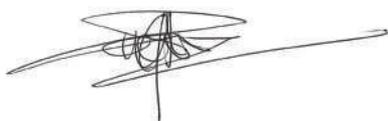
Under IFRS deferred tax assets need to be recognised as non-current assets. At transition to IFRS on 1 January 2023 £391k was moved from Trade and other receivables to Non-current assets, with £2,209k being moved as at 31 December 2023.

# Company Statement of Financial Position as at year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Fixed assets</b>			
Investment in subsidiary undertakings	37	<b>93,264</b>	93,264
<b>Current assets</b>			
Debtors	38	<b>2,030</b>	-
Cash at bank and in hand		<b>3,435</b>	-
<b>Total current assets</b>		<b>5,465</b>	-
Creditors: amounts falling due within one year	39	<b>(19,667)</b>	(17,996)
<b>Net current liabilities</b>		<b>(14,202)</b>	(17,996)
<b>Total assets less current liabilities</b>		<b>79,062</b>	75,268
Creditors: amounts falling due after one year	40	<b>(2,739)</b>	(2,030)
<b>Net assets</b>		<b>76,323</b>	73,238
<b>Capital and reserves</b>			
Called up share capital	41	<b>8</b>	8
Share premium account	41	<b>72,983</b>	72,983
Other reserves		<b>173</b>	133
Retained earnings		<b>3,159</b>	114
<b>Total equity</b>		<b>76,323</b>	73,238

The notes on pages 78 to 84 form part of these statements.

The financial statements on pages 76 to 84 were approved by the board on 22 August 2025 and were signed on its behalf by



**Manoj Parmar**  
Director

Registered number: 11995959

# Company Statement of Changes in Equity for the year ended 31 December 2024

	Called up share capital £'000	Share Premium £'000	Other reserves £'000	Retained deficit £'000	Total equity £'000
<b>At 1 January 2023</b>	<b>8</b>	<b>72,983</b>	<b>97</b>	<b>(156)</b>	<b>72,932</b>
Share based payment	-	-	36	-	36
Purchase of own shares	-	-	-	(6)	(6)
Total comprehensive income for the year	-	-	-	276	276
<b>At 31 December 2023</b>	<b>8</b>	<b>72,983</b>	<b>133</b>	<b>114</b>	<b>73,238</b>
Share based payment	-	-	40	-	40
Total comprehensive income for the year	-	-	-	3,045	3,045
<b>At 31 December 2024</b>	<b>8</b>	<b>72,983</b>	<b>173</b>	<b>3,159</b>	<b>76,323</b>

The notes on pages 78 to 84 form part of these statements.

# Notes to the Company Financial Statements

## 32 General information

Whistl Consolidated Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The principal activity of the company during the year was acting as a holding company. The address of the registered office is Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY.

## 33 Statement of compliance

The individual financial statements of the company have been prepared in compliance with United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006 and are presented in Sterling (£).

## 34 Accounting policies

These financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the recognition of certain fixed assets and liabilities measured at fair value.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

### Going Concern

The directors have reviewed group cash flow forecasts for Whistl Consolidated Limited from the date of approval of the financial statements through to 31 August 2026 ("the going concern period"). These forecasts reflect an assessment of current and future market conditions and their impact on the group's future cash flow performance. These forecasts have been reverse stress tested by considering the impact of a sudden and significant reduction in revenue. In both the base case forecast and the reverse stress tested scenarios, the group will have sufficient cash and existing borrowing facilities to continue in operation. In addition, the Group's liquidity is further supported by a fully committed irrevocable £65m funding line jointly provided by HSBC and NatWest which is divided into a credit and working capital facility. This facility has been renewed for a further four years plus one commencing June 2024.

In assessing whether the going concern basis is appropriate, the directors of the company have taken account of all available information about the future up to and including 31 August 2026, which is at least 12 months from the date of the approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. Exemptions under FRS 102 paragraph 1.12 have been applied in relation to presentation of a statement of cash flow, related party transactions and certain financial instrument disclosures.

The directors have taken advantage of the exemption in Financial Reporting Standard 102, paragraph 1.12(b) from including a statement of cash flows in the financial statements on the grounds that the company is wholly owned subsidiary of a Group headed by Whistl Consolidated Limited and is included in the consolidated financial statements of that company, which can be obtained from the address given in note 32.

### **Exemption from preparation of consolidated financial statements**

The financial statements present information about the company as an individual company and not about its Group. The company is exempt under section 400 of the Companies Act 2006 from the obligation to prepare Group financial statements and to deliver them to the Registrar of Companies as the results of the company and its subsidiary companies are consolidated in Whistl Consolidated Limited, its parent company.

### **Fixed asset investments – subsidiary undertakings**

Investments are stated at the cost of the shares plus all other associated costs less any provision for impairment. Investments are reviewed annually and impairments are assessed if the investment's carrying value is greater than the recoverable amount.

### **Impairment of assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. The carrying value of tangible fixed assets is reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

### **Financial instruments**

The company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

### **Financial Assets**

Basic financial assets, including trade and other receivables, cash and bank balances and amounts owed by Group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets are measured at amortised cost, net of any allowance for impairment in relation to irrecoverable amounts. The impairment is recognised in the statement of comprehensive income.

### **Financial liabilities**

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

Trade payables represent 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. If not, they are presented as non-current liabilities. Other payables and amounts owed to Group undertakings are not interest bearing and are recognised at carrying amount which is deemed to be a reasonable approximate to their fair value. At the end of each reporting period financial liabilities are measured at amortised cost using the effective interest method.

### **Impairment of Financial assets**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

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

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

### **Share capital**

Ordinary shares are classified as equity.

### **Related party disclosures**

The company discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

### **Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

## 35 Critical accounting judgements and estimation uncertainty

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

### Going Concern

The financial statements have been prepared on the going concern basis, which assumes the Group will have sufficient funds available to enable it to continue to trade for the foreseeable future. Please refer to note 34 under basis of preparation on page 78 for more details on the judgements involved.

## 36 Profit and loss account of parent company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's retained profit for the year was £3,045,000 (2023: £276,000).

## 37 Investments in Subsidiary undertakings

Cost	2024 £'000
At 31 December 2024	93,264
Impairment	
At 1 January 2024 and 31 December 2024	-
Carrying Value	
At 31 December 2024	93,264
At 31 December 2023	93,264

At 31 December 2023 the company had a majority shareholding in the following entities:

Undertaking	Country of incorporation	Activity	Proportion of Ordinary shares held (%)
Whistl Group Holdings Limited	UK *	Holding Company	100

\* Registered office at Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY.

The Directors consider that the value of the investments to be supported by their underlying assets, projections and prospects for the business.

See Note 45 for details of all undertakings directly and indirectly held by Whistl Group Holdings Limited.

## 38 Debtors

	2024 £'000	2023 £'000
Amounts due by Group undertakings	2,000	-
Corporation tax receivable	30	-
	2,030	-

Amounts owed by Group undertakings are unsecured, interest free and payable on demand.

### 39 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Bank overdraft	-	211
Amounts due to Group undertakings	19,667	17,779
Corporation tax	-	6
	<b>19,667</b>	<b>17,996</b>

Amounts owed by Group undertakings are unsecured, interest free and payable on demand.

### 40 Creditors: amounts falling due after one year

	2024 £'000	2023 £'000
Compound financial instrument/liability	2,739	2,030
	<b>2,739</b>	<b>2,030</b>

The future priority dividend creates a financial liability which is presented as a compound financial instrument and has been recognised based on the probability of dividend payments becoming due in the future, the fair value of the dividend being £2,739,000 (2023: £2,030,000), measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement.

### 41 Called up share capital and other reserves

Share capital – allotted and fully paid in 2024:

	Number	Share Capital £	Share Premium £	Total consideration received £
A Ordinary shares of £0.0001 each	15,000,000	1,500	14,998,500	15,000,000
B Ordinary shares of £0.0001 each	30,886,695	3,089	30,883,606	30,886,695
C Ordinary shares of £0.0001 each	7,286,920	729	7,286,191	7,286,920
D Ordinary shares of £0.0001 each	9,962,661	996	12,825,389	12,826,385
E Ordinary shares of £0.0001 each	9,000,000	900	8,999,100	9,000,000
F Ordinary shares of £0.0001 each	5,988,724	599	-	-
Reclassification of shares as debt	-	-	(2,009,381)	-
	<b>78,125,000</b>	<b>7,813</b>	<b>72,983,405</b>	<b>75,000,000</b>

The share premium account contains the premium arising on issue of equity shares.  
The company issued share capital during the year as presented below;

Date	A Ordinary Shares Number	B Ordinary Shares Number	C Ordinary Shares Number	D Ordinary Shares Number	E Ordinary Shares Number	F Ordinary Shares Number	Total Number
At 1 January 2024	15,000,000	30,886,695	7,286,920	9,962,661	9,000,000	5,988,724	78,125,000
Transfer	-	-	-	2,359,375	-	(2,359,375)	-
As at 31 December 24	15,000,000	30,886,695	7,286,920	12,322,036	9,000,000	3,629,349	78,125,000

The company held the below shares in treasury and purchased/(issued) its own shares during the year as follows:

Date shares purchased/(issued)	A Ordinary Shares Number	B Ordinary Shares Number	C Ordinary Shares Number	D Ordinary Shares Number	E Ordinary Shares Number	F Ordinary Shares Number	Total Consideration £
<b>Shares held in Treasury as at 1 January 2024</b>	-	-	-	<b>963,134</b>	-	<b>2,359,375</b>	<b>97,365</b>
6 February 2024	-	-	-	(761,979)	-	-	-
11 February 2024	-	-	-	(234,375)	-	-	-
6 March 2024	-	-	-	241,841	-	414,062	66
7 June 2024	-	-	-	(1,289,060)	-	-	-
17 July 2024	-	-	-	(156,250)	-	-	-
2 September 2024	-	-	-	(78,125)	-	-	-
1 October 2024	-	-	-	-	-	156,250	16
Transfer	-	-	-	2,359,375	-	(2,359,375)	-
<b>As at 31 December 2024</b>	-	-	-	<b>1,044,561</b>	-	<b>570,312</b>	<b>97,447</b>

#### Share capital – allotted and fully paid in 2023:

	Number	Share Capital £	Share Premium £	Total consideration received £
A Ordinary shares of £0.0001 each	15,000,000	1,500	14,998,500	15,000,000
B Ordinary shares of £0.0001 each	30,886,695	3,089	30,883,606	30,886,695
C Ordinary shares of £0.0001 each	7,286,920	729	7,286,191	7,286,920
D Ordinary shares of £0.0001 each	9,962,661	996	12,825,389	12,826,385
E Ordinary shares of £0.0001 each	9,000,000	900	8,999,100	9,000,000
F Ordinary shares of £0.0001 each	5,988,724	599	-	-
Reclassification of shares as debt	-	-	(2,009,381)	-
	<b>78,125,000</b>	<b>7,813</b>	<b>72,983,405</b>	<b>75,000,000</b>

The share premium account contains the premium arising on issue of equity shares.

The rights attaching to the respective classes of shares are as follows:

#### Voting

Holders of A, B, C and E Ordinary Shares have the right to receive notice of, attend, vote, speak at any general meeting and vote on any written resolution of the Company. D and F Ordinary Shares do not confer any voting rights on their holders.

#### Dividends

Holders of A Ordinary Shares are entitled to receive the Priority Dividends in accordance with the Articles of Association of the Company. Any additional profits of the Company resolved to be distributed in any financial period are divided between holders of A, B, C, D, E and F Ordinary Shares equally as if they constituted a single class of shares.

#### Distributions of capital

On a return of capital where the capital to be returned exceeds the A Ordinary Threshold, (i) the amount of capital up to, and including, £75 million will be distributed amongst holders of A, B, C, D and E Ordinary Shares equally as if they constituted one and the same class of share, and (ii) the capital in excess of £75 million will be distributed amongst holders of A, B, C, D, E and F Ordinary Shares equally as if they constituted one and the same class of share.

On a return of capital where the capital to be returned is the same as, or less than, the A Ordinary Threshold, the capital will be distributed (i) as to the amount which is up to the value of the A Shareholder Minimum Return, to the holders of A Ordinary Shares, (ii) as to the amount which is in excess of the value of the A Shareholder Minimum Return but does not exceed £75 million, equally between the holders of B, C, D and E Ordinary Shares, and (iii) as to the amount which is in excess of £75 million, equally between the holders of B, C, D, E and F Ordinary Shares.

## 42 Share Based payments

### Growth Shares

The company operates a growth share incentive arrangement under which employees selected by the Remuneration Committee of the company are issued D Ordinary Shares of £0.0001 each, or F Ordinary Shares of £0.0001 each.

During the year the company has issued D Ordinary Shares to certain employees by way of gift. The fair value of these has been estimated at £264k (2023: £nil) and a charge of £40k (2023: £36k) has been made to the statement of comprehensive income in the year.

The fair value of the D Ordinary Shares issued to employees is based on an externally obtained tax valuation per share of £0.105 (2023: n/a) and an expected time frame from issue of share to exit of 10 years.

## 43 Financial instruments

	2024 £'000	2023 £'000
Financial assets at fair value through profit or loss	-	-
Financial assets that are debt instruments measured at amortised cost:		
- Amounts owed by Group undertakings (note 38)	2,000	-
	<b>2,000</b>	-
Financial assets that are equity instruments measured at cost less impairment.		
Financial liabilities measured at amortised cost:		
- Amounts owed to Group undertakings (note 39)	(19,667)	(17,779)
- Compound financial instrument (note 40)	(2,739)	(2,030)
	<b>(22,406)</b>	(19,809)

## 44 Related party transactions

The directors are considered to be the key management personnel of the company. Details of their remuneration are given in note 7, page 54. The company has taken advantage of the exemption given by FRS 102, Section No.33 'Related Party Disclosure' not to disclose transactions with other Group companies, since they are with other companies that are wholly owned within the Group.

## 45 Subsidiaries and related undertakings

At 31 December 2024, the company indirectly held a majority shareholding in the following entities:

Name	Country of incorporation	Activity	Proportion of Ordinary shares held (%)	Immediate direct parent undertaking
Whistl UK Limited ^	UK	Trading parent company Addressed Downstream Access	100	Whistl Group Limited
Whistl North Limited ^ =	UK	Dormant	100	Whistl UK Limited
Whistl Scotland Limited ^ =	UK	Dormant	100	Whistl UK Limited
Whistl South West Limited ^ =	UK	Dormant	100	Whistl UK Limited
Whistl Midlands Limited ^ =	UK	Dormant	100	Whistl UK Limited
Whistl London Limited ^ =	UK	Dormant	100	Whistl UK Limited
Whistl Marketing Service Group Ltd ^	UK	Holding company - non trading	100	Whistl Group Limited
Whistl (Doordrop Media) Limited ^	UK	Trading – Unaddressed Mail	100	Whistl UK Limited
Whistl Fulfilment Limited ^	UK	Holding Company	100	Whistl Limited
Whistl Fulfilment (Rushden) Limited ^	UK	Ecommerce fulfilment & contact centre services	100	Whistl Limited
Whistl Fulfilment (Farnborough) Limited ^	UK	Dormant	100	Whistl Limited
Parcelhub Limited ^	UK	Parcel and delivery solutions	100	Whistl UK Limited
Mail Workshop Limited ^	UK	Dormant	100	Whistl UK Limited
Whistl Ecommerce Group Ltd ^	UK	Holding Company	100	Whistl Limited
Whistl Fulfilment (Gateshead) Limited ^	UK	Ecommerce fulfilment & contact centre services	100	Whistl Ecommerce Group Ltd
Spark Etail Limited ^	UK	Trading of organic and ethically sourced products	100	Whistl Ecommerce Group Ltd
Whistl Fulfilment (SouthWest) Limited ^	UK	Ecommerce fulfilment & contact centre services	100	Whistl UK Limited
Relish Agency Limited ^	UK	Ecommerce Marketing (Brand Partnership and Sampling)	100	Whistl (Doordrop) Media Limited

The registered office of all subsidiaries is Network House, Third Avenue, Marlow, Buckinghamshire, SL7 1EY.

^ Entities are indirectly held  
= Entity exempt from audit.

# Directors and Advisors for the year ended 31 December 2024

## Directors

N Wells  
N Polglass  
M Parmar  
I Keilty  
J Greenbury  
P Berendsen  
E Kovalikhina

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## Company secretary

J Evans

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## Registered office

Network House  
Third Avenue  
Marlow  
Buckinghamshire  
SL7 1EY

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## Independent auditor

Ernst & Young LLP  
R+ 2 Blagrove Street  
Reading  
RG1 1AZ

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## Bankers

HSBC Bank Plc  
26 Broad Street  
Reading  
Berkshire  
RG1 2BU

NatWest  
Parklands  
De Havilland Way  
Horwich  
Bolton  
BL6 4SD

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## Solicitor

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4PN

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## Glossary of terms

<b>Agency customer</b>	Whistl collects and sorts mail for a customer that also use Whistl as its agent to secure a direct Downstream Access Agreement with Royal Mail
<b>BEIS</b>	Department for Business, Energy & Industrial Strategy
<b>BGF</b>	Business Growth Fund
<b>CDP</b>	Carbon Disclosure Project
<b>CMS</b>	Carrier Management System
<b>CEO</b>	Chief Executive Officer
<b>COO</b>	Chief Operating Officer
<b>CFO</b>	Chief Finance Officer
<b>CCMA</b>	Call Centre Management Association
<b>DDM</b>	Doordrop Media, the in-home advertising division of Whistl
<b>Direct Access customer</b>	Large mailers have a direct Downstream Access agreement with Royal Mail and use a third party to collect and inject the pre-sorted mail into Royal Mail for final mile delivery
<b>Downstream</b>	Mail and parcels that are injected directly into Royal Mail for sortation and final delivery
<b>DSA</b>	Downstream Access Agreement allowing competitors to inject mail into Royal Mail for delivery to the household
<b>EBIT</b>	Operating profit before interest and tax
<b>EBITDA</b>	Operating profit before interest, tax and exceptional items adjusted for the depreciation and amortisation charge for the year
<b>EDI</b>	Equality, diversity and inclusion
<b>End to End</b>	From collection of mail through to sortation and delivery to homes or businesses
<b>ESG</b>	Environment, Social and Governance
<b>Financial Reporting Standard 102</b>	'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and Companies Act 2006
<b>HMRC</b>	HM Revenue & Customs
<b>IIP</b>	Investors in People
<b>ISO</b>	International Standards Organisation
<b>JICMAIL</b>	Joint Industry Committee for Mail, providing audience measurement data for advertising mail and door drops
<b>Leafletdrop</b>	Whistl online tool to create, print and book a leaflet distribution in one place
<b>LEAP</b>	Whistl career and development programme
<b>NPS</b>	Net Promoter Score
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>Ofcom</b>	Office for Communications, the Postal Regulator
<b>OMS</b>	Order Management System
<b>ONS</b>	Office for National Statistics
<b>Partially Addressed Mail</b>	Advertising mail that does not use personal data
<b>RIDDORS</b>	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
<b>Royal Mail</b>	UK National Postal Operator
<b>SECR</b>	Streamlined Energy and Carbon Reporting (SECR)
<b>SMEs</b>	Small and medium-sized enterprises
<b>TCFD</b>	Task Force on Climate-related Financial Disclosures
<b>TMS</b>	Transport Management System
<b>Upstream</b>	Collection of mail from a client and sorted, ready for injection into Royal Mail

**Whistl Consolidated Limited**

Network House  
Third Avenue  
Marlow  
Buckinghamshire  
SL7 1EY  
United Kingdom

Tel: 01628 891 644

[www.whistl.co.uk](http://www.whistl.co.uk)

The Whistl logo consists of the word "whistl" in a bold, orange, lowercase sans-serif font. The letter "i" is replaced by a stylized orange smiley face with a white dot for a nose. The logo is positioned in the bottom left corner of the page.

