EUROWAG

Providing smarter solutions to go far.

Annual Report and Accounts 2024

EUROWAG

Creating the industry's first digital platform

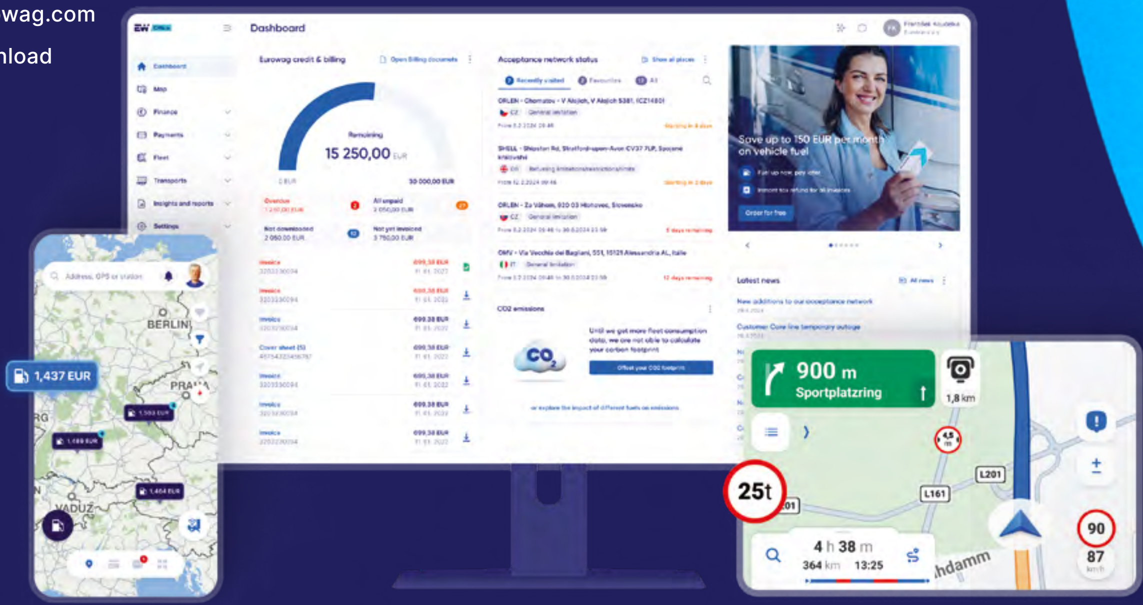
Eurowag is a leading pan-European integrated payment and mobility platform, focused on the commercial road transport ("CRT") industry.

Our purpose is to help the CRT industry to become clean, fair and efficient.

- Visit: www.investors.eurowag.com
- Scan the QR code to download the Eurowag Office app

GET IT ON Google Play

Download on the App Store



Highlights

Financial highlights

Net revenue[1]

€292.5m +14.0%

2024	€292.5m
2023	€256.5m
2022	€190.9m
2021	€153.1m

Adjusted EBITDA margin[1]

41.6% -0.8pp

2024	41.6%
2023	42.4%
2022	42.8%
2021	45.5%

Profit/loss before tax

€11.7m +129.8%

2024	€11.7m
2023	€(39.3)m
2022	€28.0m
2021	€17.7m

4.65 -28.4%

Adjusted basic earnings per share (cents/share)[1]

2024	4.65
2023	6.49
2022	5.75
2021	5.77

0.39 +105.9%

Basic earnings per share (cents/share)

2024	0.39
2023	(6.62)
2022	2.41
2021	1.54

€88.7m +23.2%

Adjusted cash EBITDA[1]

2024	88.7
2023	72.0

Operational highlights

302,076 +10.0%

Number of active trucks

2024	302,076
2023	274,715

2.7 +0.2

Average products per truck

2024	2.7
2023	2.5

Sustainability targets

3,632 tCO_2e -16.6%[2]

50% reduction of carbon emissions from own operations by 2030

2024	3,632 tCO_2e
2023	4,353 tCO_2e

80 gCO_2e/tkm no change[2]

20% reduction of customers' carbon emissions intensity by 2035

2024	80 gCO_2e/tkm
July 2023–June 2024	80 gCO_2e/tkm

37% +2pp

40% female representation in "all people leaders" group by 2025[3]

2024	37%
2023	35%
2022	31%
2021	28%

Notes:

1. Please refer to Note 2 of the financial statements for a definition of the alternative performance measures.
2. Baseline years have been updated for these KPIs. Please refer to the Sustainability section for a full explanation.
3. Female people leaders with at least one subordinate in the last month of the calendar year.

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Chairman's statement

Continued delivery for our stakeholders

Paul Manduca
Chairman

"

Eurowag delivered strong revenue and earnings growth, with significant cash generation.

Dear fellow shareholders,

During 2024, the Group continued to deliver strong double-digit net revenue growth against a challenging macroeconomic backdrop. The continued war in Ukraine, conflict in the Middle East, high interest and inflation rates and flat gross domestic product ("GDP") growth impacted the CRT industry across Europe. This can be felt through the slowdown in freight demand with lower production rates and therefore less kilometres driven, which is further impacted by rising costs, which as a result has led to a peak of insolvencies this year. The industry is fragmented with around 90% of businesses being small to medium in size, and therefore the ripple effect of these economic challenges can be felt more by our customers.

As a result of some of these challenges, Eurowag took a decision back in 2016 to lead the way in digitising the industry, bringing all mission-critical data into one seamless application which will allow our customers to navigate through these cycles by improving their operational efficiencies, reduce carbon emissions and make the industry attractive again. All of this is supported by Eurowag's purpose to make the CRT industry clean, fair and efficient.

Continued double-digit growth and strong cash generation

Eurowag has consistently delivered double-digit net revenue growth, and whilst FY 2024 remained challenging, we delivered 14.0% net revenue growth. Adjusted EBITDA margins remained strong at 41.6%, and as promised the Company's strong cash flow enabled us to deleverage to 2.3x net debt to EBITDA, back within the target range. After a few years of heavy investment in both M&A and capital expenditure, the business continues to generate strong cash flow, which should give shareholders confidence in their return on investment.

Integration and transformation

With every new acquisition, Eurowag has gained an additional mission-critical product which our customers rely on on a daily basis to manage their business operations and comes in the form of data collected from their fleets. Before we can integrate all these products onto one platform, we have had to prepare the foundations, in the form of one front-end user interface and integrated back-office. This year has been pivotal for these developments, and we've seen good progress made on the modern technology build through the SAP project and continued investment in the data lake, where over time all Company and product data will be collected. The Company launched its phased rollout of the platform in September 2024; in parallel we started migrating current fleet management solutions ("FMS") and navigation customers onto the platform. As Eurowag has evolved to being more tech led in its offerings, a Technology and Product Advisory Committee was formed by the Chief Executive Officer, Martin Vohánka, which includes a few external advisors and is co-chaired by Sophie Krishnan and Kevin Li Ying, two new Board members appointed in March 2024.

Environmental, social and governance ("ESG") commitments

Our Board remains committed to Eurowag's vision to help the CRT become clean, fair and efficient. That ambition is supported by our climate and sustainability targets which were set during 2021 and 2022 and complemented by robust governance and a strong belief in our goal from our employees.

I encourage shareholders to read more in our Engaging with stakeholders section on page 20 and the Sustainability section which includes our reporting against the Task Force on Climate-related Financial Disclosures ("TCFD") targets, on page 44 of this Annual Report and Accounts. You can also find more information in our Sustainability report, available on our website.

Board changes

In May 2024 we said goodbye to Susan Hooper who had served on the Board since the IPO in 2021.

In March 2024 we welcomed Sophie Krishnan and Kevin Li Ying to the Board, who were appointed as Independent Non-Executive Directors and sit on the Audit and Risk Committee and Remuneration Committee. Subsequent to the year end, Sophie was appointed as Remuneration Committee Chair, taking over from Sharon Baylay-Bell, who stood down from the Board on 21 February 2025. We thank both Sharon and Susan for their commitment and contribution to the Company.

Having served as Chairman since the IPO in 2021, the Company has transformed significantly into a tech-focused business, I will be standing down from the Board after the Annual General Meeting ("AGM") on 22 May 2025, and passing the reins to Steve Dryden, who joined the Board in 2023 and will take Eurowag through its next stage of growth and transformation.

Confidence in the Eurowag team and outlook

I would like to extend my gratitude, and that of our Board, to Eurowag's employees for their contribution, dedication and hard work during 2024, without whom the Group's achievements would not have been possible.

Looking forward to 2025, the Board will continue to support the Eurowag executive team in crystallising its vision of delivering an integrated platform that will transform the industry. The continued capital investment in the business will allow the Company to scale at pace through the acquisition of new customers through both direct and indirect channels as well as accelerate our cross-sell ability. With large acquisitions behind us, the Company continues to look at small bolt-on opportunities that might add new products to the platform or accelerate the number of trucks added to the platform. With continued strong cash generation, and following the special dividend of 3.0p announced at the year end, the Board will review whether a progressive dividend is feasible for FY 2026 onwards.

I have enjoyed my time at Eurowag and wish Steve, the Board and Eurowag the very best for the future.

Paul Manduca
Chairman
24 March 2025

Investment case

Mission driven, resilient growth and strong cash flow through innovation and scale

In a complex and fragmented industry, Eurowag's robust business model provides a significant opportunity for growth.

Significant market opportunity
With €9 billion addressable market today

Strong competitive position
In a fragmented competitive landscape

Resilience through business cycles
With consistent double-digit net revenue and Adjusted EBITDA growth

Robust business model
With above 40% Adjusted EBITDA margin and strong cash generation

Innovative solutions
Eurowag's integrated digital platform will unlock significant value to its customers and industry, with improvements in revenue, cash flow and carbon reduction

At a glance

The CRT industry's digital future

We are a leading pan-European platform that will revolutionise the CRT sector.

Through our integrated ecosystem of market leading products such as transport, fleet and work time management services, fuel and toll payments, tax refund, customised navigation for trucks, decarbonisation services and innovative financing services, we empower businesses to thrive in a fragmented industry.

23
European countries of operation

302,076
active trucks connected to one or more of our products

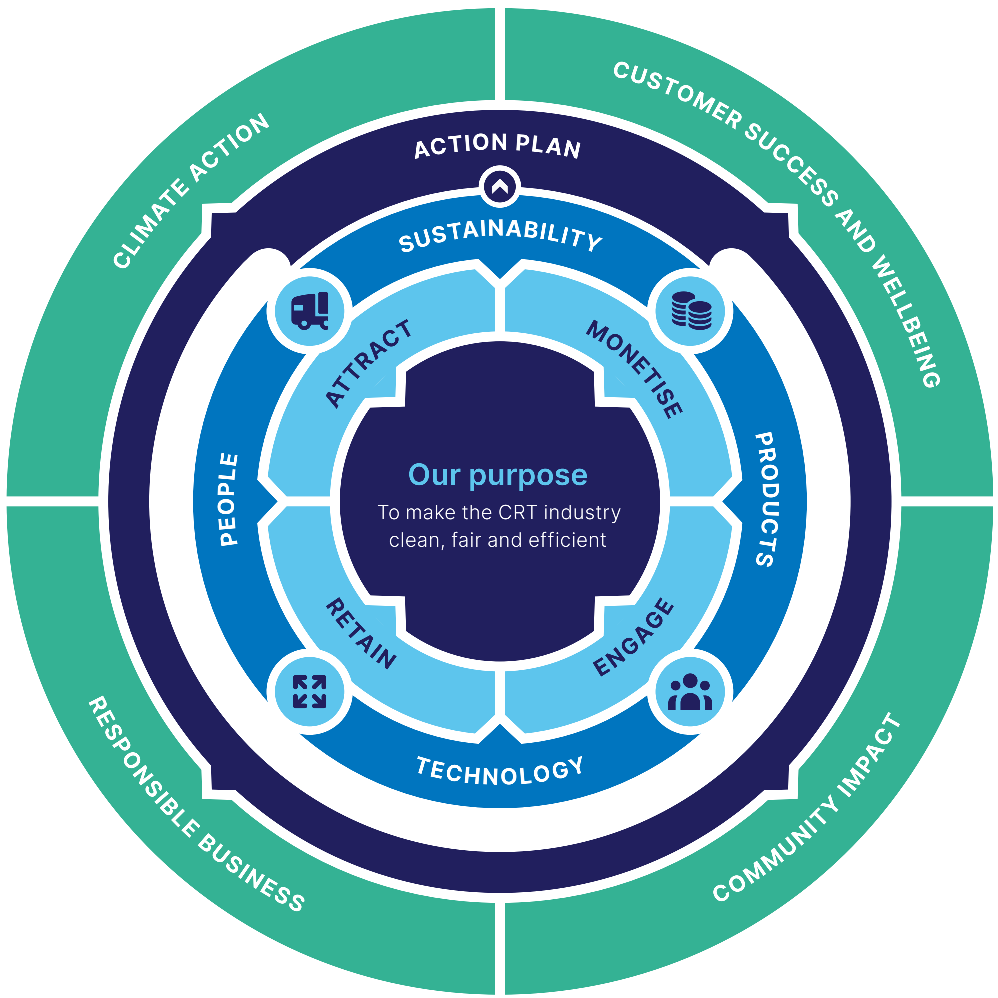
38
offices in 19 countries

7
product groups offered to our customers

~1,900
employees

CEE* and Iberia
customer base

* CEE refers to Central and Eastern Europe.



Sustainability
Read more on page 44

Products
Read more on pages 4 and 8

Technology
Read more on page 8

People
Read more on page 24

Countries in which we operate

~15,000

fuel stations

~2,000

alternative fuel stations, with 60% EU coverage of LNG network

23

countries offering toll payments

11

countries offering European Electronic Toll Service ("EETS")

32

countries offering tax refund

Market challenges and trends

Market challenges and trends

Industry facts

Size and economic impact

~9m
commercial vehicles in Europe[1]

~5%
contribution to European GDP[2]

~20m
CRT-related jobs in Europe[3]

Industry challenges

Fragmentation

~90%
of CRT operators are small and medium-sized enterprises ("SMEs"), with limited access to technology and capital[4]

Inefficiency

~20%
of trucks drive empty, which contributes to carbon emissions and decreases operators' profitability[5]

3–5%
margins make companies susceptible to macroeconomic volatility[6]

Environmental pressures

~9%
of Europe's greenhouse gas emissions ("GHG") come from the CRT industry[7]

European efforts to accelerate decarbonisation are increasing, with companies looking to adopt low-emission vehicles or switch to alternative fuels

Digital lag

<13%
of companies are digitised, which makes it difficult for SMEs to grow and improve margins, as they face operational inefficiencies[8]

Notes:
1. Source: IHS Markit Vehicle Parc, 01/2021.
2. Source: Eurostat.
3. Source: Eurostat/internal Company estimate.
4. Source: Eurostat.
5. Source: Eurostat/internal Company estimate.
6. Source: Internal Company estimates.
7. Source: EU transport in figures – Statistical pocketbook 2024.
8. Source: BCG Digital Acceleration Index.

Transformational trends

Decarbonisation and sustainability

The CRT industry is investing in alternative fuels and technologies to reduce emissions

Digital adoption

Operators are starting to see the benefits of using automation and optimisation tools, which can help to streamline operations, reduce costs and make fleets more efficient

Regulatory compliance

Mobility packages, adoption of cleaner technologies and compliance with standards for driver safety make the industry requirements hard to navigate

Industry transformation through Eurowag

€9 billion addressable market today

- A fully digital integrated ecosystem would grow Eurowag's addressable market to €25 billion

Total: €9.0bn

€5.9bn	+€1.6bn	+€1.5bn
Offering at IPO (2021)	Data-centric management systems	Financing services

Energy
Toll
Tax
Vehicle information
Fleet management system
Transport management system
Work time management
Financing and e-wallet

Our 30 years of expertise give us a unique understanding of the market

Since 2016, we have acquired and developed mission-critical, data-centric products to help our customers tackle key industry challenges. By unifying everything in a single platform, we are addressing the lack of digitisation.

Eurowag Office will integrate transport, fleet and work time management services, fuel and toll payments, tax refunds, customised navigation for trucks, and decarbonisation and financing services, and will transform how the CRT industry operates, driving efficiency, supporting compliance and decarbonisation, and enabling scalable growth.

Read more on page 8

Note:
Sources for addressable market: TechNavio; Global Time Tracking Software 2023-2027; Transportation and hospitality in Europe; Global E-Wallet Market 2023-2027; Company estimates.

Eurowag Office platform

Our integrated platform

An industry-first digital platform that provides end-to-end services for transport companies, enabling them to optimise business operations in one place.

Our platform is tailored for dispatchers, owners and drivers.

The web portal and mobile app provide day-to-day operational support, advice and efficiency-enhancing guidance.

Eurowag Office will allow trucking companies to streamline operations by using one integrated system that brings together all mission-critical services. From transport and fleet management, work time management, payment and toll solutions, tax refund and financing services, to carbon emissions reporting – everything will be in one place, together for a clean, fair and efficient future.

Benefits of the platform

Dispatchers are able to:

- Find profitable transport
- Communicate with drivers
- Maximise truck utilisation
- Plan transport routes

Owners are able to:

- Monitor finances and bills to be paid
- Oversee operations, issues and transport delays
- Maintain partner relationships
- Seek business opportunities

Drivers are able to:

- Manage driving schedules
- Communicate with dispatchers
- Ensure on-time transport
- Conduct vehicle maintenance

Mission-critical services integrated into one platform

Capture mission-critical data, improve drivers' behaviour and reduce carbon emissions

- Energy and Decarbonisation as a Service
- Toll
- Fleet operations
- Financing
- Financial services
- Back-office services
- Road services

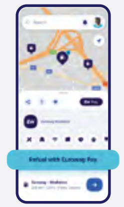
EW Office

End-to-end digital platform and its front ends

Apply data insights, streamline operations and drive efficiencies

Desktop app

Mobile app for owners and dispatchers



Mobile app for drivers

Cockpit app in new trucks

Case studies

Customer feedback is key to our success

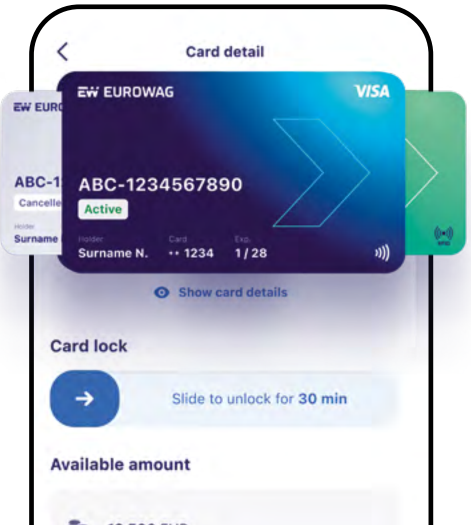
Leveraging Eurowag for operational excellence

Company name:
Tashev-Trans LTD

Usage of Eurowag products by type:

Fuel cards

Toll services



"We have been with Eurowag for 14-15 years and were one of their first clients in Bulgaria. Our ongoing partnership is a testament to how impressed we are with their services. Their products, like their fuel cards and toll payment solutions, are reliable and flexible, meeting our needs across Europe. The EVA on-board units ("OBUs") for tolls in countries like the Czech Republic and Slovakia have been particularly impressive, and their card provides our drivers with the convenience and security to travel without cash, ensuring smooth operations every day.

Eurowag drives opex savings

Company name:
BAUER Solution s.r.o.

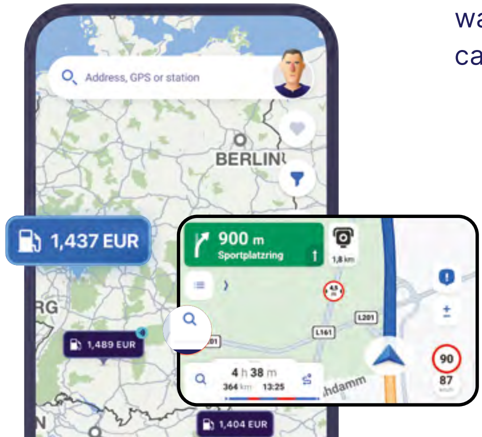
Usage of Eurowag products by type:

Fuel cards

Toll services

VAT refunds

Web dispatching



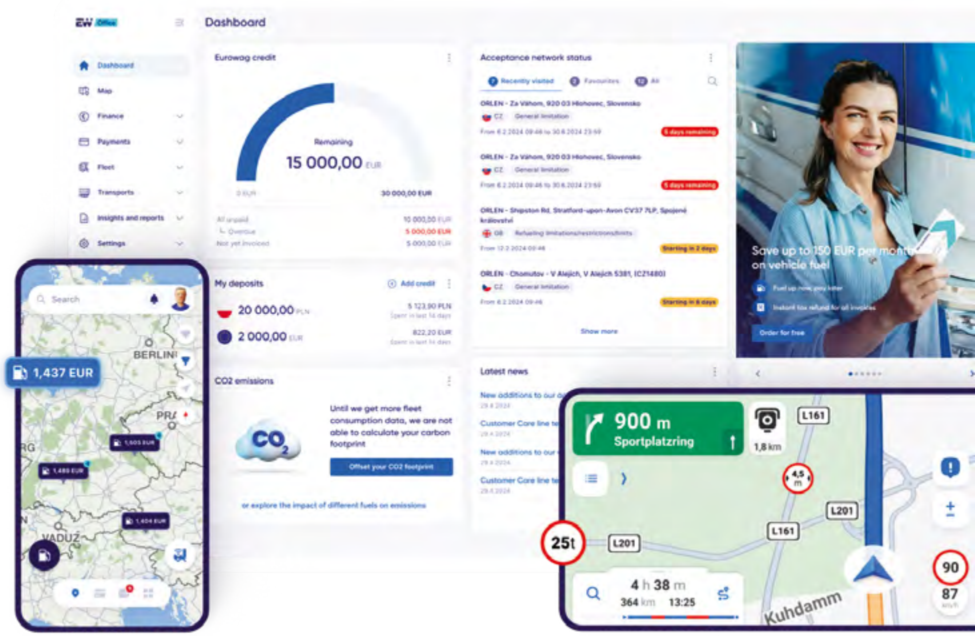
"We save money on the labour we would have had to employ. We have almost 10 years' experience with Eurowag and in that time its services have grown substantially. You can see that it invests in it; every year something is improved. Their GPS is one of the best on the market. Every six months we experience an influx of other suppliers which want to offer us their services but cannot compete with Eurowag.

Eurowag Office brings mission-critical services in one place

Company name:
**Imagination Group
Iwona Blecharczyk**

Usage of Eurowag products by type:

Eurowag Office suite



"My first impression of the Eurowag Office platform was that it is very clear. It has not only the basic elements of telematics, such as the GPS position of trucks, fuel levels, battery status, or the map, but also transport management solutions elements like cost calculations, creating orders, or adding maintenance checks. These are basic things for managing transport, all in one place, on one page.

What I like most about it is that it has all services I need. When you're a small transport company, you can't compete for first-hand orders with large companies, and you can't negotiate things like fuel prices or payment terms with suppliers which target big transport firms. Eurowag takes a lot of small, ongoing tasks off my plate and allows me to focus on my actual work – growing my business and working as a professional driver.

For the first two years of my business, I ran the entire company literally from my phone, in the truck, so I used the Eurowag app every day to check fuel prices in different countries, plan refuelling, or make sure I paid the invoice.

Now that I have a second truck and have hired an office employee, I use the computer much more and features that I didn't use before because I didn't need them while being in the truck. I see, for example, that I can create a transport order and send it to my driver via the Eurowag driver app with navigation.

Overall, it's incredibly interesting for me to see Eurowag's transformation over the years. It's also very inspiring for me personally, because I started with €100 borrowed from my sister for food when I went on my first truck trip, and now I have two trucks and continue to grow.

Iwona Blecharczyk is an Eurowag brand ambassador.

Business model

How we generate revenue

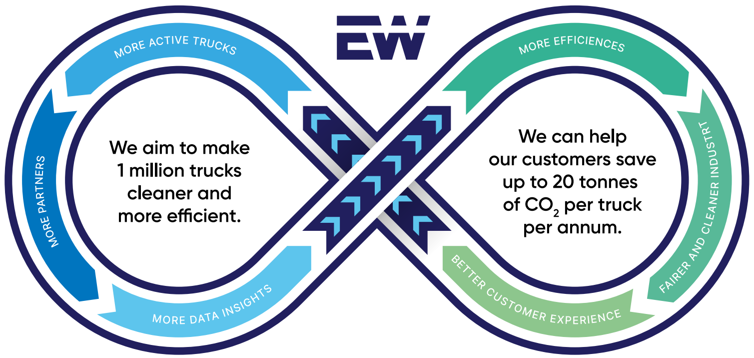
We take advantage of our rich history and unique access to data to help make the CRT industry clean, fair and efficient.

Headquartered in the Czech Republic, but with offices and customers throughout Europe, we have a truly pan-European footprint.

57% payment solutions

Net revenue split

43% mobility solutions



Payment solutions

Recurring and transaction-based revenue streams

Energy payments

- Number of transactions x average unit per transaction x fee per unit

Toll payments

- Processed volume x % take rate

Mobility solutions

Recurring subscription and other fee-based revenue streams

Transport management

- Subscription based

Fleet management

- Subscription based

Work time management

- Subscription based

Tax refund

- Processed volume x% take rate

Smart routing

- Subscription based and lifetime licence fees

Other adjacent services

- Various

What makes us unique

Trusted and loyal brand

- Almost 30 years in the industry
- We help our customers through financial services
- Net Promoter Score ("NPS") of 40 (on a scale of -100 to +100)
- We have loyal customers that stay with us for a long time

Pan-European fuel network

- Our fuel card is supported at ~15,000 stations across Europe
- We continue to focus on our alternative fuels network, while also fostering our traditional relationships with fuel suppliers across Europe

Unparalleled access to data

- We capture data across every touch point of our customers' journey, and we leverage our insight into the CRT industry's needs, to help our customers transition towards a net zero future
- Almost half our revenues come from data-centric products
- Fleets can be monitored remotely
- Insight into the most efficient routes, refuelling options and cost optimisation
- Mission-critical data to support SMEs

Speed and efficiency

- One-stop-shop – we can support our customers with most of their business needs, including one bill for all their products and services
- Our toll solutions can be used in 23 countries across Europe, keeping our customers' trucks moving
- Customers process their tax refunds digitally, saving customers money and time
- Our smart routing calculates the fastest and most efficient route for a truck, including the cheapest fuel along the route
- Our driver behaviour feature identifies opportunities for emission and cost savings

Value created for stakeholders

Customers

Engaging our customers in product development is an ongoing process that involves interviews, problem definition, collaborative idea generation, implementation and measurement using customer insights and metrics.

Read more about Eurowag's interaction with customers on page 20

Suppliers

Retaining and attracting vendors is essential for our business success, allowing us to offer competitive prices and high quality, while also ensuring that environmental and social issues are properly managed.

Read more about Eurowag's interaction with suppliers on page 21

Employees

Our purpose and values guide every decision. With a culture that emphasises diversity, we foster a wide range of skills. We support employees in self-development through various initiatives.

Read more about Eurowag's interaction with employees on page 21

Investors

Our business model, driven by resilient growth, delivers strong cash flow to create value for shareholders.

Read more about Eurowag's interaction with investors on page 22

Society and the environment

Committed to making the CRT industry clean, fair and efficient, we support our customers to make more carbon efficient journeys and drive initiatives that support our short and long-term decarbonisation goals, aligning our operations to EU net zero targets, whilst also focusing on giving back to our communities.

Read more about Eurowag's interaction with society and the environment on page 22

Policy makers, regulators and government

We engage with regulators to ensure compliance with relevant requirements. We closely monitor policy and regulatory developments in Europe and our key markets.

Read more about Eurowag's interaction with policy makers, regulators and government on page 23

Chief Executive Officer's review

Building a sustainable future

Martin Vohánka
Chief Executive Officer

"

We are delighted to have launched the industry's first digital platform which will bring many benefits to our customers.

Dear stakeholders,

After another pivotal year at Eurowag, I am proud of how much progress the business has made in delivering the market's first end-to-end digital platform for the CRT industry.

We are in the key stages of transforming our business from what was a fuel card company only a few years ago to a data-centric and AI driven company, changing Europe's CRT industry for good and supporting it to become clean, fair and efficient. The European road transport industry supports 75% of the physical goods economy[1]; it represents 5% of GDP[2] and provides employment to 20 million people[3]. Despite the scale and importance of this industry, trucking companies face many challenges today, and only a few companies are able to resolve them. At Eurowag, we focus on nothing else but tackling these challenges at their root cause and are fully committed to supporting the transformation of this industry to net zero by 2050. Our vision is about the total digitisation of the industry, which will help support the fragmented ecosystem, decarbonisation and low profitability, and create a better workforce environment.

Financial highlights

We have made significant steps forward across the business this year whilst delivering strong financial results against a challenging macro backdrop. Total net revenue for the full year was €292.5 million (FY 2023: €256.5 million), representing 14.0% year-on-year growth, in-line with our guidance and significantly ahead of market growth indicators. To gauge general market conditions, we look at both toll mileage and the Product Manufacturing Index ("PMI") in Germany, Europe's largest market, which was flat to declining[4] in 2024. Net revenue growth in the year would have been 9.9%, assuming a full year contribution from Inelo from 1 January 2023[5]. Both our payment solutions and mobility solutions grew double digits, demonstrating our products and services are truly mission critical to our customers. Despite the slow growth across Europe and headwinds in the spot freight market with less kilometres driven, we were still able to grow the number of active payment solutions trucks and active payment solutions customers, by 10.8% and 11.3% respectively. Our total active trucks at the end of the year was 302,076, a 10.0% increase from last year. Our Adjusted EBITDA margins were broadly flat on last year at 41.6% (FY 2023: 42.4%), despite navigating through the integration of our acquired businesses as well as investment in transforming our own internal systems and processes. Adjusted Cash EBITDA grew 23.2% to €88.7 million reflecting the strong cash generation of the Group. Overall, the Group delivered an Adjusted profit before tax of €46.3 million (FY 2023: €56.7 million), with statutory profit before tax increasing to €11.7 million (FY 2023: loss of €39.3 million) with last year impacted by a non-cash goodwill impairment. This year, we focused on cash generation and deleveraging, and were able to reduce our Net leverage to 2.3x, down from 2.9x at the end of 2023.

Building an integrated platform

As we built and acquired different product capabilities over the last few years, it became even more apparent that our customers are in need of a digital solution allowing them to streamline workflows via one click solutions, from order to cash. Today, planning a job to completion is delivered through manual processes and 10 or more systems that do not connect to each other. Even before the Eurowag Office official launch in September 2024 at the IAA Expo in Hanover, we started to populate the platform with our original products, such as fleet management and transport management solutions, including navigation, which was followed by the migration of a small cohort of customers. Using a staged approach, we are significantly reducing the execution risk and are able to get instant customer feedback about the user experience of the platform, which we can update in real time. Customer feedback is key to the success of this platform, and we were pleased to receive very promising feedback at the IAA Expo, as well as from three truck manufacturers which we have partnered with to include our navigation solution within their dashboard infotainment systems. This is the first step for Eurowag to connect directly with a customer when they acquire a new truck, and gives us the opportunity to cross sell Eurowag Office. We are now in discussion with the manufacturers about how we can evolve our co-operation, through expanding our product offering by converting customers into the full Eurowag Office product suite over time, as well as engaging with truck dealerships. This is a new sales channel for us, and one we are very excited about.

Whilst our focus is to continue building and enhancing our integrated platform, we continue to invest in our current products and services in order to retain customers as well as keep growing the business. This year we expanded our energy network to around 15,000 stations, as well as supported our customers' transition to alternative fuels. EETS is another product in which we have invested in this year and we are starting to see the returns, with our net revenues from tolls almost doubling. During the year we expanded our EETS network to Slovakia, taking the total markets with EETS licences to 11, whilst our European coverage for toll services, including national, is 23 countries.

Sustainability

IIn 2024, we continued to focus on our sustainability action plan and its four pillars: climate action, customer success and wellbeing, community impact and responsible business.

During the year, we have made material progress in defining and building our Decarbonisation as a Service offering, including customer advisory, fleet renewal, green fuel corridors and accessibility to an alternative fuel network and the measurement and reporting of CO_2 emissions for customers. This is a growing area of commercial focus for us, as more customers seek a trusted partner to help them navigate the upcoming transformation of the industry and meet the evolving demands of their partners, including compliance with legislation changes.

Eurowag offers the largest network of hydrotreated vegetable oil[6] ("HVO") for heavy-duty vehicles in Europe, and during 2024 it opened up the first HVO corridor in Central Eastern Europe. Our liquefied natural gas[7] ("LNG") network now covers 60% of all LNG stations across Europe, and during the year we became the first CRT-focused eMobility Service Provider ("eMSP") offering Charging as a Service. We have expanded our HVO and bioLNG refuelling network and saw a 63-fold increase in the HVO volume compared to last year and achieved 20% bioLNG coverage in our LNG network across Europe; our active alternatively fuelled trucks in the portfolio increased to 1,537 in 2024 (780 in 2023).

We have also become an official member of the International Sustainability and Carbon Certification ("ISCC") programme. This prestigious certification is a key industry standard for carbon certification and is essential for selling alternative fuels.

We continue expanding our community impact programme, while developing four new charity partnerships, running our largest-ever employee-led philanthropy initiative (1,295 employees donated €259,000 to over 275 good causes across 17 countries) and donating emergency relief following local disasters in our communities and markets.

People

As the Group becomes more tech focused, we have also invested in our Senior Leadership Team. I am delighted with the appointments of our new Chief Operations Officer, Felipe Alves, and Chief Commercial Officer, Francesco Nazzarri, both bringing a wealth of experience in tech and transformational roles. We have also appointed our Chief Strategy Officer, Ivan Jakúbek, who recently held the joint Chief Commercial Officer position until mid-2024, to manage and oversee the delivery of the platform as Chief Strategy and Product Officer. This will ensure stability and continuity in another pivotal year for the delivery of our platform.

Our People and Culture Ambassadors Network continued its work to drive engagement and improve employee experience. In 2024, we refreshed our Culture Manifesto, which redefines and reinforces the shared beliefs and behaviours that unite all Eurowag employees. Throughout the Group, we continued the work started in previous years to foster a safe environment for all our colleagues, which come from so many different cultures and backgrounds. In June we hosted a Women's Summit through our Women's Network, where we were joined by our brand ambassador, Iwona Blecharczyk, who shared insights into her transformative career journey.

In January 2025, as part of Eurowag's ongoing succession planning, Paul Manduca, Chairman, and Sharon Baylay-Bell, Chair of the Remuneration Committee, indicated their intention to step down from the Board. When Paul steps down at the AGM in May 2025, he will be succeeded by Steve Dryden, who has served as the Chair of our Audit and Risk Committee since joining the Board in June 2023, and Sharon, who stepped down in February 2025, has been succeeded by Sophie Krishnan as Remuneration Committee Chair. I am grateful to Paul for the experience and insights he has brought as Chairman over the last four years as a listed company and I would also like to thank Sharon for the significant role she played in our success.

Priorities for the year ahead

Whilst we still see macro headwinds across Europe in 2025, we remain confident that what we are trying to achieve by digitising the CRT industry is unique and creates massive opportunities ahead. This year our focus will be about migrating Eurowag key products onto the platform, with toll, energy payments and eWallet being a priority. The other area of focus is evolving our indirect sales channel with our truck manufacturing partners, creating a digital onboarding experience for new customers, as well as getting commercial terms in place with truck distribution outlets across Europe. Finally, the delivery of the integrated platform and continued investment in strengthening our internal systems and processes underpin the Group's confidence in delivering meaningful returns to both customers, shareholders and the broader society in the medium term.

Martin Vohánka
Chief Executive Officer
24 March 2025

Notes:
1. CVDD, page 40, issued 05/2021, BSG.
2, 3. Eurostat.
4. Source: truck toll mileage index and PMI, Federal Statistical Office, Wiesbaden.
5. Q1 2023 excludes the contribution from Inelo, which was acquired on 15 March 2023.
6. HVO is a biofuel made by the hydrocracking or hydrogenation of vegetable oil. Diesel fuel produced from these sources is known as green diesel or renewable diesel.
7. Liquefied natural gas is natural gas that has been cooled down to liquid form. Natural gas burns significantly cleaner and produces lower emissions of sulphur, nitrogen and carbon dioxide into the atmosphere.

Our strategy

Delivering on our ambitions

Key

1 Product demand decline risk
2 Fuel supplies risk
3 EETS compliance risk
4 External parties' dependencies risk
5 Technology security and resilience risk
6 Personnel dependency risk
7 Climate change risk
8 Physical security risk
9 Regulatory and licensing risk
10 Clients' default risk
11 Processes execution risk
12 Liquidity risk

2024 strategic priorities

Attract
(be in every truck)

Progress in 2024
- 10.8% increase in the number of active payment solutions trucks, to 103,988
- Integrated Eurowag services onto infotainment systems of partner original equipment manufacturers ("OEMs")

Focus in 2025
- Continued development of Eurowag Office, to maximise the platform adoption rate
- Increase the fleet of active alternatively fuelled trucks that use Eurowag products
- Align sales teams with the platform business
- Continue to work with OEMs and maximise opportunities

Links to risk

1 2 **3** **4** **5** **6** **7** 8 **9** **10** **11** **12**

Engage
(drive customer centricity)

Progress in 2024
- ~44,000 Eurowag app monthly active users, increase of 37% compared to 2023
- Increased the number of mobile acceptance points to >2,000 (FY 2023: >800)
- Focused on operational improvements to increase customer satisfaction across products

Focus in 2025
- Continue to improve customer experience and drive Group NPS
- Digital customer onboarding pilot in selected countries
- Improve resolution time of solving issues reported by customers

Links to risk

1 2 **3** **4** **5** **6** **7** 8 **9** 10 **11** **12**

Monetise
(grow core services)

Progress in 2024
- ~15,000 acceptance points (FY 2023: 13,000) in 23 countries
- EETS certification in 11 countries
- More than doubled the number of OBU devices sold, compared to 2023, and increased the number of toll domains ordered on EVA by more than three times, compared to 2023

Focus in 2025
- Increase number of products per existing active truck
- Drive cross-sell to maximise revenue opportunities across product portfolio
- Continue expanding core services across Europe

Links to risk

1 **2** **3** **4** **5** **6** **7** **8** **9** **10** **11** **12**

Retain
(expand platform capability)

Progress in 2024
- Phased launch of the platform; migrated navigation and fleet management solutions to cohorts of customers
- Started customer migration of eWallet early adopters
- 260,000 total users migrated to the platform, out of which ~48,000 fleet management services users and ~212,000 navigation users

Focus in 2025
- Continue rollout and development of the platform, with gradual implementation of advanced features
- Migrate Webeye customers onto platform
- Continue to help customers improve their CO_2 emissions

Links to risk

1 2 3 **4** **5** **6** **7** 8 **9** 10 **11** **12**

Key performance indicators

Measuring our performance

Increased Decreased No change

Financial KPIs

Net revenue[1] (€m)

€292.5m

+14.0%[2]

2024	292.5m
2023	256.5 m
2022	190.9m
2021	153.1m

About this KPI

Net revenue represents revenue from contracts with customers less cost of energy resold to customers. The Group believes this measure is relevant to an understanding of the Group's financial performance on the basis that it adjusts for the volatility in underlying energy prices.

Profit/loss before tax (€m)

€11.7m

+129.8%[2]

2024	11.7m
2023	(39.3)m
2022	28.0m
2021	17.7m

About this KPI

Full statutory financial results can be found in the financial statements on page 115.

Adjusted basic earnings per share[1] (cents/share)

4.65

-28.4%[2]

2024	4.65
2023	6.49
2022	5.75
2021	5.77

About this KPI

Adjusted basic EPS is calculated by dividing Adjusted earnings attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

Adjusted EBITDA margin[1] (%)

41.6%

-0.8pp[2]

2024	41.6%
2023	42.4%
2022	42.8%
2021	45.5%

About this KPI

Adjusted EBITDA margin represents Adjusted EBITDA for the period, divided by net revenue.

Adjusted cash EBITDA[1] (€m)

€88.7m

+23.2%[2]

2024	88.7m
2023	72.0m

About this KPI

Adjusted Cash EBITDA is Adjusted EBITDA less capitalised research and development costs plus share based payment.

Basic earnings per share (cents/share)

0.39

+105.9%[2]

2024	0.39
2023	(6.62)
2022	2.41
2021	1.54

About this KPI

Full statutory financial results can be found in the financial statements on page 115.

Notes:
1. This is an APM; a reconciliation to IFRS measures can be found in Note 2 of the notes to financial statements.
2. Percentage change 2023–2024.

Key performance indicators continued

Operational KPIs

Increased Decreased No change

Average number of payment solutions active customers

20,459

+11.3%[1]

2024	**20,459**
2023	18,379
2022	16,950
2021	15,020

About this KPI

Number of payment solutions active customers represents the number of customers who have used the Group's payment solutions services in a given period, calculated as the average of the number of active customers for each month in the period.

Average number of payment solutions active trucks

103,988

+10.8%[1]

2024	**103,988**
2023	93,882
2022	88,189
2021	82,640

About this KPI

Number of payment solutions active trucks represents the number of customer vehicles that have used the Group's payment solutions services in a given period, calculated as the average of the number of active customer vehicles for each month in the period.

Number of payment solutions transactions (m)

46.1m

+23.3%[1]

2024	**46.1m**
2023	37.4m
2022	35.2m
2021	32.5m

About this KPI

Number of payment solutions transactions represents the number of payment solutions transactions (fuel and toll transactions) processed by the Group for customers in that period.

Introducing new KPIs

As our operating model evolves, we are introducing a new set of KPIs to better measure the success and scale of our business.

Total number of active trucks

302,076

+10.0%

2024	**302,076**
2023	274,715

About this KPI

An active truck is defined as a vehicle that has paid for a service in a given month.

Products per truck

2.7

+2

2024	**2.7**
2023	2.5

About this KPI

Average number of products per truck is defined as the average number of products used by an active truck in a given month.

Group customer NPS

40

+1pt

2024	**40**
2023	39

About this KPI

Group customer NPS is calculated on a six months simple average for brands in the Group, based on a scale of -100 to +100.

Percentage of subscription revenue

26.8%

+0.2pp

2024	**26.8%**
2023	26.6%

About this KPI

Percentage of subscription revenue is calculated as total subscription revenue divided by total net revenue.

Sustainability KPIs

Increased Decreased No change

Customers' GHG emissions intensity

80 gCO_2e/tkm[1]

no change

2024[2]	**80 gCO_2e/tkm**
July 2023 - June 2024	80 gCO_2e/tkm

About this KPI

The KPI represents a weighted average performance over the last 12 months across the Eurowag portfolio equipped with telematics units for measuring distance, fuel consumption and vehicle weight. It is calculated as the total emissions in CO_2e divided by the total weight of the specific truck multiplied by the total kilometres travelled. It is expressed as mass of CO_2e per tkm.

Carbon emissions from own operations

3,632 tCO_2e

-16.6%[1]

2024	**3,632tCO_2e**
2023	4,353tCO_2e

About this KPI

This KPI represents the total emissions expressed in tonnes of CO_2e for a given calendar year from direct operations (Scope 1 and 2 market based) as defined by the GHG Protocol.

Diversity, equity and inclusion ("DEI") – female representation

37%

+2pp[2]

2024	**37%**
2023	35%
2022	31%
2021	28%

About this KPI

This KPI represents the percentage of female people leaders with at least one subordinate in the last month of the calendar year.

Alternatively fuelled trucks using Eurowag solutions

1,537

+97.1%[2]

2024	**1,537**
2023	780
2022	286
2021	237

About this KPI

This KPI represents the number of alternative heavy-duty or light commercial vehicles using fuel or power sources which serve as a substitute for fossil oil sources, with at least one Group transaction in the last month of the calendar year.

Please refer to the Sustainability section for further information on the sustainability KPIs

Notes:
1. Baseline year has been updated to July 2023-June 2024.
2. Percentage change 2023–2024.

Section 172

Engaging with our stakeholders

In accordance with the factors listed in Section 172 of the Companies Act 2006, the Directors provide the following statement that describes how they promote the success of the Group for the benefit of its members, by engaging with key stakeholders to better inform their decision making.

Eurowag puts stakeholder considerations and sustainable business practices at the heart of its purpose: making the CRT industry clean, fair and efficient. The Non-Executive Directors of the Board were formally appointed in September 2021, as part of Eurowag's listing on the London Stock Exchange. The Board delegates certain engagement responsibilities to individual Non-Executive Directors and to the Senior Leadership Team, who provide the Board with updates on stakeholder developments and interests. This helps inform the Board in its decision making, including the development of business strategy. The Board recognises that proactive and two-way dialogue with stakeholders is critical to the Group's long-term success.

The content that follows highlights Eurowag's engagement with its key stakeholders during 2024.

Customers

Relationship description

Our business success depends on our ability to retain existing and win new customers.

Responsible person

Chief Commercial Officer

Key topics of interest for stakeholders and Board's focus

- Fuel price fluctuations
- Cash flow and bankruptcy issues due to macro economic environment
- Digitalisation and decarbonisation trends
- Competition
- Workforce availability, including drivers
- Regulatory burden and business costs in home markets and cross-border
- Health and safety on the road

How we engaged in 2024

- Customer insight panels: in 2024 we reached out to ~300 new contacts willing to be part of our research activities and refreshed our database to ensure compliance with GDPR requirements
- Qualitative deep-dive interviews: during 2024, we have led interviews with ~500 non-customers and 500 customers across six strategic markets (Czech Republic, Spain, Portugal, Poland, Romania and Hungary) and conducted 100 interviews focused on the validation of the Eurowag Office concept and user interface
- Customer stress test to gain insight into customers' needs, plans and current attitude towards decarbonisation
- Indirect sales through leads generated by third-party relationships

Considerations and outcomes in 2024

- Insights to support the development of our integrated digital platform and Decarbonisation as a Service
- Qualitative interviews collected around 15,000 responses from 20 online quantitative questionnaires, achieving a commendable response rate of approximately 10%
- Continued to support customer safety and wellbeing (please refer to our sustainability targets on page 46)
- Introduced a new methodology to calculate NPS to achieve more representative results and launched a new driver survey for direct insights
- Strong focus on proactive reaction to customer complaints, improving quality of our services and customer service

Suppliers

Relationship description

Our business success relies on a resilient supply chain and our supplier relationships.

Responsible person

Senior VP for Energy

Key topics of interest for stakeholders and Board's focus

- Grey players active on the European market, with extremely low prices
- Geopolitical risk (including war in Ukraine and instability around local elections)
- International sanctions against Russia and Belarus
- Product availability
- Industry trends: potential impact of energy transition
- Digital transformation
- Taxation rules changing
- Rising fuel prices and impact on credit limit

How we engaged in 2024

- Regular meetings with energy vendors
- Regular meetings with key corporate suppliers
- Participation in industry conferences

Considerations and outcomes in 2024

- Connected new vendors to our acceptance network (traditional and alternative fuels)
- Extended bunkering sites network
- Expanded our offer of HVO in our own truck parks and in our acceptance network
- Secured volumes for our own truck parks as well as bunkering locations
- Compliance with legal requirements
- Self-sanctioning rules related to the Russian war in Ukraine
- Assured the most optimised prices to ensure competitiveness in the market

Employees

Relationship description

The skills, experience and commitment of our employees are key to the success of the business.

Responsible person

Chief Human Resources Officer

Key topics of interest for stakeholders and Board's focus

- Post-merger integration
- Flexible working arrangements
- Business change
- Diversity, equity and inclusion ("DEI") in the workplace
- Cultural alignment
- Two-way communication

How we engaged in 2024

- Ask Martin Q&A video series
- Group News sessions focused on different areas of the business
- Employee mentoring scheme
- All Hands meetings for each functional area led by the Senior Leadership Team and its management teams
- Individual feedback sessions across functions and countries
- Town Halls focused on financial results
- Women's Network meetups
- Employee-led corporate social responsibility ("CSR") (read more about our community impact in the Sustainability section on page (55)

Considerations and outcomes in 2024

- Employee Net Promoter Score ("eNPS") and engagement survey results review
- Continued focus on cultural change, purpose, strategy cascade and values
- Continued focus on two-way employee communication
- DEI KPI targets measured and tracked
- Culture Champions Awards that recognise our colleagues for living our values

Section 172 continued

Investors

Relationship description

The support of our investors is critical to the delivery of our business ambition.

Responsible person

VP of Investor Relations and Communications

Key topics of interest for stakeholders and Board's focus

- Financial performance and KPIs, financial guidance, net debt and leverage
- Progress of digital platform: product and customer migration, pricing strategy and benefits to customers
- Development of OEM relationships and product within the truck
- Development of our digital and indirect sales channels
- Customer acquisition and migration onto the platform
- Capital expenditure and return on investment
- M&A opportunities and progress on integration of past acquisitions
- Macro economic challenges and impact on business growth
- Risk management
- Share price and liquidity

How we engaged in 2024

- Annual Report and Accounts and AGM
- Participation in investor conferences and roadshows across the UK and Europe
- Two new analyst initiations, taking coverage to nine analysts
- Investor and analyst site visits to the headquarters in Prague and to the Sygic office in Bratislava
- Ad-hoc investor meetings and calls with US, UK and European investors

Considerations and outcomes in 2024

- Extended analyst coverage to broaden communications channels
- Continued to work on investor engagement, holding 130 investor meetings
- Continued to simplify our investor materials to allow investors and analysts to better understand our business
- Continued to diversify shareholder register (44% increase in institutions holding over 1 million shares)

Society and the environment

Relationship description

We rely on communities, society and the environment, and our ambition is to deliver a clean, fair and efficient CRT industry.

Responsible person

VP of Sustainability and CSR

Key topics of interest for stakeholders and Board's focus

- Changing stakeholder expectations and regulatory requirements
- Development of Eurowag's net zero commitments and action plan
- Impacts, risks and opportunities within ESG-related topics (double materiality)
- Board, Executive and Senior Leadership Team climate training
- Human rights risk management
- Sustainability action plan development and delivery
- Non-financial reporting and disclosure
- Development of sustainability KPIs in Group refinancing

How we engaged in 2024

- Carried out Double Materiality Assessment for CSRD, considering stakeholder input to identify environmental, social and governance-related impacts, risks and opportunities for the Group
- Updated net zero roadmap, reviewing external and internal context
- Meetings with ESG co-ordinator, Komerční banka, a.s., to review the update of sustainability KPIs for the Group's revolving credit facilities
- Participation in the Sustainability Working Group of the Fleet Cards Europe trade association

Considerations and outcomes in 2024

- Board review of update to net zero roadmap
- Human rights training for all employees and deep-dive training for the sustainability and procurement teams
- Sustainable procurement tools developed
- CSR programme expansion to all Group employees and markets (read more about our community impact in the Sustainability section on page 55)
- Near-term carbon reduction and long-term net zero targets embedded into work plans, with performance monitored quarterly by the Executive Committee

Policy makers, regulators and government

Relationship description

Our interactions with policy makers, regulators and governments are crucial for maintaining our reputation and operational licence in our target markets. We also leverage our position to educate policy makers about our industry and advocate for changes that benefit our customers and markets.

Responsible persons

General Counsel, VP of Legal and Compliance and VP CRT Decarbonisation

Key topics of interest for stakeholders and Board's focus

- Understanding the impact and sharing Eurowag's perspectives on policy and legislation related to the decarbonisation of the CRT industry, and related new energy topics, including infrastructure and vehicles in Europe and key markets
- Engagement with the Financial Conduct Authority ("FCA")
- Discussions with representatives of the EU Commission, Council and Parliament, as well as member state representatives on various legislative challenges
- Review of the Payment Services Directive ("PSD2")
- Information security legislation
- Implementation of Emission Trading Standards ("ETS2") and the Renewable Energy Directive ("REDIII")

How we engaged in 2024

- Participation in various international and local trade associations:
  - UPEI (Europe) – European independent fuel and energy suppliers
  - CAPPO (Czech) – Czech Petroleum Association
  - FCE (Europe) – European Fleet Card Providers
  - IVA (global) – International VAT Association
  - AETIS (Europe) – Association of Electronic Toll and Interoperable Service
  - EFP (Europe) – EETS Facilitation Platform – Toll management association
  - IRU (global) – International Road Transport
  - Česmad (Czech) – Association of Road Transport Operators
  - POPhIN (Polish) – Polish fuel and industry association
- Engagement with the FCA as a publicly listed company on the London Stock Exchange
- Engagement with the Czech National Bank as a payment services provider
- Engagement with local payment services regulators regarding exemptions from the PSD2
- Dialogue with EU legislative bodies and member state representatives on various topics:
  - Implementation of VAT Committee's guidelines on VAT treatment of fuel cards (European Court of Justice ruling in the Vega International case)
  - Legislative proposals for the new Payment Services Directive and Payment Services Regulation ("PSD3" and "PSR")
  - Review of the VAT Directive (VAT in the Digital Age initiative – ("ViDA"))
  - Treatment of fleet card issuers under local fuel distribution legislation in Lithuania, Estonia and Portugal
- EU Green Deal in relation to road transport and proposed initiatives, such as CountEmissions EU, and CO_2 emission standards for heavy-duty vehicles
- Engagement with customs offices regarding fuel distribution and VAT refunds

Considerations and outcomes in 2024

- Several position papers through trade associations
- Position paper on Czech national mobility plan and decarbonisation

Our people

People and culture are the foundation to Eurowag's success

Emma Copland
Chief Human Resources Officer

"Values form a foundation of trust, respect and integrity, driving us to be our best selves in every aspect of life. By embracing and living our values consistently, we create a positive impact that extends far beyond the workplace.

Key highlights

1,900 employees	**46%** of our workforce are women	**62%** employee engagement score

For further insights into DEI, as well as our goals, please refer to the Sustainability section on page 44

Key initiatives

Communication, culture and values

Our People and Culture Ambassadors Network was launched in 2023 to support our cultural transformation journey and help to improve our employee engagement and overall employee experience. It included 40 colleagues from across the organisation, focusing on key areas:

- Culture and DEI
- Tech innovations and improvements
- Promotion and storytelling
- Sharing Company purpose and strategy

The ambassadors play an important role by connecting with colleagues, sharing ideas and influencing leaders. The network gives them a platform to share ideas to improve ways of working and help shape new initiatives.

This experience also benefits the ambassadors by giving them access to senior leaders and the chance to develop new skills, learn more about the Company, and build connections with colleagues across Eurowag.

The key project for the People and Culture Ambassadors Network was refreshing the Culture Manifesto, which represents the values of the entire Eurowag Group. Through focus groups, the ambassadors shared their local cultures and values, helping us combine the best elements from all cultures into one unified and relevant manifesto for everyone.

Highlights

10
Group News sessions

23
pairs of colleagues joined the women's mentoring scheme

62%
average participation rate in 36 All Hands meetings

300
colleagues nominated for the 2024 Culture Champions Awards

4
meet-ups of the Women's Network, with 425 participants

50
sessions on Engagement Survey manager training and action planning

"Culture isn't set by our leaders – it's created by each one of us. While leaders may guide the way, it's our collective actions and commitment that truly shape the environment we thrive in. Together, we build the culture we wish to see.

Sidonie Myers
Head of Internal Communication and Culture

Our people continued

Eurowag values

Deliver your best

- We act like owners
- We are customer centric
- We think big, challenging the status quo
- We take calculated risks

What does it look like in action?

"In the Spanish team, some of our customers say that they will never switch to another provider because we offer the best service and always go the extra mile. For example, one of our ASMs went to a station on a Saturday because a driver couldn't refuel and needed help talking to the helpline. Another even went to pick up a client's trucks to install toll devices almost on the road to avoid the trucks stopping. I have personally explained to a client how to book our invoices in their system! We offer fuel cards, tolls and accounting classes!

Casandra Gimenez
Money Collection Team Leader (Spain)

Embrace change

- We are always looking for opportunities to improve
- We are always curious
- We encourage and celebrate innovation and creativity
- We constantly adapt in a constantly changing world

What does it look like in action?

"During Innovation Days one team member proposed an ambitious idea, joking it was a "mission to Mars" that would take months, not days. Recognising a unique opportunity, we embraced the challenge with passion. Our team's hard work paid off, and we won the Innovation Day competition. This experience reminds me that viewing change as an opportunity can lead to great achievements. Embracing challenges with a positive attitude fosters innovation and teamwork, turning the seemingly impossible into success.

Jakub Adamec
Product Owner, Eurowag Navigation

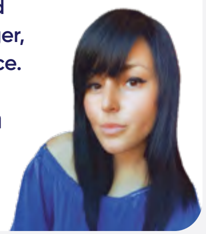
Be a true colleague

- We treat others with kindness and respect
- We lend a hand when we see someone in need
- We remember to have fun and enjoy our work
- We strive to create a positive, safe and supportive environment

What does it look like in action?

"Being a true colleague means stepping up when it matters most. A change in courier policy required us to collect important business documents from an off-site location, which could have disrupted productivity and added to already busy schedules. Recognising this challenge, one of our colleagues took the initiative to manage these pickups. They made regular trips to ensure that critical correspondence was received on time, allowing colleagues to stay focused on their work. This simple yet impactful gesture saved valuable time and strengthened our culture of collaboration and support. These small acts of kindness and teamwork create a stronger, more connected workplace.

Zornitsa Zlatanova
Risk and Collection Manager BG



Be a good person

- We earn people's trust and respect
- We protect our wellbeing
- We always challenge unethical behaviour
- We acknowledge the broader impact of what we do

What does it look like in action?

"Our standard tax refund process typically takes several months to complete. Unfortunately, a system issue caused further delays, frustrating our customers. Acknowledging the problem, we proactively reached out to those affected, openly admitted our mistake and issued refunds. This gesture of honesty and accountability not only satisfied our customers but also strengthened their loyalty to Eurowag, as they recognised they could rely on us in both good times and challenging situations.

Petra Březinová
Excise Duty Team Leader

Culture Champions

Our Culture Champions Awards celebrate colleagues who embody the spirit of Eurowag and have made a significant impact on our culture.

Each year, we recognise colleagues and leaders who are true role models and demonstrate our values in everything they do.

Our Culture Champions become part of the People and Culture Ambassadors Network, and they help foster a better culture and act as the voice of employees across the Group.

In 2024, we have awarded colleagues in the following categories:

- Leader of the year – a true role model of great leadership
- Excellence champion – someone who continuously showcases outstanding performance and accountability across customer excellence, operational excellence, or product development
- Growth champion – someone who drives business growth by consistently seeking ways to innovate, change and improve
- Teamwork champion – someone who is reliable and trustworthy, and connects people and teams for greater outcomes
- Community champion – someone who actively participates in internal and external community activities, promotes social and environmental responsibility, supports DEI initiatives and gives back to the community
- Founder's award, chosen by our Chief Executive Officer and founder, Martin Vohánka – someone who demonstrates extraordinary entrepreneurship and innovation to contribute to Eurowag's success

Diversity, equity and inclusion

Our commitment to DEI stems from the understanding that diversity in leadership and throughout the Company is essential for fostering an inclusive workplace, enhancing diverse thinking, and driving creativity and effectiveness.

To achieve the greatest impact, we began our DEI journey by focusing on gender diversity as the first priority of our strategy.

In 2024, we built upon our established DEI strategy and its proven pillars, ensuring our activities became even more inclusive.

Inclusive recruitment

We implemented gender-neutral job postings and diverse interview panels, laying the groundwork for establishing formal inclusive policies in 2025, in collaboration with the talent acquisition team and HR managers.

Additionally, Eurowag partnered with AjTyvIT, a Slovak organisation supporting women in IT, to further enhance our commitment to gender diversity in tech. Together, we organised a special workshop for high school girls and supported campaigns encouraging more young women to pursue studies in technology.

Women's engagement and community

We continued hosting online and local meetups, which have successfully extended our activities to all acquired companies. These meetups allowed us to better understand the unique needs of our local employees, enabling us to identify areas requiring additional support and information. Insights from these gatherings now serve as a foundation for shaping our inclusive policies.

The highlight of the year was the June Women's Summit, where our brand ambassador, Iwona Blecharczyk, delivered a keynote address. She shared her inspiring career transformation, from truck driver to business owner, encouraging women across the Eurowag Group to connect, explore their ambitions and gain inspiration.

Career development

Learning and development

In 2024, we piloted a highly successful internal mentoring programme. This initiative paired 23 women from across the organisation with experienced leaders and specialists (both male and female) to exchange knowledge, foster personal growth and support career development.

Feedback highlighted the programme's role in enhancing self-awareness and promoting a sense of belonging and inclusion. Encouraged by its success, we plan to re-launch the programme in 2025, with applications opening on International Mentoring Day.

Through our learning and development initiatives, we are looking to support our colleagues' personal and professional growth, through training programmes, e-learning courses, workshops, career development tools, and certification opportunities.

As a way to support our current and future leaders, we launched the Leadership Design Journey, a framework that nurtures our employees' leadership capabilities and the extended leadership team community – a development programme that engages 48 of our senior leaders in strategic business topics.

Other resources available to our employees include Goodhabitz, a digital training library which offers access to more than 175 topics, self-study opportunities on Coursera and online language tutoring.

Financial review

Chief Financial Officer's review

Oskar Zahn
Chief Financial Officer

Consistent double-digit growth, strong cash generation and significant decrease in net leverage

- Total net revenue[1] +14.0% to €292.5 million (FY 2023: €256.5 million)
- Payment solutions net revenue[1] +13.6% to €166.9 million, supported by strong growth from toll revenues +50.2% and 10.8% growth in active payment solutions trucks
- Mobility solutions net revenue +14.6% to €125.6 million, as a result of growth across our fleet management and work time management solutions and the annualisation of Inelo
- Adjusted EBITDA[1] +12.0% to €121.7 million (FY 2023: €108.7 million), with an adjusted EBITDA margin[1] of 41.6% (FY 2023: 42.4%)
- Adjusted cash EBITDA[1] of €88.7 million, +23.2% (FY 2023: €72.0 million)
- Adjusted profit before tax[1] decreased to €46.3 million (FY 2023: €56.7 million) due to higher finance costs and amortisation from intangibles. Statutory profit before tax increased to €11.7 million (FY 2023: loss of €39.3 million) with last year impacted by a non-cash goodwill impairment
- Strong cash generation reduced net debt[1] to €275.5 million (FY 2023: €316.8 million) with net leverage[2] at 2.3x (FY 2023: 2.9x), back within our target range of 1.5x-2.5x
- As a result of outperformance in cash generation, a special dividend of 3.0p per share, representing around €25.0 million, to be proposed and subject to approval at the AGM in May 2025

Commenced phased rollout of industry-first integrated platform, Eurowag Office

- Capital expenditure of €46.0 million (FY 2023: €50.9 million), of which €35.0 million (FY23: 38 million) was capitalised R&D investment in the development and integration of our products and technology, including Eurowag Office, which got launched to the market in Q4 2024
- Phased migration already started, with existing fleet management and navigation solutions and a cohort of customers onto the platform with live-user testing

Key statutory financials	FY 2024	FY 2023	YoY growth (%)
Revenue (€m)	**2,236.6**	2,088.1	7.1%
Profit before tax (€m)	**11.7**	(39.3)	129.8%
Basic EPS (cents/share)	**0.39**	(6.62)	105.9%
Net revenue[1] (€m)	**292.5**	256.5	14.0%
Payment solutions net revenue (€m)	**166.9**	147.0	13.6%
Mobility solutions net revenue (€m)	**125.6**	109.5	14.6%

Alternative performance measures[1]	FY 2024	FY 2023	YoY growth (%)
Adjusted EBITDA (€m)	**121.7**	108.7	12.0%
Adjusted EBITDA margin (%)	**41.6%**	42.4%	(0.8)pp
Adjusted cash EBITDA (€m)	**88.7**	72.0	23.2%
Adjusted basic EPS (cents/share)	**4.65**	6.49	(28.4)%

FY 2024 operational KPIs	FY 2024	FY 2023	YoY growth (%)
New Group KPIs			
Total active trucks[3]	**302,076**	274,715	10.0%
Average number of products per truck[3]	**2.7**	2.5	0.2
Net promoter score (points)	**40**	39	1pt
Subscription revenue (%)	**26.8**	26.6	0.2pp
Payment solution KPIs			
Average active payment solutions customers[4]	**20,459**	18,379	11.3%
Average active payment solutions trucks[4]	**103,988**	93,882	10.8%
Payment solutions transactions[5]	**46.1m**	37.4m	23.3%

Notes:
1. Please refer to the Performance review section and see Note 2 Alternative Performance Measures ("APMs") of the accompanying financial statements. The Group used "Net revenue", defined as revenue less costs of goods sold in the Annual Report and in other information supplied to markets, a subtotal similar to gross profit.
2. Net leverage covenant calculation, as per our bank definition, uses Adjusted EBITDA for the last twelve months divided by net debt which includes lease liabilities and derivative liabilities (Note 13).
3. An active truck is defined as a vehicle that has paid for a service in a given month. Average number of products per truck is defined as the average number of products used by an active truck in a given month.
4. An active customer or truck is defined as using the Group's payment solutions products at least once in a given month.
5. Number of payment solutions transactions represents the number of payment solutions transactions (fuel and toll transactions) processed by the Group for customers in the period.

Financial review

Another strong financial performance from the Group driven by increased net revenue and cost efficiencies. Net revenue performance was supported by payment solutions growth of 13.6% and mobility solutions growth of 14.6%. Net revenue growth in the period would have been 9.9%, assuming a full year contribution from Inelo from 1 January 2023. Our adjusted EBITDA increased by 12.0% to €121.7 million (FY 2023: €108.7 million) and the Adjusted EBITDA margin decreased slightly to 41.6% (FY 2023: 42.4%), in part due to higher credit losses in the year. Adjusted cash EBITDA increased by 23.2% to €88.4 million (FY 2023: €72.0 million) as a result of higher EBITDA and slightly lower capitalised R&D spend.

On a statutory basis, the Group reported a profit before tax of €11.7 million (FY 2023: loss of €39.3 million), an increase of 129.8% year-on-year, mainly as a result of a goodwill impairment in FY 2023 of €56.7 million which didn't reoccur in FY 2024. Basic EPS increased by 105.9% to 0.39 cents per share (FY 2023: 6.62 cents loss per share). Adjusted basic EPS decreased year-on-year to 4.65 cents per share (FY 2023: 6.49 cents) driven by lower Adjusted net profit attributable to equity holders.

The above trading performance contributed to a positive Net debt reduction to €275.5 million (FY 2023: €316.8 million) and an improved Net leverage ratio of 2.3x (FY 2023: 2.9x).

Performance review

As in prior years, adjusted and other performance measures are used in this announcement to describe the Group's results. Adjustments are items included within our statutory results that are deemed by the Board to be one-off by virtue of their size and/or nature. Our adjusted measures are calculated by removing such adjustments from our statutory results. Note 2 of the accompanying financial statements includes reconciliations.

	Adjusted (€m)	Adjusting items (€m)	FY 2024 (€m)	Adjusted (€m)	Adjusting items (€m)	FY 2023 (€m)
Net revenue	**292.5**	**—**	**292.5**	256.5	—	256.5
EBITDA	**121.7**	**14.8**	**106.9**	108.7	78.9	29.8
EBITDA margin (%)	**41.6%**	**—**	**36.5%**	42.4%	—	11.6%
Depreciation, amortisation and impairments	**(45.7)**	**19.8**	**(65.5)**	(40.4)	17.1	(57.5)
Share of net loss of associates	**(0.7)**	**—**	**(0.7)**	(0.5)	—	(0.5)
Operating profit/(loss)	**75.3**	**34.6**	**40.7**	67.8	96.0	(28.2)
Finance income	**2.7**	**—**	**2.7**	14.7	—	14.7
Finance costs	**(31.7)**	**—**	**(31.7)**	(25.8)	—	(25.8)
Profit/(loss) before tax	**46.3**	**34.6**	**11.7**	56.7	96.0	(39.3)
Income tax	**(14.0)**	**(5.2)**	**(8.8)**	(10.0)	(5.8)	(4.2)
Profit/(loss) after tax	**32.3**	**29.4**	**2.9**	46.7	90.2	(43.5)
Loss after tax from discontinued operations	**—**	**—**	**—**	(0.5)	—	(0.5)
Basic earnings per share (cents)	**4.65**	**—**	**0.39**	6.49	—	(6.62)

	FY 2024 (€m)	FY 2023 (€m)	YoY (€m)	YoY growth (%)
Revenue	**2,236.6**	2,088.1	148.5	7.1%
Payment solutions	**2,111.0**	1,978.6	132.4	6.7%
Mobility solutions	**125.6**	109.5	16.1	14.6%
Net revenue	**292.5**	256.5	36.0	14.0%
Payment solutions	**166.9**	147.0	19.9	13.6%
Mobility solutions	**125.6**	109.5	16.1	14.6%

The Group's revenue increased by 7.1% year-on-year to €2,236.6 million, driven mainly by higher volumes partially offset by lower fuel prices (a corresponding increase was reported for costs of energy sold). Revenue is reported net of Toll volumes charged to customers on behalf of Toll Operators. Revenue, including Toll charges and net of customer discounts, was €3,751.9 million (FY 2023: 3,214.2m) and grew by 16.7%, as a result of our geographical expansion of our EETS Toll solution and the new CO_2 charges imposed on drivers in Germany and Austria.

Financial review continued

Performance review continued

The Group delivered double-digit net revenue growth of 14.0% to €292.5 million, of which €53.1 million was contributed by Inelo. Payment solutions net revenue grew by 13.6% year-on-year. As mentioned above, this increase reflects strong growth in toll net revenues of 50.2%, primarily as a result of new CO_2 charges in Germany and Austria, as well as strong EVA sales due to geographical expansion of our EETS solution. Mobility solutions net revenue grew by 14.6% year-on-year, reflecting growth across transport management, work time management and fleet management solutions, as well as the annualisation of Inelo.

Corporate expenses

Statutory operating expenses decreased by €33.1 million to €251.1 million (FY 2023: €284.2 million). If we exclude the impact of goodwill impairment in FY 2023, there was an increase in statutory operating expenses driven by increased depreciation and amortisation, higher impairment losses of financial assets and increased operational spend to support net revenue growth. Further details are provided below.

	Adjusted (€m)	Adjusting items (€m)	FY 2024 (€m)	Adjusted (€m)	Adjusting items (€m)	FY 2023 (€m)
Employee expenses	**92.3**	**3.4**	**95.7**	85.1	11.7	96.8
Impairment losses of financial assets	**13.6**	**—**	**13.6**	8.9	—	8.9
Impairment losses of non-financial assets	**—**	**—**	**—**	0.0	56.7	56.7
Technology expenses	**15.6**	**5.6**	**21.2**	13.9	5.0	18.9
Other operating expenses	**54.1**	**5.8**	**59.9**	50.0	5.5	55.5
Other operating income	**(4.8)**	**—**	**(4.8)**	(10.1)	—	(10.1)
Total operating expenses	**170.8**	**14.8**	**185.6**	147.8	78.9	226.7
Depreciation and amortisation	**45.7**	**19.8**	**65.5**	40.4	17.1	57.5
Total	**216.5**	**34.6**	**251.1**	188.2	96.0	284.2

Adjusted total operating expenses increased by €23.0 million to €170.8 million, of which €5.2 million related to the annualisation of Inelo. Adjusted employee expenses increased by 8.4% year-on-year to €92.3 million. This increase was driven by salary increases as well as hiring the right people to support the business through the next phase of our transformation. Impairment losses of financial assets increased to €13.6 million (FY 2023: €8.9 million) as a result of higher-than-expected company insolvencies, particularly in markets such as Poland, Romania, Hungary and Portugal, peaked in the first half the year. The credit loss ratio increased marginally to 0.4% from 0.3% as the Group has robust credit risk management and cash collection processes. Adjusted technology expenses increased by 12.2% year-on-year to €15.6 million (FY 2023: €13.9 million) reflecting the Group's focus on technology transformation and cloud transition. Other operating income decreased by 52.5% year-on-year to €4.8 million (FY 2023: €10.1 million); last year's balance included a favourable FX forward gain of €8.0 million, while in this year's balance, €3.0 million relates to a legal settlement of a dispute following an acquisition.

Adjusted depreciation and amortisation grew by 13.1% year-on-year to €45.7 million (FY 2023: €40.4 million), primarily due to the amortisation of acquired assets of Inelo.

Adjusting items

In FY 2024, the Group incurred costs of €34.6 million (FY 2023: €96.0 million), which were considered Adjusting items and have been excluded when calculating Adjusted EBITDA and Adjusted profit before tax. These are summarised below:

	FY 2024 (€m)	FY 2023 (€m)
M&A-related expenses	**6.3**	4.4
ERP implementation[1] and integration expenses	**6.3**	5.3
Strategic transformation expenses[1]	**—**	1.8
Share-based compensation	**2.2**	6.5
Impairment losses of non-financial assets	**—**	56.7
Restructuring costs	**—**	4.2
Adjusting items in operating expenses	**14.8**	78.9
Adjusting Items in depreciation and amortisation	**19.8**	17.1
Total Adjusting items	**34.6**	96.0

Note:
1. With the conclusion of the transformation programme at the end of 2023, with the exception of the SAP implementation, expenses are no longer categorised as strategic transformation expenses. As a result, FY 2023 SAP related costs of €5.3m have been reclassified as an ERP implementation expenses.

M&A-related expenses are primarily professional fees in relation to exploring opportunities for future growth but also includes a €2 million settlement agreement with the Inelo shareholders. ERP implementation and integration expenses were €6.3 million in the year, of which €6.1 million (FY 2023: €5.3m) relates to the ERP implementation. We anticipate a further €13 million of expenses relating to this implementation until the end of 2026. Strategic transformation expenses relating to integration costs of Inelo were negligible this year, compared to last year of €1.8 million.

Share-based compensation primarily relates to compensation provided prior to the IPO. These legacy incentive plans comprise of a combination of cash and share-based payments. No further share-based compensation adjusting expenses are expected in the future. Amortisation charges of €19.8m relate to the amortisation of acquired intangibles in FY 2024 (FY 2023: €17.1m); the increase is due to the annualisation of Inelo.

Net finance expense

Net finance expense in FY 2024 amounted to €29.0 million (FY 2023: €11.1 million). Finance costs increased mainly as a result of a full 12 months of debt following the Inelo acquisition together with higher factoring fees. Finance income reduced in-line with expectations as FY 2023 income included a gain arising from a change in functional currency of our payment solutions Czech entity in 2023.

Taxation

The Group's Adjusted effective tax rate increased to 30.3% (FY 2023: 17.6%) primarily due to higher non-deductible interest expense relating to acquisition loans, increased rates in key tax regimes where the Group operates, reduced positive impact from foreign currency changes and some additional charges relating to previous years. Corporate income tax in the Czech Republic increased from 19% in 2023 to 21% in 2024; in the UK the rate increased from 19% on 5 April 2023 to 25%, and in Slovenia the rate increased from 19% in 2023 to 22% in 2024, while in Spain the rate remains at 24%. Further details can be found in Note 7 of the accompanying financial statements.

Earnings per share ("EPS")

Adjusted basic EPS decreased by 28.4% to 4.65 cents per share (FY 2023: 6.49 cents per share). Despite achieving an increased EBITDA, higher depreciation and amortisation together with increased finance expenses and tax led to an overall decrease. Basic EPS for 2024 was 0.39 cents per share, a 105.9% year-on-year increase.

Pay-out of deferred consideration and acquisition of non-controlling interests

In 2024, the Group paid deferred acquisition considerations of €9.8 million in respect of subsidiaries and €27.5 million in respect of non-controlling interests. Refer to Note 9 of the financial statements.

Cash and adjusted cash EBITDA performance

During the period, the Group reported a net debt inflow of €41.3 million (FY 2023: outflow of €319.6 million). The basis of deriving this net debt movement is set out below:

Management free cash flow	FY 2024 (€m)	FY 2023 (€m)
Adjusted EBITDA	**121.7**	108.7
Non-cash items in Adjusted EBITDA	**14.8**	10.6
Tax	**(11.5)**	(9.3)
Net interest	**(23.7)**	(17.2)
Working capital	**46.0**	(44.4)
Free cash	**147.3**	48.4
Adjusting items – cash	**(9.1)**	(18.0)
Capital expenditure[1]	**(45.7)**	(48.5)
Payments related to previous acquisitions	**(37.3)**	(297.7)
Repayment of lease obligations	**(5.2)**	(5.4)
Other[2]	**(8.7)**	1.5
Movement in net debt inflow/(outflow)	**41.3**	(319.6)
Opening Net debt/cash[3]	**(316.8)**	2.8
Closing Net debt/cash[3]	**(275.5)**	(316.8)

Note:
1. Includes proceeds from sale of assets.
2. Other includes finance costs relating to factoring and bank guarantees, FX movements, and other non-cash adjusting items.
3. Please refer to Note 2 Alternative Performance Measures ("APM") of the accompanying financial statements.

As at 31 December 2024, the Group's net debt position stood at €275.5 million, compared with €316.8 million as at 31 December 2023.

Tax paid increased to €11.5 million (FY 2023: €9.3 million), primarily due to increased profitability together with increased payments on account required in jurisdictions such as the Czech Republic (€4.6 million) and Poland (€2.8 million).

Interest paid increased to €24.4 million (FY 2023: €17.4 million), reflecting a full year cost of debt following the Inelo acquisition. Interest costs are expected to reduce as the Group continues to focus on reducing its Net leverage position.

Non-cash items in Adjusted EBITDA predominantly relate to the add back of share awards issued post-IPO and provision movements relating to credit losses of €14.8 million (FY 2023: €10.6 million).

Net working capital concluded with an inflow of €46.0 million (FY 2023: outflow of €44.4 million) driven mainly by a decrease in trade and other receivables. Following the working capital outflow in FY 2023, mainly due to challenging supply conditions in Spain, the Group worked hard to implement numerous cash flow and liquidity initiatives which are reflected in a stable trade payables position despite further growth in revenues. Inventory levels remained broadly in line with the prior year. Improved cash collections at year end were assisted by the last two working days falling during the week, as opposed to on a weekend the previous year. This additional time allowed us to collect a higher amount of cash, process financed tax refunds and recover VAT refunds. This inflow was partially reduced by an increase in trade and employee-related liabilities.

Adjusting items relates to ERP implementation expenses together with M&A-related expenses as outlined in Note 2.

Adjusted Cash EBITDA grew 23.2% to €88.7m (FY 2023: €72.0m) as a result of adjusted EBITDA growing by 12% year on year and lower capitalised R&D spend of €35.0m compared to €38.0m last year.

Capital expenditure

Capital expenditure in 2024 amounted to €46.0 million (FY 2023: €50.9 million), with continued investment in developing and maintaining our products as well as the development and integration of Eurowag Office. Capitalised R&D spend was €35.0 million (FY 2023: €38.0 million), of which €24.4 million was spent on products and the Eurowag Office and €10.6 million on development of our technology and data systems which are the foundation of the integrated platform and will enable us to scale. The remaining capital expenditure included €7.2 million on OBUs which are a large driver of revenue growth and €3.8 million on infrastructure which mainly relates to our legacy truck parks, buildings and IT hardware.

Financial review continued

Capital allocation and proposed special dividend

The Group's capital allocation priorities, in order of importance, are to focus on investment in the business to deliver strong organic growth and operational efficiencies, as well as deleveraging. The Group has guided capitalised R&D to be capped at €50 million per year going forward, and this will be invested in delivery of the platform, which includes maintenance and development of the various products, as well as streamlining technologies and systems across the various acquired businesses. With large acquisitions behind us, the Group will consider smaller bolt-on opportunities that add new products to the platform or accelerate the number of trucks added to the platform.

Following the strong outperformance in cash generation in FY 2024, the Board is proposing a 3.0p special dividend per share. Subject to shareholders' approval on 22 May 2025, the ex-dividend date for shareholders for the special dividend is Thursday 26 June 2025 and the record date is 27 June 2025, and the dividend is payable on 3 July 2025.

Our target for net leverage will remain at 1.5x-2.5x. Net leverage is expected to fall to around 2.0x in FY 2025, after the payment of the proposed special dividend. The Board will continue to focus on and evaluate the cash generation of the business and ensure flexibility of investment in the business is maintained, before considering the return of any further cash to shareholders.

Financing facilities and covenants

The Group reduced its net debt position to €275.5 million (FY 2023: €316.8 million) delivering an improved net leverage ratio of 2.3x (FY 2023: 2.9x net debt to Adjusted EBITDA) which is now within the Board's target range of 1.5x–2.5x. As at 31 December 2024, the Group was compliant with all its financial covenants as shown in the table below.

Covenant	Calculation	Target	Actual 31 December 2024
Interest cover	The ratio of Adjusted EBITDA to finance charges	Min. 3.50[1]	**4.24**
Net leverage	The ratio of total net debt to Adjusted EBITDA	Max. 3.75[2]	**2.34**
Adjusted net leverage	The ratio of the Adjusted total net debt to Adjusted EBITDA	Max. 6.50	**3.77**

Notes:
1. The Group agreed a lower interest cover from 4.0 to 3.5x in December 2024.
2. The covenant shall not exceed 3.50 in 2025 and onwards.

The Group also manages its working capital needs through the use of uncommitted factoring facilities, with average financing limits of €138.7 million and average utilisation of 77.1% (FY 2023: €130.0 million and 70.2% respectively), and through the use of uncommitted reverse factoring facilities in Spain with year-end financing limits of €35.0 million and year-end utilisation of €18.5 million. This demonstrates the Group's proactive approach to maintaining a strong financial position, and its ability to optimise working capital.

Outlook and FY 2025 guidance

Eurowag has a proven track record of delivering double-digit organic growth, despite the economic pressures seen across the CRT industry over the last few years. Looking ahead, we are starting to see some signs of economic recovery in the first quarter with the load spot market and kilometres driven improving in some of our larger markets such as Poland; however the macro outlook across Europe remains uncertain. Notwithstanding this we remain confident in our business model, our ability to cross-sell and the delivery of the integrated platform, all of which underpin the Group's confidence in delivering its FY 2025 guidance and continued strong cash generation.

In-line with prior guidance, we expect low-teen net revenue growth and to maintain EBITDA margin. Going forward capitalised R&D will be capped at €50m, excluding investment in infrastructure and OBUs. As a result, we expect Adjusted Cash EBITDA to be between €90m and €100m. The net leverage ratio will fall to around 2.0x, after the payment of the proposed special dividend of €25.0m, remaining within our target range of 1.5x-2.5x.

The Board will continue to evaluate the cash generation of the business and ensure priority is given to investing in the business in-line with its stated capital allocation priorities, before returning any further cash to shareholders.

Oskar Zahn
Chief Financial Officer
24 March 2025

Risk management

Identifying and managing our risks

Risk identification, assessment and management are central to our internal control environment and risk management is recognised as an integral part of ensuring that we make informed decisions and achieve optimal efficiency in our operations.

Overview

Risk management is an ongoing process. As with all businesses, our risks evolve constantly, along with the environment in which we operate. To pursue our strategic objectives, we have established a risk management framework that enables us to identify, evaluate, address, monitor and report effectively the risks we face and helps us achieve a balance between risks and opportunities.

Risk management framework

Our risk management framework is designed on the accepted system of three lines of defence and in accordance with the Financial Reporting Council's ("FRC") guidance on risk management, internal control, and related financial and business reporting. Within the three lines of defence, the first line manages and "owns" the risk; the second defines a uniform management framework for each risk category; and the third provides independent confirmation of the effectiveness of the risk management process. The Group's internal audit function is partially outsourced to KPMG concerning the audit's delivery. The Board has overall responsibility for managing risks. This includes identifying and monitoring the principal risks that might prevent the Group from achieving its strategic objectives and determining the extent and severity of risks we are willing to undertake – our risk appetite. The Audit and Risk Committee acts on behalf of the Board and is responsible for supervising the design of the risk management framework and its activities. In addition, we have established a Business Assurance Committee comprised of members of the second line of defence, representatives of the business, and selected members of the Executive Committee. This Committee is responsible for more hands-on, systematic risk management activities, including reviewing governance, approving risk assessments, monitoring risk exposure and managing incidents. It escalates matters of importance to the Board's Audit and Risk Committee.

Three lines of defence

Risk management continued

Risk appetite

The goal of risk management is to ensure that the Group is exposed only to certain types and severity of risk. This is defined as risk appetite. Risk appetite determines those risks that the Group is willing to take and how to reduce and avoid risk in pursuing our strategic and operational objectives. The Group recognises the following categories of risk appetite:

Low appetite – we are not willing to be exposed to the respective risks and thus all the risks need to be mitigated to the highest possible extent. This appetite corresponds to low risk rating.

Medium appetite – we are willing to be exposed to some of the risks falling into the category, to a limited extent. The full mitigation of these risks needs to be considered in the cost and business perspectives. This appetite corresponds to medium risk rating.

High appetite – we are willing to be exposed to the respective risks. The risks are monitored, however, and their mitigation is done opportunistically. This appetite corresponds to high risk rating.

The Board has ultimate responsibility for defining risk appetite, but the initial proposal comes from the Executive Committee. The Board ultimately reviews and approves this risk appetite and evaluates whether the mitigation measures assigned to principal risks are adequate. The Board also reviews whether the internal controls are adequate and effective. Risk appetite reviews take place at least annually, taking into account changes in our business environment, economic situation, geopolitical situation, internal initiatives and developments in our exposure to principal risks.

Emerging risks

The Group continues to monitor and assess emerging risks (emerging risks are those which may develop but have a greater uncertainty attached to them). This is done through both bottom-up and top-down discussions held across the businesses and with select subject matter experts with an aim to identify new principal risks and changes in the existing ones. The most significant emerging risks, based on their potential financial and reputational impacts, are technical issues with Polish toll (non-EETS) and continuously the conflict in the Middle East. In particular, we keep under review the potential impact of this emerging risk to fossil fuel prices and fuel supplies.

Principal risks

The principal risks are the Group-wide key risks that pose the highest threat to our business and strategic objectives. They are proposed by the Executive Committee and selected subject matter experts, with the Board ultimately responsible for defining and approving them. The process is as follows:

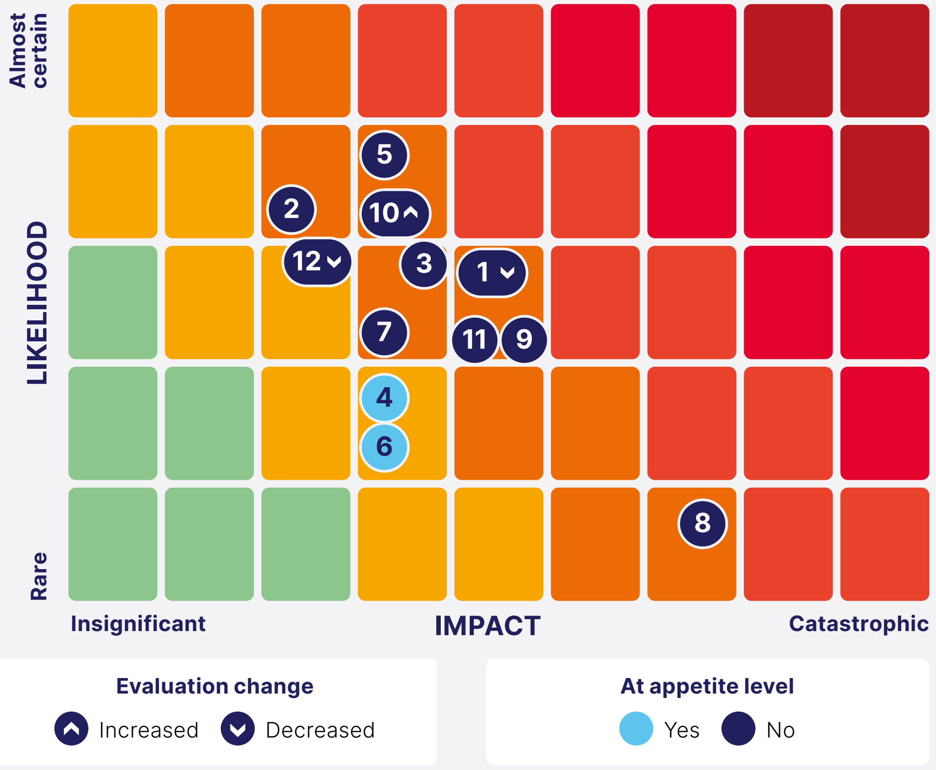
- Identify the Group's key principal risks
- Identify the current mitigation measures
- Evaluate the identified risks – estimating their impacts and probability of happening
- Determine the current trends in risk evaluation criteria
- Identify forward-looking measures

The Audit and Risk Committee discusses and reviews the principal risks quarterly.

Principal risks heat map

The heat map below shows the outcome of the processes for the principal risks assessment. This shows the relative likelihood and impact of the principal risks identified. Risks rated as high and critical are devoted a significant focus on their further mitigation and monitoring.

1 Product demand decline risk
2 Fuel supplies risk
3 EETS service-level agreement ("SLA") compliance risk
4 External parties' dependency risk
5 Technology security and resilience risk
6 Personnel dependency risk
7 Climate change risk
8 Physical security risk
9 Regulatory and licensing risk
10 Clients' default risk
11 Processes execution risk
12 Liquidity risk



Principal risks register

The list below provides further details on our identified principal risks, trends of their exposure and the mitigation measures implemented.

Attract (Be in every truck)
Engage (Drive customer-centricity)
Monetise (Grow core services)
Retain (Expand platform capability)
Increasing
Decreasing
Stable

1 Product demand decline risk

Our operating results are dependent on the conditions in the European economy and its cycles. The volume of customer payment transactions and customer demand for the products and services provided by the Group correlate with current and prospective economic conditions across Europe. Economic downturns are generally characterised by reduced commercial activity and trade, resulting in reduced demand and use of our products and services by customers. The economy continues to see indications of recession, persistent weaknesses in supply chains, which are exacerbated by the crisis in the Middle East, high inflation, high nominal interest rates, volatile currencies and reduced customer demand. Eventual decline in demand would adversely affect the Group's current and prospective business and financial condition. During the year, relevant market indicators (loads to transport capacity – values: 06/22 – 85%; 06/23 – 59%; 06/24 – 77%; 09/24 – 81% and 12/24 – 72%; and transportation and storage bankruptcies – peak Q2 2023, since then gradual decline) are stabilising to values of 2022. On the other hand, the ongoing recession in the German economy, and in particular the slowdown in the German automotive industry, could have a significant impact on the CRT industry in the upcoming time period.

Risk trend

Increasing

- Ongoing recession in the German economy, and in particular the slowdown in the German automotive industry
- The current managed risk rating is above the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- Reducing dependency on a single economy
- Reducing dependency on non-EUR currency
- Diversification of products and services offering also through M&A activities and implementation of the subscription-based revenues
- Geographical expansions – EU and non-EU countries
- Strategy positioning flexibility – thanks to wider portfolio of products, capability to adjust the offer for customers to meet their needs

2 Fuel supplies risk

The Group recognises a risk of insufficient fuel at its energy payments network, payments reducing across its network and increased prices of fuel (impact on clients), as a consequence of imposed sanctions due to the Russian invasion of Ukraine and potential consequences of unrests in the Middle East, which are causing delays in cargo vessels and an increase in crude oil prices.

The sixth sanctions package, imposed by the European Commission, has introduced prohibitions related to crude oil and petroleum products, mainly in terms of their purchase, import and transfer. Due to this package, the Group is continuously exposed to the risk of balancing product disruption in Central Europe caused by the ban on the export of products produced from crude oil originating in Russia and delivered via the Druzba pipeline. Disrupted product balancing in Central Europe (Austria, Czech Republic, Slovakia and Hungary) could lead to a lack of products in certain markets during certain periods.

Additionally, the ongoing conflicts in the Middle East, such as the Iran-Israel tensions, have introduced a significant risk to oil prices. In general, conflict in that region can disrupt oil supply chains, affecting both production and transportation. Any disruption to oil exports from major Middle Eastern producers could lead to shortages and price spikes also in our regions. These risks could have an adverse impact on the Group's financial position, operations and business.

Risk trend

Increasing

- Due to the continuous conflict in the Middle East
- The potential escalation of the conflict, which can exacerbate the impact
- The current managed risk rating is above the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- Centralised procurement team for energy supplies and logistics
- Continuous monitoring and reporting on the situation development of fuel supplies crisis
- Scenarios analysis of potential future development and a preparation of preventive and mitigation actions in case of different scenario materialisation
- Diversification of different types of energies (eMobility, LNG)
- Stabilisation of the fuel market in EEA, stabilisation of supplies
- Fuel procurement strategy is fully compliant with EU legislations and sanctions: we have been focusing on local fuel procurement versus cross-border deliveries. We are confident that we can provide high-quality, EU-origin, competitive Diesel, LNG and AdBlue to our customers

Risk management continued

Attract Engage Monetise Retain   Increasing Stable Decreasing

3 EETS SLA compliance risk

The Group is a licensed EETS provider with a completed certification in a number of countries/domains – Germany, Belgium, Hungary, Austria, Poland, Sweden, Denmark, Czech Republic, Spain, Portugal and Slovakia. Each domain has its own strict SLAs for services availability. Examples of the most critical SLAs:

- EETS CZ – OBU data delivered within four hours – 99.8%, blacklist/whitelist delivered every two hours
- EETS HU – OBU data delivered within 15 minutes – 97.5%
- EETS SK – incident fix time for critical incident within four hours; after that every hour a contractual penalty

Compliance with the SLAs is monitored and evaluated on a monthly basis. If we are not able to meet the SLAs, we will be penalised with contractually agreed financial penalties and, in the worst case, our EETS domain certification could be withdrawn. The risk increases with each new domain released, especially with the upcoming EETS in Bulgaria, which has very strict SLAs underlined by significant penalties. Eurowag is experiencing a number of operational incidents that are resulting in non-compliance with the EETS Charger SLAs and consequent penalties, the trend of the incidents and their magnitude is decreasing due to improvements made on the Group's systems.

Risk trend Decreasing

- Due to the continuous systems performance and resilience improvements
- Due to secured sufficient and expert 24/7 technical support
- The current managed risk rating is above the Group's approved risk appetite; a mitigation plan is in place and will be largely delivered in 2025

Link to strategic priorities

Mitigation measures

- The Group has ensured 24/7 L1 support provided by Webeye and 24/7 technical support provided by an external partner
- Performance monitoring is in place and connected to Webeye's ticketing system. In case of disruption an incident process is triggered
- Automated regular monitoring of adherence to contractually set SLAs is in place
- Incidents management process in place
- Increased performance and capacities of the EETS systems
- Release of the new version of the integration system, Uhura, which addresses most of the causes of past incidents
- Continuous creation of recovery procedures in case of components failure

4 External parties' dependency risk

The Group's business is dependent on several key strategic relationships with third parties, the loss of which could adversely affect our results. Key partners mainly fall into the following categories – fuel suppliers, acceptance network, toll chargers and technology service providers. Failure or termination of relationships with key external partners could have a negative financial, business and operational impact.

Risk trend Stable

- The current managed risk rating is at the level of the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- IT vendors management policy – setting the standards for vendor selection, contract reviews and signature and vendor monitoring
- Centralised vendor management
- Centralised procurement team for energy supplies and logistics
- Centralised development and maintenance for acceptance network
- Contract management rules and attestation rules
- Centralised legal counsel – aids contract elaboration and reviews
- New IT system for orders and invoice management
- Continuous implementation of improvements, which are a result of human rights risk assessment – human rights training, Code of Conduct for suppliers, and supplier onboarding process

Attract Engage Monetise Retain Increasing Stable Decreasing

5 Technology security and resilience risk

The Group's business relies on technology and data confidentiality, integrity and availability. As with other businesses, we are subject to the risk of external security and privacy breaches, such as cyber attacks. These attacks are continuously increasing in number and sophistication, particularly those coming from Russia. If we cannot adequately protect our information systems, including the data we collect on customers, it could result in a liability and damage to our reputation.

Moreover, the Group has been active in its M&A activities and, where a newly acquired company does not have IT security standards at the same level as the Group, the enlarged Group exposes itself to an increased risk.

Additionally, if the technology we use to operate the business and interact with customers fails, does not operate to expectations or is not available, then this could adversely affect our business and results.

Risk trend Increasing

- Due to the continuously increasing number and sophistication of cyber threats
- The Group plans significant improvements in the IT security for 2025
- The current managed risk rating is above the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- The Group protects itself against cyber attacks by continuous implementation and improvement of the cyber security standards, with an endeavour to follow ISO 27001
- The Group has established three lines of defence with clear responsibilities regarding cyber security
- The existing IT security level of newly acquired companies is considered before their systems are integrated with Group systems
- The Group conducts ongoing audits of the security of its IT systems and its internal controls. Any findings are logged, remediation activities are planned, due dates are set and regular reports are made to the Executive Committee and the Audit and Risk Committee

6 Personnel dependency risk

The Group's success depends on its Executive Committee members, our Chief Executive Officer and Founder and other key personnel, and our ability to secure the capabilities to achieve our strategic objectives. Lack of capability and the loss of key personnel could adversely affect our business. Moreover, the current economic environment and competition in the job market are increasing the risk of retaining key personnel and acquiring new talents.

Risk trend Stable

- The current managed risk rating is at the level of the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- Establishing and nurturing a talent pool to maintain the required skills level within the Group
- Annual salary review process in place to reflect inflation, market salary levels and performance ratings
- Long-term retention plans for the talent pool
- Elaboration of the succession plans, providing adequate training for chosen successors
- Eurowag Group commitment to greater diversity, equity and inclusion
- Key personnel rotation for selected functions

Risk management continued

Attract Engage Monetise Retain Increasing Stable Decreasing

7 Climate change risk

Climate change and the transition to a net zero future represent both a risk and an opportunity for the Group. Our reputation, resilience, operating and compliance costs and diversification of revenue will all be influenced by our pace of action, the pace of the energy transition in the CRT sector, and by our stakeholders, including customers, investors and regulators, across the short, medium and long term. Our business generates a significant proportion of revenue from fees for selling energy to the CRT sector, currently predominantly diesel fuel, so as the CRT moves away from fossil energies, there is a risk of stranded assets. We are aware that changes in road transport policy and regulations, the cost of carbon, carbon taxation, changes in market demand for alternative fuel and clean mobility solutions, and pace of adoption of low-carbon or carbon neutral fuels/energies by our customers will all influence the level of risk and opportunity for the business. We face transitional risk from the potentially higher investment needs coming from new policies, laws and other regulations designed to address climate change, as well as from changes in technologies and customer expectations. Liability risks could then arise from a failure to mitigate, adapt to, disclose or comply with changing regulatory expectations. We also recognise that climate-related extreme weather events could pose a physical risk to business continuity for our physical assets, as well as the health, safety and wellbeing of our workforce and customers. The Group already recognises the impact of weather changes on delays and the decrease in transactions linked to seasonal transport in some regions. Furthermore, we recognise that we are responsible for reducing our own carbon footprint, as well as developing solutions to help customers reduce their footprints and make the transition to a low-carbon future, accelerating the transformation of the CRT industry.

Risk trend Increasing

- Due to scientific predictions and upcoming actions of regulators, countries and community leaders
- The Group has a strategy in place to mitigate the risk to the risk appetite level
- The current managed risk rating is above the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- Investment and business development in a portfolio of alternative fuels and technologies – including electrification (investment in Last Mile Solutions, a leading eMobility platform solution), renewable or synthetic fuels and Decarbonisation as a Service – to accelerate the transition to a low-carbon future in the CRT sector, avoid stranded assets in our own portfolio mix and increase the proportion of revenue Eurowag generates from EU Taxonomy-classified activities
- Investment in digitalisation and technologies, including route optimisation, driver behaviour, loads optimisation, high-capacity vehicles and increased telematics installations, to help our customers improve efficiency and reduce energy intensity per kilometre
- Formalisation of the Group's sustainability strategy and net zero plan, including carbon reduction targets for our operations; the development of targets and actions to reduce Scope 3 emissions across our value chain; and a clear transition plan away from fossil energies towards being a net zero business by 2050
- Commitment to reduce GHG emissions from our own operations and become a zero emissions operation by 2040
- Engagement with OEM manufacturers to help with developing lower carbon-intensive vehicles, with greater tracking and monitoring of environmental impacts, and lower life cycle emissions
- Inclusion of the adaptation to the potential impacts of extreme weather events, driven by climate change, and the impact on both people and physical assets, into our business continuity plans and asset management planning
- Increased transparent reporting of carbon emissions and related actions to reduce emissions, aligned with the Corporate Sustainability Reporting Directive ("CSRD"), the Carbon Disclosure Project ("CDP"), etc.
- Inclusion of financial risk stemming from climate change in our financial modelling and financing approaches, including formal, structured scenario analysis to assess the physical, transitional and liability risks for Eurowag and its assets, using the outputs to inform ongoing risk assessment and mitigation measures, as well as reporting in-line with TCFD

8 Physical security risk

The Group operates a number of truck parks and offices, and these are exposed to security threats. A security threat materialising as a result of insufficient protection or natural disasters would result in danger to the health of our employees and customers, and significant business disruptions. This risk is increased with the Russian invasion of Ukraine and potential escalation of the conflict to the other countries, including those where the Group has its employees and assets. Moreover, there is an increasing risk of security threats as a result of the impact of the war. These are not limited to energy crisis and potential fuel shortages at the Group's petrol stations.

Risk trend Stable

- The current managed risk rating is above the Group's approved risk appetite

Link to strategic priorities

Mitigation measures

- Implementation of the health and safety plans on the Group's truck parks to avoid security threats materialisation
- Having in place emergency plans and staff trained on the acting in the emergency situations
- Petrol stations security rules and system for prevention against physical security threats and their regular control and revision
- Business continuity plans in place and their regular testing and revision

Attract Engage Monetise Retain Increasing Stable Decreasing

9 Regulatory and licensing risk

The Group relies on numerous licences for the provision of its on-road mobility products. These include wholesale and retail permits required for the provision of fuel products, as well as fuel station operating licences for its truck parks, EETS licence and EETS certifications in a number of countries, electronic money institution licence required for the provision of financial services, and an insurance distribution licence. As a consequence of holding these licences and certifications, the Group is subject to strict regulatory requirements (governance, products, IT security and operational) of regulatory bodies in respective jurisdictions. Non-compliance with these can result in fines, suspension of business or loss of licences.

Other key regulatory requirements are undertaken by governance and compliance with UK listing rules, anti-money laundering ("AML") and sanction laws, personal data-protection laws, Czech National Bank regulation, fuel-reselling legislation, and EETS regulation. In addition, changes in laws, regulations and enforcement activities are accompanied with the cost of implementation and may well adversely affect our products, services and markets.

Risk trend Increasing

- Due to upcoming legislative changes (UK Governance Code changes, new IT security legislation (NIS2, DORA), sustainability reporting legislation (European Sustainability Reporting Standards)) and further expansion of the Group's business activities within highly regulated markets
- The current managed risk rating is above the Group's approved risk appetite
- The Group focuses on delivering the technology roadmap and is focusing on improvement of its internal controls' effectiveness, to address the gap between risk appetite and risk rating

Link to strategic priorities

Mitigation measures

- Legal and compliance business partners dedicated for all business units, with regulation watch implied
- Continuous improvement of the risk management control framework, specifically in terms of regulatory and licensing risks mitigation
- Involving legal and compliance counsels in new-markets entry process
- Implementing Group-wide AML policy, partner screening directive and detailed AML directive
- Regular AML re-screening of customers who use regulated financial services
- Annual AML audit with sufficient results
- Group-wide personal-data protection policy and detailed GDPR directive
- Continuous technical and personal improvements of the EETS ecosystem operations

10 Clients' default risk

The Group faces credit risks associated with our clientele, notably those within the small to mid-sized CRT business sector. Our exposure is particularly pronounced within our payment solutions segment, where we extend financing to customers based on deferred payments for energy consumption and toll balances. An inadequate assessment and monitoring of the creditworthiness of these counterparties could potentially lead to elevated credit losses, impacting our financial health and operational stability.

Credit losses were higher than expected in the first half of the year and decreased in the second half. New cases remained high in Poland, Estonia, and Hungary. Losses rose again in Q4 due to continued high case inflow in these countries.

Risk trend Increasing

- Due to potential impacts on fuel prices arising from the conflict in the Middle East
- The current managed risk rating is above the Group's approved risk appetite. The risk is closely monitored and reported and improvements to model calibration are being implemented

Link to strategic priorities

Mitigation measures

- Initial credit evaluation: when a customer joins, the Group conducts a detailed credit assessment, including a financial review and business analysis, backed by reputable database information
- Continuous credit monitoring: our dedicated credit risk department diligently oversees credit exposures. This involves periodic revisions of credit limits based on their utilisation and the realignment of collaterals as the situation necessitates
- Receivables ageing analysis: the management routinely reviews the ageing of receivables. This process utilises expected loss calculations that consider parameters like the probability of default, exposure at the point of default, and potential loss ensuing from default
- Credit insurance: the Group uses credit insurance to protect against customer defaults, with first-loss policies on both individual and aggregate levels
- Collateral measures: to secure our credit exposure, the Group obtains cash deposits, advance payments, and other securities like pledges on assets and promissory notes
- Factoring facilities: in certain cases, the Group uses uncommitted factoring facilities to transfer credit risk to factors, usually for lower risk clients
- VAT refunds: the Group manages VAT refund collection from local tax authorities, to reduce clients' exposure

Risk management continued

Attract Engage Monetise Retain Increasing Stable Decreasing

11 Processes execution risk

The Group operates in a very complex and diversified environment. The Group's entities are in different stages of processes, IT systems and governance maturity. Lower maturity of processes results in uncoordinated actions and unintended mistakes, as a consequence of manual controls. The outcomes of these mistakes could materialise in breach of contractual obligations towards third parties (e.g. change management notification obligations towards EETS providers), late payments to the third parties (fines received), mistakes in report creation and lower quality of service provided to our clients.

The Group has also been very active in M&A. Every completed M&A initiative is accompanied by an increase of the overall complexity in the Group's processes and demands on systems, data and people. Where there is an inadequate post-merger integration process and insufficient predispositions for a successful integration (IT systems maturity, data management maturity and processes and their governance maturity), the Group exposes itself to additional processes risk and a risk of unrecognised M&A benefits.

In addition, the Group started the implementation of SAP on 1 January 2024 and whilst it successfully went live as planned the Group has experienced a number of reporting challenges during the first year. Whilst the system will ultimately bring significantly enhanced controls, the speed in which the system can be implemented means many of these controls will not be fully functional until the full implementation is delivered.

Risk trend

Stable

- Due to the continuous implementation of the new ERP system and continuous improvement in the internal controls effectiveness
- The current managed risk rating is above the Group's approved risk appetite
- The Group expects to mitigate this risk in the coming periods through the integration of our acquisitions and the implementation of a new ERP system

Link to strategic priorities

Mitigation measures

- The Group has established post-merger integration processes with clear governance and senior leadership
- The Group has designed its processes model that is being continuously maintained and updated. Moreover, the Group has a processes design department, which in its activities focuses on improvement of the processes' maturity
- The Group has established an internal controls risk management framework. Regular reporting and testing of the internal controls ensures continuous improvement of the effectiveness of operational controls
- Operational model transformation introduces new focus and disciplines in the product and technology capabilities
- The SAP project is the Group's highest priority project and significant resources are being allocated to address all issues and progress development

12 Liquidity risk

The Group's overall net debt to Adjusted EBITDA ratio is at the level of its medium-term guidance of 1.5x to 2.5x. A higher level of debt would likely impact the Group's ability to secure additional funds on favourable terms, with lower interest rates and/ or margins. There are two main challenges that increase the Group's liquidity risk: firstly, increases in toll prices and secondly, changes in supplier regulations, which reduce credit terms for fuel purchases. Whilst some price increases can be transferred to clients, this could present a risk of a heightened commitment of liquidity, requiring increased guarantees and prepayments. The Group mostly faces a risk of accessing additional liquidity at high costs, non-delivery of its commitments due to insufficient working capital and lastly, in case of liquidity issues, reputational damages and business/ operational constraints.

Risk trend

Decreasing

- The current managed risk rating is above the Group's approved risk appetite
- The Group has put in place mitigation actions to close the gap between the risk exposure and risk appetite and continues to evaluate further mitigation opportunities

Link to strategic priorities

Mitigation measures

- Signed amendments to the Club Finance facility to increase the share of revolving loans within the uncommitted incremental facility, change the loan maturity date and decrease instalments
- Reverse factoring arrangements to extend credit payment terms
- Debt service covenants were reduced through negotiations with senior Club, providing sufficient buffer for future stress testing
- Liquidity remains flat due to lower M&A outlays, supported by the reintroduction of reverse factoring programmes in Spain
- Tighten working capital management across all countries, especially where supply chain disruptions might re-emerge

Viability statement and Going concern

Viability statement and Going concern

Viability statement overview

In accordance with provision 31 of the UK Corporate Governance Code 2018 (the "Code"), the Board has assessed the Company and Group's prospects and viability, considering the business model, the Group's current financial position, and principal risks over a period longer than the 12 months required by the Going concern statement.

Viability timeframe

The Board has determined that a three-year period to 31 December 2027 is the appropriate timeframe to assess viability.

The choice of this timeframe is based on the following rationale:

- This period is reviewed by the Board in the long-term planning and detailed annual budgeting process and allows financial modelling to be supported by the budget and growth factors in the business plan approved by the Board
- This time horizon is captured as the relevant period for evaluation and stress testing of principal risks (primarily those of an operational nature), which typically occur within this timeframe
- The innovative nature of the Group and the disruptive nature of the market make it difficult to predict with sufficient confidence how competition and other risks will impact the business beyond a three-year timeframe
- Considering the continuous changes of the macroeconomic and political environment over a period of longer than a three-year timeframe would bring greater uncertainty to forecasting assumptions

While the Board has no reason to believe that the Company and Group will not be viable over a longer period, they consider three financial years to be an appropriate planning time horizon to assess viability and to determine the probability and impact of principal risks.

Assessment of budget and financial forecast

The Company's and Group's financial forecast is assessed primarily through the financial planning process (annual operating budget) and the strategic planning (long-term strategic plan). This process is managed by the Chief Executive Officer, Chief Strategy Officer and Chief Financial Officer, in co-operation with other Exco members alongside divisional and functional management teams. The Board participates fully in the annual process to review, challenge and approve the annual operating budget for the next financial year. The Group also has a long-term strategy in place in the form of a long-term strategic plan. The strategy is reviewed and updated on a periodic basis and is based on detailed financial forecasts. The latest annual operating budget for the year ending 31 December 2025 was reviewed and approved by the Board in January 2025, and this budget is based on the Company and Group's current financial position, and its prospects over the forthcoming year and in-line with the Group's stated strategy.

Assumptions used in financial forecast

The main assumptions in budget and long-term financial forecast are based on the approach to build a strong foundation for future sustainable growth, plan the correct balance of capital expenditure and M&A as well as sufficient investment in working capital, and maintain sufficient liquidity headroom. Commercial objectives focus on the shift from selling fossil energy to selling solutions that improve our customers' efficiency, introduce indirect and digital channels to provide unique cross-sell opportunities and reduce costs of acquisition of new customers. Capital expenditure is expected to continue at a reasonably high rate as the Group accelerates investment into the development and integration of certain products into the new platform, which include our toll solution, the OEM solution and continued investment in the e-wallet functionality. There are no planned M&A transactions; only committed payments related to past transactions.

Viability statement and Going concern continued

Assessment of viability

The financial forecasts were stress tested with reference to risks set out in the Risk management section on pages 33 to 40 of this Annual Report and Accounts.

In 2024, the Board considered the application of the following risks:

Downside case	Risk applied	Assumptions	Mitigants
	Product demand and decline risk	The application of product demand and decline risk presupposes a deteriorated GDP within the EU, leading to decreased demand and, subsequently, a reduction in the number of trucks. Additionally, an anticipated increase in bad debt is applied, reflecting the assumption of financial instability among trucking companies. This is accompanied by an expected rise in Days Sales Outstanding ("DSO"), indicating delayed payments from the Company's customers.	The primary motivation for implementing mitigating actions is the advancement of the EBITDA margin. This includes HR costs, which may involve considerations such as potential hiring freezes and salary adjustments. Additionally, there will be a focus on reducing consultancy expenses. Furthermore, other cost-saving measures will be implemented to counteract the decline in net revenues.
	Fuel supply risk	The application of fuel supply risk has a detrimental effect on our margin, which is anticipated to decrease due to adverse market conditions.	
	Technology security and resilience risk	Technology and security risk involves the potential occurrence of a cyber attack resulting in data loss. Based on market knowledge and experience, this risk primarily impacts opex, mainly through additional expenses for system repairs, process stabilisation and data analysis.	
	External parties' dependency risk	External parties' dependency risk is highlighted in this analysis in two aspects: (a) stemming from M&A activities, where early exercise of certain options may lead to higher cash outflows; and (b) potential issues with SAP implementation, resulting in increased consultancy costs.	
	Physical security risk	Physical security risk pertains to the risk of flooding at the ADS fuel station in the Basque Country, particularly during the spring season. This could lead to a temporary closure of the fuel station, resulting in decreased fuel revenues and increased operational costs for IT and truck park maintenance and repair.	
	Climate change risk	Climate change risk involves scenarios where the Company struggles to successfully implement its ESG strategy, necessitating an accelerated implementation process for ESG projects. This would result in increased consultancy and other associated costs.	
	Regulatory and licensing risk	Regulatory and licensing risk encompasses situations involving the loss of client data and GDPR issues, which could result in fines impacting opex.	
	Climate change risk	Climate change risk entails the failure to meet KPIs as defined in the amendment of our sustainability-linked loan agreement, consequently affecting interest costs.	
	Processes execution risk	Processes execution risk reflects a lower-than-planned synergy effect following the acquisition of Inelo, leading to reduced expected revenues.	
	EETS SLA compliance risk	EETS SLA compliance risk assumes non-compliance with EETS rules, resulting in penalties that negatively impact opex.	

Reverse test	Risk applied	Assumption	Mitigants
	Please see above	Assumptions applied above with more severe impact.	Mitigants with same nature as mentioned above with sizeable impact.

The applied risks and their effect were stress tested using a severe but plausible downside scenario.

The Board also considered potential mitigating actions that the Group could take to preserve liquidity and ensure compliance with the Group's financial covenants. These mitigating actions include reduction of HR costs, primarily resulting in potential hiring and salary freeze, reduction of consultancy costs and other costs which reflect the decline in net revenues. Along with this analysis, the Board considered a reverse stress test scenario to further assess the Company's and the Group's viability. The reverse stress test works backwards to identify the events that could lead to a situation of potential breach of the covenants. In order to assess the resilience of the Company and the Group, the Board has performed a reverse stress test to determine the potential consequences of a liquidity crisis and to approach the threshold of covenant breach.

In addition to the downside scenario, Adjusted EBITDA would need to fall more than 27% or net debt would need to increase by 37% in June 2026 to breach the leverage covenant threshold. In relation to the interest covenant, finance charges would have to further increase by 12% or Adjusted EBITDA would need to fall by 10% to breach the threshold. The results of these tests can inform strategic decision-making, help identify areas where additional risk mitigation measures may be needed and provide stakeholders with greater confidence in the Company's ability to navigate challenging market conditions. The Board considered potential mitigating actions that the Group could take to preserve liquidity and ensure compliance with the Group's financial covenants. In terms of mitigating actions, the Board is confident that they would be able to take similar actions to those taken during previous economic downturns. Considering the high severity of the reverse stress test scenarios, the Board has no reason to believe that the Company and Group will not be viable over the long-term period.

Viability statement

Based on the above described assessment of the principal risks facing the Company and Group, the Board has a reasonable expectation the Company and Group will be able to continue in operation and retain sufficient available cash to meet its liabilities as they fall due over the period to 31 December 2027. In doing so, it is recognised that such future assessments are subject to a level of uncertainty that increases with time and, therefore, future outcomes cannot be guaranteed or predicted with certainty. Based on all matters considered, the Board is confident that the Group will remain solvent in the viability period, taking into consideration the technological, social and environmental changes expected to happen in the medium to long-term period.

Going concern

The Financial statements have been prepared on a going concern basis. Having considered the ability of the Company and the Group to operate within its existing facilities and meet its debt covenants, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The adoption of the going concern basis is based on an expectation that the Group will have adequate resources to continue in operational existence at least until June 2026.

The Directors considered the Group's business activities, together with the principal risks and uncertainties, likely to affect its future performance and position. For the purpose of this going concern assessment, the Directors have considered the Group's FY 2025 budget together with extended forecasts for the period to June 2026. The review also included the financial position of the Group, its cash flows and adherence to its banking covenants. The Group has access to a Club Finance Facility which comprises of two amortising loans, a revolving credit facility ("RCF") together with additional uncommitted lines all of which mature in March 2029. See Note 27 for the covenant assessment as at 31 December 2024.

Throughout the period to June 2026, the Group has available liquidity and on the basis of current forecasts is expected to remain in compliance with all banking covenants. In arriving at the conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources above are sufficient to accommodate the principal risks and uncertainties faced by the Group. The Directors have reviewed the financial forecasts across a range of scenarios and prepared both a base case and severe but plausible downside case. The severe downside case assumes a deterioration in trading performance relating to a decline in product demand, as well as supply chain risks. These downsides would be partly offset by the application of mitigating actions to the extent they are under management's control, including deferrals of capital and other discretionary expenditure.

The downside scenario incorporating an aggregation of all risks considered, showed a year-on-year decline in Adjusted EBITDA by 1% and an Adjusted EBITDA margin of 41.4% in comparison to the Base case Adjusted EBITDA growth of 15% and an Adjusted EBITDA margin of 42.5%. These adjusted projections do not show a breach of covenants in respect of available funding facilities or any liquidity shortfall. In all scenarios, the Group has sufficient liquidity and adequate headroom in the Club Finance Facility to meet its liabilities as they fall due and the Group complies with the financial covenants at 30 June and 31 December throughout the forecast period.

The financial covenants have also been stress tested against the downside case to determine the required decline in either Adjusted EBITDA, Net Debt or Finance charges before the covenant conditions are breached. This assessment showed that Adjusted EBITDA would have to reduce by more than 10% before the interest covenant is broken or 27% for the Net leverage covenant. Similarly, Net debt would need to increase by 37% and Finance charges would need to increase by 12%. The Directors do not consider such a scenario to be plausible.

The Directors have also considered the impact of climate-related matters on the Group's going concern assessment, and do not expect this to have a significant impact on the going concern assessment throughout the forecast period. Since performing their assessment, there have been no subsequent changes in facts and circumstances relevant to the Directors' assessment of going concern.

Sustainability

Advancing our approach

Jenny Pidgeon
VP of Sustainability and CSR

We are committed to helping the CRT industry become clean, fair and efficient.

2024 was marked by significant developments, both positive and negative, in the ongoing efforts to reduce climate change, biodiversity loss, and social inequality at a global level. In the CRT sector, the energy transition is gathering momentum and remains challenging. Whilst growth in alternative fuel adoption is encouraging, the sector still faces hurdles related to infrastructure, high costs and technological barriers, as well as driver shortages due to the perceived low attractiveness of the industry. The next few years will be critical as the industry works to scale up sustainable technologies, improve operational efficiency, and contribute to the ambitious decarbonisation targets required to mitigate climate change. Enabling and accelerating these outcomes drives Eurowag's commercial and sustainability strategy, steered by our purpose to make the CRT industry clean, fair and efficient.

Around 9% of the total GHG emissions in Europe come from the CRT[1] industry. Eurowag aims to reach net zero emissions by 2050 and zero direct emissions by 2040[2]. To achieve this, we have set a combination of short-term and long-term decarbonisation targets and associated action plans, both for our own operations and our value chain. In 2024 we reviewed our net zero roadmap targets, to reflect the changes in organisational and data scope resulting from acquisitions made since our sustainability strategy was initially developed. As a result we updated baselines and extended the timeframe of our target to reduce customer emissions intensity, in recognition of the slower-than-expected progress due to internal portfolio and external market developments. Through our digital platform, data insights and product and service offering, we are in a unique position to help our customers improve efficiency and reduce emissions. Our product offering in alternative lower carbon fuels, eMobility and digital solutions for reducing energy intensity helps our customers reduce the emissions intensity of their journeys. We have set ourselves the target of having 80,000 active alternatively fuelled commercial vehicles using our products and services by 2030 and we aim to help our customers to reduce their GHG emissions intensity per tkm[3] by 20% by 2035 from a 2023–24 baseline.

Another central focus within our sustainability approach is promoting customer success and wellbeing. We help SME transport companies thrive by offering benefits and services at attractive terms so that they can compete, succeed and transition – with our support – to a lower carbon digital future. We know that truck drivers face significant challenges on the road, ranging from concerns about their own physical safety to loneliness. We are working to tackle these challenges by improving the quality and security of facilities at our truck parks and introducing tech services to aid better driver behaviour and safety.

> **"2024 was an exciting year for our digital and decarbonisation business development and we continued to integrate sustainability considerations into our operating model, product portfolio and value creation plan. We continue to strengthen our sustainability management and reporting processes, despite the regulatory uncertainty, and look forward to sharing some of our journey with you in this report.**

We are committed to making a positive social impact in our local communities wherever we operate. In 2024, we donated almost 1% of pre-tax profit to good causes. We actively encourage our employees to give their time, skills and support to charitable organisations through volunteering and employee-led philanthropy, and we developed a number of partnerships with non-profits in our key markets, designed to positively impact outcomes aligned with our corporate purpose.

The strength of our Group's governance and culture underpins all our activities. We strive to uphold the highest ethical and responsible business and industry standards in our daily operations, including promoting transparency and regulatory compliance. Creating inclusive recruiting and employment opportunities is core to building an outstanding culture. Our approach to sustainability governance and accountability is set out in detail below, and more information about the Company's corporate governance structure and reporting can be found on page 77.

Whilst there is still much to do, our journey to supporting a lower carbon, fairer, digital future is underway. Our sustainability action plan, presented in this report, reflects our commitment to and progress towards our long-term ambitions.

More details can be found on our website, in our 2024 Sustainability report

Notes:
1. Source: https://climate.ec.europa.eu/eu-action/transport/road-transport-reducing-co2-emissions-vehicles_en.
2. We aim for 90% reduction Scope 1 and 2 by 2040 and 90% reduction for Scope 3 by 2050 (from baseline year 2023 and 2019 respectively), aligning with net zero definition of c.90% reduction in absolute emissions from our value chain and only c.10% offsets.
3. Tonne-kilometre, abbreviated as tkm, is a unit of measurement of freight transport which represents the transport of one tonne of goods (including packaging and tare weights of intermodal transport units) by a given transport mode (road, rail, air, sea, inland waterways, pipeline, etc.) over a distance of one kilometre.

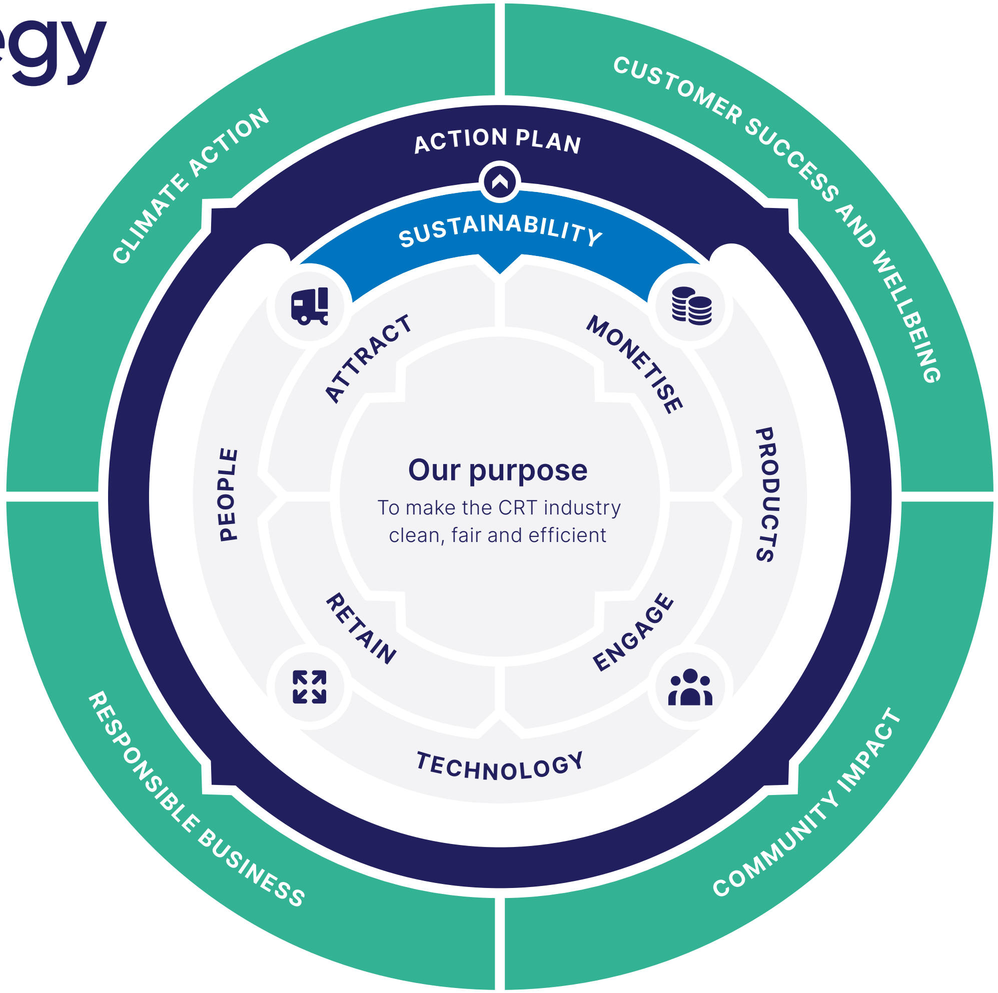
Sustainability continued

Our sustainability strategy

To activate our purpose and deliver our corporate strategy, we continuously work to embed sustainability across all our business activities, focusing on four strategic areas.

We have set objectives and targets for each focus area, and you can find out more about them in the following pages, and in our separate Sustainability report, available on our website.

In 2025, we will go ahead as planned to review our sustainability strategy, on the back of our recent Double Materiality Assessment, to ensure it encompasses our material ESG impacts, risks and opportunities.



Climate action

- Accelerate the energy transition
- Help customers reduce GHG emissions
- Reduce our direct GHG emissions

Read more on page 49

Customer success and wellbeing

- Help SME transport businesses to thrive
- Improve wellbeing and safety of drivers

Read more on page 53

Responsible business

- Employee engagement, diversity and inclusion
- Responsible business practices

Read more on page 56

Community impact

- Make a positive impact in our local communities

Read more on page 55

Sustainability

Read more on page 44

Products

Read more on pages 4 and 8

Technology

Read more on page 8

People

Read more on page 24

Governance and accountability

In 2021, we established a governance structure to agree and monitor the implementation of our sustainability strategy.

The Board is ultimately responsible for sustainability, and initially delegated accountability to an ESG Executive Committee. Then from Q2 onwards, in 2024 we decided to take the next step of embedding sustainability into our operating model and governance, by integrating sustainability into the agenda of our Executive Committee.

The Executive Committee sets the strategic direction and tracks the progress of the sustainability action plan, related policies and reporting, as well as monitoring relevant risks and opportunities. Sustainability features on the running agenda at least once per quarter. We have introduced a formal ESG policy that codifies and sets out our governance and approach for integrating sustainability into our business, which is also used for monitoring and reporting on progress. We will update this policy in 2025 as part of our preparation for the CSRD. We have a sustainability function to help ensure sustainability is embedded into every part of our decision making processes across the Group, through close working with representatives across the business who are responsible for the day-to-day delivery of the sustainability strategy.

Sustainability governance framework

BOARD OF DIRECTORS

Approves sustainability strategy and targets and monitors progress

Oversees climate-related risks and opportunities

Challenges Executives on the integration of sustainability, time horizons used and stakeholder considerations

REMUNERATION COMMITTEE

Approves ESG reward and performance management

AUDIT AND RISK COMMITTEE

Monitors and reviews Group-wide key risks including ESG risks

Approves the Sustainability section in the Annual Report and Accounts

EXECUTIVE COMMITTEE

Accountable for implementation and delivery of sustainability priorities and targets

Approves sustainability reporting

Defines sustainability strategy and targets, related policies, and reporting

Tracks sustainability progress

Monitors ESG risks and opportunities

INTERNAL AUDIT

Verifies sustainability compliance and validity of reported data

BUSINESS UNITS/COUNTRY OPERATION/FUNCTIONAL LEADERS

Responsible for Sustainability Action Plan implementation, integration into business operations, and reporting on progress

BUSINESS ASSURANCE COMMITTEE

Approves sustainability risk appetite changes

Sustainability continued

Action plan highlights

You can read more about our objectives and targets for each focus area in our separate Sustainability report, available on our website.

Climate action

- Reduced our direct emissions (Scope 1 and 2, on a market basis) by 16.6% compared to baseline year 2023
- 1,537 active alternatively fuelled trucks using Eurowag products and services, almost double compared to last year
- Expanded HVO and bioLNG refuelling network, growing HVO volume by 63-fold compared to last year, and achieving bioLNG coverage of ~20%
- Launched first eMSP for CRT

Customer success and wellbeing

- 68% of customers surveyed agreed Eurowag supported their business success
- Launched Eurowag Office and first phase of customers migrated
- 77% of drivers surveyed agreed Eurowag supported their wellbeing and safety
- Launched Loono partnership for preventative health and wellbeing for drivers
- Opened new facilities for drivers at our truck parks
- Held second Eurowag Truckers Day and fifth annual Christmas celebration of truck drivers

Community impact

- 66% of eligible employees participated in the Philanthropy & You programme for employee-led charitable donations – comprising 1,295 employees
- 275 local good causes supported across 17 countries
- Social impact partnerships launched in four key markets
- Around 1% of pre-tax profit donated, through employee-led donations, corporate charity partnerships and disaster relief

Responsible business

- 37% women in leadership roles
- Launched Eurowag women's mentoring scheme
- Developed sustainable procurement approach and tools
- 84% of employees completed human rights training
- Undertook Double Materiality Assessment in preparation for CSRD

Sustainability: Climate action

Accelerating the energy transition

We are using our insight into the CRT industry's needs to create the infrastructure and incentives to help customers make the transition towards a net zero future.

Priorities

Alternative fuel[1] technologies

- Growing our alternative fuel charging and payment acceptance network
- Integrating energy functionalities into our products and services
- Expanding our broad alternative energy offering to our clients, with a focus on HVO, bioLNG[2] and CRT-focused eMSP

Collaboration and advocacy

- Raising awareness of alternative fuels amongst our customers
- Advocating and promoting fair market and policy framework conditions to speed up the uptake of alternative energies and enhance the attractiveness of low and carbon neutral and alternative powertrains
- Acting as an honest broker on behalf of the industry, transmitting customer feedback and industry know-how to accelerate the energy transition and decarbonisation of the CRT sector
- Partnering with other stakeholders and platforms to be stronger together and to showcase the sector, industry capabilities and innovative products to policy makers, local and regional authorities, and national governments

Targets and progress

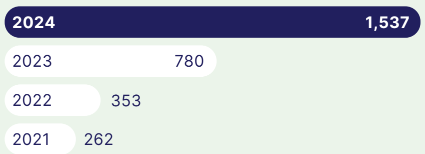
No longer offer fossil fuel energy products by 2050

80,000 active alternatively fuelled trucks using Eurowag products and services by 2030

Active alternatively fuelled trucks

1,537

+97.1%



Percentage change 2023–2024.

Customer service and incentives

- Developing new advisory tools and services to support customers' energy transition
- Creating incentive packages and affordable financing solutions to accelerate customer adoption of alternative fuels and the decarbonisation of the CRT industry

Achievements

From LNG to bioLNG

Biomethane is making strong inroads in heavy-duty transportation, now available at ~20% of the LNG refuelling stations in Eurowag's network and constantly growing. Switching to biomethane can significantly reduce operational costs by over 30% compared to diesel and can achieve up to 100% CO_2e emissions reduction (or even generate negative emissions, depending on the feedstock used, e.g. manure). We launched 100% renewable bioLNG at our two LNG refuelling points at Eurowag truck parks, Kozomín and Modletice in the Czech Republic, and we added more than 100 additional LNG acceptance points, bringing our total LNG acceptance network to ~500 stations. In 2024, the refuelled volumes of LNG increased by more than 55% compared to 2023, and with the Eurowag fuel card, our customers have access to 60% of the European LNG network.

Expanding HVO

In 2024, we expanded HVO from one to six of our own truck parks. We also continued developing our acceptance network for HVO by almost tripling the number of acceptance points by more than 270 to a total of ~450 across 12 countries. In 2024, the refuelled volume of HVO increased 63-fold compared to 2023, highlighting the fast-growing customer demand for sustainable certified lower carbon alternatives to diesel.

First CRT-focused eMSP

In August, we launched as the first CRT-focused eMSP. Our new offering includes Charging as a Service and network development, providing access to all major Charge Point Operators ("CPOs") across Europe. Designed specifically for the CRT sector, this service ensures access to an ever-expanding network of EV chargers.

Fuel sustainability certification

In October we achieved ISCC as a trader with storage for HVO, bioLNG and bioLPG, confirming our compliance with the globally recognised sustainability and GHG emissions standards. This certification highlights our commitment to offering transparent and credible product credentials to our customers, building awareness and trust in order to accelerate the energy transition.

Decarbonisation as a Service

We developed a value proposition for Decarbonisation as a Service, including customer advisory, fleet renewal, green fuel corridors and accessibility to an alternative fuel network, and the measurement and reporting of CO_2 emissions for customers. This is a growing area of commercial focus for us, as more customers seek a trusted partner to help them to navigate the upcoming transformation of the industry and meet the evolving demands of their partners.

Sustainability: Climate action continued

Helping customers reduce GHG emissions

To play our part in reducing GHG emissions across the CRT sector, we support our customers to improve the carbon efficiency of their trucks and journeys, through our suite of tools and services.

Priorities

- Supporting more efficient driving by monitoring and promoting an eco-driving style through analysis, advice and incentives – to save fuel and reduce emissions
- Improving efficient logistics and reducing empty journeys, through planning tools
- Delivering smart navigation products and route optimisation services, to minimise fuel consumption
- Carbon reporting per customer journey
- Energy transition and alternative fuels

Targets and progress

20% carbon intensity reduction per tkm by 2035 (gCO_2e/tkm) (baseline year July 2023–June 2024)

Customers' GHG emissions (gCO_2e/tkm)

80 no change

2024	80
July 2023–June 2024	80

Data note:

We have updated both the baseline year and target year for this KPI. The baseline was updated to July 2023–June 2024 due to a significant increase in data scope, which also required an update of methodology when data from acquired companies Webeye and Inelo became available for the first time, meaning the updated dataset is not comparable to the historical data shared in previous reports. The target year has been extended to 2035 in recognition of the slower realistic progress we can expect to see by 2030 due to the multifactorial influences, explained in last year's report, which affect vehicle and fuel utilisation and therefore customer emissions intensity.

Achievements

Improving driving behaviour

Our driving behaviour tools and telematics data enable our customers to become safer and more efficient drivers, saving an average of 4–6% on fuel consumption. Our driver behaviour products focus on giving customers and drivers feedback, insights and tips to improve fuel efficiency and reduce vehicle wear and tear. In 2024, the Group's products that target driver behaviour were used in 112,688 vehicles, 4% up on 2023, with 21% growth in our Perfect Drive customer base. In 2024 we introduced new functionalities, including braking evaluation to work properly on new vehicle models, extension of idling evaluation and development of a detailed report of operating variables.

CO_2 emissions tools for our customers

We continued to develop our tool to help our customers understand their emissions per vehicle and journey. In 2024, we added cargo weight to the trip log, which is a pre-requisite to CO_2e/tkm, as well as enabling customers to be able to select fuel type per vehicle, to enable more accurate calculations based on selected fuel type.

Route planning

In developing our low-emission route calculation, we are led by the prioritisation of key customer partners to first refine core functionality for EV trucks. Accurate low-emission routing required precise battery consumption estimates, factoring in vehicle weight, road elevation and temperatures. In 2024 we introduced weight as a user input for route calculation. Next, we will incorporate elevation data before advancing to the development of the route emissions calculator and generating low-emission route alternatives.

Notes:

1. Fuels or power sources which serve, at least partly, as a substitute for fossil oil sources and which have the potential to contribute to decarbonising and enhancing the environmental performance of the transport sector, including electricity, hydrogen, renewable fuels (biogas, biofuels, synthetic fuels produced from renewable energy) and non-renewable transitional fuels (CNG, LNG, LPG, synthetic fuels produced from non-renewable energy). Source: Alternative Fuels Infrastructure Regulation.
2. BioLNG, or liquefied biomethane, is a biofuel made by processing organic waste flows, such as organic household and industrial waste, manure, and sewage sludge. BioLNG is a practically carbon neutral biofuel, as it utilises carbon that is already in the system from renewable sources.

Reducing our GHG emissions

Eurowag operates across 23 countries and has expanded rapidly thanks to acquisitions. Decarbonising our operations is a vital step on our path to net zero.

Priorities

- Investing in renewable energy generation technologies across our operating assets
- Switching to renewable electricity for our operations
- Switching our car fleet to low and zero emissions vehicles and refuelling
- Identifying opportunities to minimise consumption in our operations

Data note: The movement in Scope 3 emissions from purchased goods and services and use of sold products, as shown in the table on the next page, is due to a 12% increase in volume of sold fuels and updated fuel emissions factors.

Targets and progress

Zero direct (Scope 1 and 2 market based) GHG emissions by 2040

50% reduction in Scope 1 and 2 emissions*

(tCO_2e) from our own operations by 2030 (baseline year 2023**)

* On a market basis.

** The baseline has been updated to 2023 to take account of the significant increase due to the acquisition of Inelo and its subsidiaries, but the ambition to reduce our emissions by 50% by 2030 remains.

GHG emissions from Group operations, Scope 1 and 2 market based (tCO_2e), with biofuel insetting

3,632 -16.6%

Year	tCO_2e
2024	3,632
2023	4,353

Percentage change 2023–2024.

Achievements

Solar energy

In 2024, we expanded the total capacity for solar generation at our assets by another two sites in Hungary (85 kWp combined peak), with four more in the Czech Republic in the pipeline (Ústí nad Labem, Rozvadov, Cheb and Kozomín). Additionally, we enjoyed a full year benefit of solar panels installed in Poland in late 2023, bringing in over 90MWh of clean energy.

Innovative insetting approach for our fleet

We partnered with Finco Energies to purchase certified inset HVO for some of our fleet. An equal volume of HVO was blended into the Dutch fuel road network in a "book and claim" compensation of 20% of the diesel volume used in our corporate fleet, reducing related emissions by 271tCO_2e. The transfer was audited by External Auditors to ensure that the emissions reductions were allocated appropriately and with strict avoidance of double counting.

We acknowledge the need for an adaptation of the GHG Protocol Corporate Standard to account for HVO insetting within our carbon footprint reporting, aligning with the ongoing updates to Scope 1 emissions guidance. Drawing inspiration from the CO_2 Performance Ladder's approach to Green Gas Certificates, we apply a similar methodology to reflect emissions reductions from biofuel insetting, ensuring credibility through independent third-party verification in the absence of a regulated Guarantee of Origin scheme for HVO. While this approach is not yet explicitly recognised under the current GHG Protocol, our partner's rigorous sustainability criteria and robust control mechanisms enable us to integrate the biofuel swap into our Scope 1 accounting with confidence.

Business technology

We made strides in energy efficiency through upgrades to our IT infrastructure. At Eurowag, server and storage system renewals reduced power consumption by 52% and 82% respectively, cutting data centre energy use by over 10,960 watts and lowering the carbon footprint. Sygic transitioned to modern DELL hardware, replacing decade-old systems with energy-efficient servers (30–50%) and SSD-based disk arrays (50–70%). These upgrades not only reduce energy consumption and emissions but also extend hardware lifespans, minimise waste generation, and enable IT consolidation for greater operational efficiency.

Focusing on reduction

We are continuously optimising office space wherever possible to reduce operational energy consumption, especially in connection with integrating acquired companies. In 2024, we closed or merged eight offices across our operations. Furthermore, we are modernising technologies across our asset portfolio, such as upgrading to low-emission lighting in our Czech headquarters.

Sustainability: Climate action continued

Reducing our GHG emissions

Scope 1 and 2 and intensity metrics	2022	2023	2024
Total energy consumption (kWh)	9,642,031	14,608,725	**14,185,514**
Scope 1 emissions (tCO_2e) – market based	1,652	2,655	**2,304**
Scope 1 emissions (tCO_2e) – location based	1,652	2,655	**2,552**
Scope 2 emissions (tCO_2e) – market based	1,787	1,698	**1,328**
Scope 2 emissions (tCO_2e) – location based	1,637	2,038	**1,755**
Scope 1+2 GHG emissions (tCO_2e) - market based with insetting	3,439	4,353	**3,632**
Total Scope 1 and 2 GHG emissions (tCO_2e) – market based	3,439	4,353	**3,880**
Total Scope 1 and 2 GHG emissions (tCO_2e) – location based	3,289	4,693	**4,308**
GHG intensity: truck parks (tCO_2e/refuelling point) – market based	7	6	**5**
GHG intensity: offices (tCO_2e/thousand sqm) – market based	54	56	**55**
GHG intensity: truck parks (tCO_2e/refuelling point) – location based	6	5	**5**
GHG intensity: offices (tCO_2e/thousand sqm) – location based	53	70	**70**

Scope 3 emissions (tonnes CO_2e)	2022	2023	2024
Purchased goods and services	1,117,318	1,321,594	**1,458,815**
Capital goods	434	882	**234**
Fuel and energy-related activities	745	1,152	**1,096**
Upstream transportation	1,834	1,746	**2,335**
Waste generated in operations	57	63	**63**
Business travel	787	1,227	**1,683**
Employee commuting	772	666	**703**
Downstream transportation	114	188	**226**
Use of sold products	4,257,591	3,797,008	**4,301,478**
Total Scope 3 emissions	5,379,652	5,124,526	**5,766,632**

Operations in the UK	2022	2023	2024
Total energy consumption (kWh)	476	8,392	**8,392**
Scope 1 emissions (tCO_2e)	0	6	**6**
Scope 2 emissions (tCO_2e) – market based	0.17	3	**3**
Scope 2 emissions (tCO_2e) – location based	0.11	2	**2**
Total Scope 1 and 2 GHG emissions (tCO_2e) – market based	0.17	9	**9**
Total Scope 1 and 2 GHG emissions (tCO_2e) – location based	0.11	8	**8**

Sustainability: Customer success and wellbeing

Helping SME transport businesses to thrive

Most of our customers are small or medium-sized businesses. Many of them struggle to compete due to their size and access to financing, tools and know-how. By offering benefits and services at attractive terms, we help them compete, grow and expand into new segments.

Priorities

- Becoming the ultimate on-road digital mobility platform, boosting efficiency and creating better business opportunities across the industry
- Creating technological solutions that boost efficiency
- Providing affordable financial services to support customers' energy transition
- Offering anti-fraud systems to reduce fuel theft
- Connecting trucking companies with merchants, shippers and regulators, and providing vital information to help grow their businesses

Progress

Customer survey results on business success (NPS)

68% -1pp

2024	68%
2023	69%
2022	66%

Percentage change 2023–2024.

Achievements

Eurowag Office for our customers

In 2024, we launched our digital Eurowag Office platform designed to help SME transport companies optimise their business operations in one place. Dispatchers can maximise truck utilisation and plan efficient transport routes, whilst drivers can ensure on-time transport and monitor vehicle maintenance and driving styles for improved efficiency, which translates into improved fuel efficiency and reduced carbon emissions intensity. We have migrated ~260,000 customers and the feedback received is promising so far.

Transport management system

To enable our customers to manage transport orders and issue invoices through Eurowag Office, we developed an MVP transport management system.

Fuelio app added new features

The Fuelio app helps customers manage their fuel consumption and expenses, as well as driving habits. In 2024 we doubled the number of premium users (subscription model) and Fuelio was publicly recognised as one of the best fuel logging apps in the market. Weather information was added as a premium feature, which will show customers weather information connected with fill-ups, so drivers can track local weather data and evaluate how it impacts their vehicle's performance.

Anti-fraud systems

In 2024, we prevented the theft of 1.2 million litres of fuel, worth ~€1.8 million. In 60% of the >1,300 individual fraud cases identified during the year, there was no damage incurred by the customer thanks to our Card Lock, Fuel Guard and 24/7 monitoring and security measures. The total loss in the remaining 40% of fraud cases was €500,000, which is less than in 2023 and 2022.

Expanding mobile payment coverage

In 2024, the number of locations supporting mobile payments grew from 840 to more than 2,000, across 15 countries. As a result, the number of mobile payment transactions doubled compared to the previous year, making life easier and safer for even more customers.

Working time management

The Group's working time management solutions enable customers to ensure they are operating effectively according to current local legislation. In 2024, the infringement module included in the new tachograph solution allowed users to monitor drivers' work time violations, with each infringement marked with a level of seriousness based on EU regulations.

Cold chain monitoring

We continued to develop our telematics functionality to support hauliers transporting thermosensitive goods such as medicines, foodstuffs and cosmetics. In 2024 we integrated our telematics fleet management solution with inbuilt refrigerator units or installed additional sensors in the trucks to continuously monitor and record the temperature throughout the vehicle's trip. Automated alerts can be set to monitor if the temperature goes outside the predefined range, so fleet managers and drivers can be notified in real time and take corrective actions. These enhancements can help reduce spoilage and waste by ensuring optimal temperature control during transport.

Sustainability: Customer success and wellbeing continued

Improving wellbeing and safety for truck drivers

Truck drivers encounter various difficulties while on the road, including feelings of isolation, stress or concerns about physical health and safety. We are committed to improving the overall wellbeing and safety of truck drivers. Through our diverse range of products and services, we strive to improve safety whilst driving and foster a stronger sense of community among truck drivers. Additionally, we consistently prioritise maintaining the standards of quality and security in our facilities, including truck parks, to ensure the safety of our customers.

Priorities

- Building drivers' social network through our digital platforms
- Improving the quality and security of facilities for customers at truck parks
- Introducing tech services to improve driver behaviour and safety

Progress

Driver survey results on wellbeing and safety

In 2024 we launched a new survey to hear directly from truck drivers. They provided us with feedback on how Eurowag's products, services and tools support their health, safety and wellbeing.

Eurowag supports wellbeing for drivers:

77%

Eurowag supports safety in facilities:

77%

Eurowag supports safety while driving:

76%

Achievements

Incident reporting

Users are able to report incidents such as traffic, road closures, adverse weather conditions, car crashes, vehicles blocking roads, etc. via our app and this data is shared with the whole community. This feature was launched in July and by year end, 261,166 incidents were reported by users and shared to the community.

Facilities for drivers

In order to support drivers' wellbeing, in 2024 we opened an innovative "nano-shop" and 24/7 coffee machine at Kozomín truck park in the Czech Republic, welcomed a permanent food truck at Llers and finished the refurbishment of a drivers' lounge at Arraia, Spain, with cooked food, coffee and drinks available, as well as toilet and recycling facilities.

Events for truck drivers

We continued our annual Christmas events celebrating drivers for the fifth year on our truck parks, with our largest roadshow yet across six locations in the Czech Republic, Slovakia, Poland, Hungary, Romania and Spain. From upcycled decorations to reusable treat boxes, we showed that sustainability and festive joy can go hand in hand. We also held the second edition of Eurowag Truckers' Day at Llers station in Spain, to recognise and celebrate the hard work carried out by truck drivers every day of the year.

Geofencing

Through the integration of Inelo's GBox with Eurowag's telematics, we developed our geofencing functionality to enable drivers to identify where they can park safely and report break-ins or thefts. They can also make emergency calls 24/7, which is very well used and appreciated by customers.

Preventative health checks

Through our new partnership with preventative health charity Loono, we supported a targeted campaign promoting awareness and tips for early identification of prostate and testicular cancer, two of the most common types of cancer affecting the average truck driver demographic.

Inclusiveness in CRT

We sponsored the National Congress of Women in Transport in Spain, where we took the opportunity – together with influencer and brand ambassador Oti Cabadas ("Cocotruckergirl") – to address issues such as equality, inclusiveness, safety and female representation in our sector.

Expanding road services for drivers

We have added 129 parking sites to our network total of 635 parking sites across Europe, where drivers can use our card to pay for additional services, including truck washing, tank cleaning and truck repairs. We offer washing and tank cleaning services at our truck park in the Czech Republic and added 197 acceptance network or partner co-operation locations to a total of 1,302 sites across Europe. We have added 35 to a total of now 607 sites that offer truck repair services across Europe via partner co-operation.

Sustainability: Community impact

Making a positive impact in our local communities

Eurowag serves diverse communities across Europe's patchwork of countries – many of which face considerable challenges. We strive to make a positive impact everywhere we operate, through employee-led philanthropy and volunteering as well as corporate donations and partnerships.

Priorities

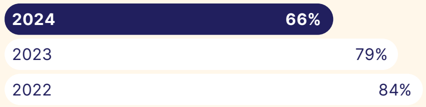
- CSR ambition of at least 1% of pre-tax profit
- Employee-led philanthropy
- "Be Better" volunteering days, enabling employees to support good causes
- Corporate donations and partnerships connected to our industry and corporate purpose

Progress

Eligible employees participating in Philanthropy & You

66%

-13pp



Percentage change 2023–2024.

Philanthropy & You	2022	2023	**2024**
Employee participation	84% (750 employees)	79% (1,047 employees)	**66% (1,295 employees)**
Number of good causes supported	227	275	**275**
Total allocated amount (€000)	150	246	**259**
Number of countries	14	14	**17**

Achievements

Eurowag colleagues giving back

This year we improved the user experience for colleagues with the aim of increasing participation, adding additional language translations and enabling the easier sharing of good causes amongst employees.
The platform is now accessible to colleagues across all countries where we operate. In total 1,295 employees donated €259,000 to over 275 good causes across 17 countries, making it our largest employee-led philanthropy programme to date.

Corporate partnerships for social impact

In 2024 we developed four new community impact partnerships with charities working in areas closely connected to Eurowag's operating sectors (commercial road transport and tech) and to our corporate purpose to make CRT clean, fair and efficient. Eurowag donated €145,000 through five partnerships in total, including help for children who have lost a family member on the road with TruckHELP Foundation in the Czech Republic, road safety training with Keep Hope Alive in Romania, projects to boost girls' and young women's professional entry into IT and tech with AjTyvIT in Slovakia and Skool in Hungary,
and promoting health awareness and cancer prevention including for truck drivers with Loono in the Czech Republic.

Volunteering

All employees are entitled to make use of one day of volunteering with non-profit organisations. In 2024, 36 colleagues took part in volunteering activities including clean-ups, landscaping projects and collecting clothes for a shelter.

Standing together in times of crisis

Eurowag distributed €20,000 towards disaster relief efforts following the flooding in Central and Eastern Europe and Spain in August and September. We also donated €30,000 to support people impacted by the war in Ukraine.

Movember

We supported Movember with a number of activities, including partnering with influencer and brand ambassador Iwona Blecharczyk to raise awareness of this important cause and encouraging drivers to do regular self-examinations. Iwona's video shared on YouTube had 16,000 views after two weeks and 17,000 by year end.

Sustainability: Responsible business

Employee engagement, DEI and responsible business practices

We strive to uphold the highest ethical and responsible business and industry standards in our daily operations. We believe that our greatest strength lies in the diverse perspectives, experiences and backgrounds of our people. You can find more detail on our DEI and employee engagement initiatives in the People section on page 24.

Priorities

- Open and inclusive communication
- Boosting employee engagement by addressing two-way communication improvement and systems and processes alignment
- Promoting DEI with an initial focus on women in leadership
- To be a preferred employer in the markets where we operate, providing an inclusive, open culture with high-quality professional development opportunities and benefits
- Offering mentoring to colleagues
- Promoting sustainable supply chain practices and responsible procurement
- Operating ethically and with integrity, including anti-corruption and responsible selling and marketing
- Promoting transparency and regulatory compliance
- Upholding customer privacy and data security, including cyber security

Targets and progress

40%
women in leadership roles by 2025

Women in leadership (%)

37% +2pp

2024	37%
2023	35%
2022	31%
2021	28%

Percentage change 2023 – 2024.

Data note: In 2021, we set a goal of achieving a top 25% employee engagement score benchmarked against EU tech companies by 2025. However, due to changes in our business, including the significant amount of acquisitions over the last four years, this target no longer provides the most relevant approach to measuring engagement, and other factors such leadership, satisfaction, productivity and diversity and inclusion. We remain committed to being an employer of choice and continuously enhancing our employee experience, and we are now working to identify a more relevant and meaningful benchmark going forward.

Achievements

Human rights

In 2024, Eurowag's sustainability and procurement team members participated in the UN Global Compact Business and Human Rights Accelerator[1]. It was a six-month training programme to inspire action and guide companies in their human rights due diligence process – covering value chain impacts, human rights impacts, action planning, stakeholder engagement, and remedy and grievance mechanisms. The programme participation helped us better identify and asses our salient human rights impacts and develop an actionable plan. We integrated these insights into our impacts, risk and opportunities assessment.

AML and conflict of interest

In 2024 we redesigned our approach to anti-money laundering and conflicts of interest, developing internal measures and controls as well as delivering deep-dive tailor-made trainings.

Employee training

We continue to roll out compliance training in areas of anti-bribery, AML and partner screening, anti-trust, whistleblowing and human rights. We also look to support our colleagues' personal and professional growth through training programmes, e-learning courses, workshops, career development tools and certification opportunities. In 2024 we launched the Leadership Design Journey and Extended Leadership Team community to nurture our employees' leadership capabilities.

Sustainable procurement

In 2024, we enhanced our supply chain due diligence and sustainable procurement processes by developing new sustainable procurement tools for purchasing teams. Our Sustainable Procurement Risk Tool assesses supplier risks related to governance, environment, human rights, and health and safety. High-risk suppliers undergo further evaluation through a Supplier Engagement Questionnaire, and ESG criteria were also integrated into relevant tender evaluations with a ~15% weighting. We engaged suppliers on key issues including climate action and compliance, collaborating on product carbon footprint assessments.

Data protection and information security

Data protection and information security are fundamental to safeguarding operations and maintaining trust. In 2024, we focused on implementing an internal data classification framework and introduced advanced tools for monitoring and managing cyber security threats in real time.

Employees who completed training	AML and partner screening policy	Anti-competitive practice	Anti-bribery and corruption and conflict of interest	Insider trading	Anti-money laundering	GDPR – personal data protection	Information and cyber security	Whistleblowing and non-retaliation policy training
2023	1,842 (90%)	1,742 (87%)	1,822 (89%)	1,629 (80%)	191 (74%)	1,191 (88%)	901 (77%)	1,885 (91%)
2024	**1,712 (82%)**	**1,741 (84%)**	**1,808 (86%)**	**1,618 (77%)**	**244 (71%)**	**1,290 (83%)**	**1,223 (79%)**	**1,767 (84%)**

Employees who completed training	Fire protection for managers	Fire protection for employees	Occupational safety for managers	Occupational safety for employees
2021	23	409	17	425
2022	51	521	49	507
2023	50 (88%)	487 (91%)	47 (81%)	479 (91%)
2024	**59 (87%)**	**492 (86%)**	**45 (83%)**	**522 (92%)**

Note:
1. https://academy.unglobalcompact.org/

TCFD

Climate risk and TCFD statement

Climate change and energy transition represent both a risk and an opportunity for the Group. Our reputation, operating and compliance costs, and diversification of revenue may be influenced by our pace of action, the pace of the energy transition in the CRT sector, and our customers' preferences, across the short, medium and long term. We currently derive a significant portion of our revenue from fossil fuels payment transactions. We note that changes in road transport policy and regulations, the cost of carbon, carbon taxation, changes in market demand for alternative fuel and clean mobility solutions, and the pace of adoption of low-carbon powertrains by our customers can all influence the level of risk and opportunity for the business. We also recognise that extreme weather events could pose a risk to business continuity for our physical assets and the need to monitor the impact of such events on the health, safety and wellbeing of our workforce and customers. In addition, we have made a commitment to reduce our own carbon footprint, as well as to offer solutions to help customers make the transition to a more efficient and lower carbon future.

The following disclosure is consistent with the TCFD recommended disclosures. The TCFD framework allows the Company to report consistently on the impact of the climate-related risks and opportunities identified under different climate scenarios on all aspects of its business. It also allows Eurowag to assess its resilience to those risks and opportunities as well as how these might impact strategy and financial performance.

TCFD index table

TCFD recommendation	Recommended disclosure	Location of disclosure
Governance Disclose the organisation's governance around climate-related issues and opportunities.	**a** Describe the Board's oversight of climate-related risks and opportunities.	page 59
	b Describe management's role in assessing and managing climate-related risks and opportunities.	page 59
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.	**a** Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	page 59
	b Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	page 60
	c Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	page 60
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	**a** Describe the organisation's processes for identifying and assessing climate-related risks.	page 61
	b Describe the organisation's processes for managing climate-related risks.	page 61
	c Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	page 61
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	**a** Disclose the metrics used by the organisation to assess climate-related risks and opportunities in-line with its strategy and risk management process.	page 62
	b Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	page 62
	c Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	page 62

This section sets out Eurowag's climate-related financial disclosure, current approach, and future plans consistent with all of the TCFD recommended disclosures, in compliance with the FCA Listing Rule 9.8.6R(8) and Companies Act Climate-related Financial Disclosure requirements ("CFD"). In preparation of this TCFD statement, we also considered the supplemental guidance for the Transportation Group given our connection with the trucking service industry. Eurowag has focused on the potential impacts flagged by the guidance through our assessments of risks:

- The Group has assessed the risk of our inability to keep the pace with the rapid shift in regulation and policy requirement as well as the customer viability due to an increased price of fossil fuels
- The Group is committed to support the CRT sector transition to a low-carbon industry by offering new tools and technologies to our customers. Electrification of the CRT sector is seen as an opportunity for Eurowag
- The Group's targets are aligned with the transition towards a lower carbon future, where alternative fuels represent a higher proportion of the energy delivered to our customers (see page 50, the Helping customers reduce GHG emissions section)

Our approach in this area is evolving in-line with developing best practice.

Governance

Board's oversight of climate-related risks and opportunities

Current approach

The Board oversees climate-related risks and opportunities as part of its overall consideration of our sustainability strategy. It oversees climate risks specifically through the Audit and Risk Committee, which reviews all principal risks, including climate change. Sustainability is also covered at Board meetings through updates from the VP of Sustainability and CSR.

Building on the training carried out the previous year, when the Board participated in climate training covering the physical science basis and regulatory, investor and corporate trends, delivered by external advisors specialising in sustainability, in 2024 the Board reviewed our net zero roadmap.

With continuously growing expectations and pace of action on climate-related risks, the full Board will continue to receive comprehensive updates as needed.

Eurowag will continue to review and, if necessary, adapt the Group's governance process to ensure alignment with emerging good practice.

The role of management in assessing and managing climate-related risks and opportunities

Current approach

At a management level, the Executive Committee is responsible for identifying, assessing and managing climate risks and opportunities, and escalating to the Group risk function to ensure climate risks follow the risk management framework. In 2024, the Executive Committee reviewed our net zero roadmap and climate-related targets. Currently, transition risks are part of the control framework for the Group. Climate-related regulatory, compliance and policy risks are captured as part of the risk process.

In 2024, 20% of the Executive Committee members' bonuses were tied to individual performance metrics. For our Chief Product Officer, Chief Operating Officer and Managing Director of BU Energy, that included climate metrics (direct emissions reduction and customer emission intensity reduction).

The VP of Sustainability and CSR holds overall responsibility for the execution of the Group's climate strategy. This includes driving the identification, management and integration of climate-related risks and opportunities into the Group's strategic approach.

Specifically, the VP of Sustainability and CSR defines and leads the climate-related strategy, while other Executive Committee members and their functional leadership teams execute the strategy within their respective functions. The Executive Committee oversees and evaluates the Group's progress towards achieving its GHG emissions reduction targets, ensuring alignment with the identified climate risks and opportunities.

In 2021, the Group introduced a formal ESG policy to strengthen governance and establish a structured approach to sustainability. This policy underpins our ability to monitor, report and manage progress on climate-related goals.

Our sustainability function plays a critical role in embedding climate consideration across the Group's decision making processes. Through close collaboration with business representatives, this function supports the day-to-day delivery of our climate strategy, ensuring actions are aligned with the broader climate-related risks and opportunities framework.

Eurowag's governance structure for climate-related risks and opportunities is summarised in the graphic on page 47.

Our approach in this area is evolving in-line with developing best practice. We are also planning to review and update our ESG policy in 2025.

Going forward, we will continue to review the climate risks associated with any M&A activity as well as country level activities that could create climate-related risks or opportunities for the Group.

Strategy

The climate-related risks and opportunities the organisation has identified over the short, medium and long term

Current approach

The heart of our sustainability strategy is helping our customers compete and succeed in a low-carbon future. We have also made commitments to reducing our carbon footprint in our operations and supply chain and to reach net zero by 2050. In 2022, we identified short to long-term climate-related physical and transitional risks and opportunities through a series of workshops with business units and functional leaders. The timeframe for these risks is as follows: up to one year for short term, from the end of the short term reporting period up to five years for medium term, and more than five years for long term. During the workshops, we assessed the resilience of our strategy in three plausible future climate scenarios (1.5°C, 2°C and 3°C) through four lenses: assets and employees; business model; supply chain; and customers. The climate-related risks and opportunities identified are presented in the table starting on page 64.

Eurowag will continue to monitor external tools and the latest climate science to assess the physical and transition risks associated with climate change, and will report on how this has guided our strategy in future reports.

In 2024, we reviewed our net zero roadmap and updated our target baselines and target dates accordingly. We also carried out a comprehensive Double Materiality Assessment, including analysing climate-related risks, impacts and opportunities. The results of this assessment will inform a review of our sustainability and climate strategy and action plan during 2025.

TCFD continued

The impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

Current approach

Eurowag quantified the impact of the identified climate-related risks and opportunities where possible, and has expanded the number of risks and opportunities that were quantified in 2024. Risks and opportunities have been assessed for their impact on the Group's EBITDA. A gross risk rating has been given to each risk identified. The results are presented in the table starting on page 64.

Climate was considered as part of the preparation of the Viability statement (see the Viability statement on page 41) as well as the financial statements for 2024. The assessment and review of climate-related risks and opportunities are integrated with the assessment and review of all other risks (see the Risk management section on page 33). As part of this assessment, climate change has been designated as a principal risk (see the Principal risks register section on page 35). We have assessed the financial impact of the climate-related risks and opportunities identified on page 38. The impact has been classified as per the table on page 64.

We reviewed the risk of flooding for our physical assets, primarily our truck parks, and updated the assessment for our acquired assets. We modelled the financial impact using public data from trusted sources (e.g. EU Joint Research Centre, World Bank and WRI) and a case study of one of our truck parks in Spain, which served as a precedent for flooding impact and risk analysis. The Group's reputation, operating and compliance costs, and diversification of revenue may be influenced by our pace of action, as well as the pace of the energy transition within the broader CRT-enabling ecosystem and by customers' preferences across the short, medium and long term. The energy transition poses challenges for our small and medium-sized customers, including the availability of sufficient charging and alternative fuel networks, rapidly evolving and yet unstable regulation raising business risk significantly, an uneven approach on taxation and subsidy programmes across Europe, and limited availability of viable battery and alternative fuels trucks for CRT in the near term, all of which affect transition risks and the total cost of ownership as key barriers for mass adoption of sustainable alternatives.

We recognise that extreme weather events could pose a risk to business continuity, not only for our physical assets but also for the health and wellbeing of our workforce. The Group recognises that it is imperative to take responsibility to reduce its own carbon footprint (see our target to reduce Scope 1 and 2 emissions by 2030 on page 51), and contribute to solutions to help its customers make the transition to a low-carbon future.

To address these risks and the opportunities, we are:

- Expanding our acceptance network to support uptake of alternative fuels (e.g. bioLNG and HVO)
- Investing in eMobility solutions, including launching as the first CRT-focused eMobility Service Provider, including Charging as a Service and EV network development – allowing access to all major Charge Point Operators ("CPOs") across Europe
- Investing in digitisation and technologies to improve efficiency within the CRT ecosystem and thus decrease energy intensity per tonne kilometre of transported goods
- Exploring how carbon reduction for our operations, as well as investment in products and services to support customers with efficiency and emissions reductions, will be a factor in capex investment decisions

The risk, finance, strategy and sustainability functions will continue to work together to ensure regular reviews are in place to assess the impact of our climate-related risks and related mitigation measures.

The resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Current approach

The Company has utilised three climate scenarios to identify physical and transitional climate risks and opportunities and to test the resilience of the Group's strategy in each scenario. The exercise included a 1.5°C scenario, where action taken around the world has achieved the aims set out in the 2015 Paris Agreement and global temperature growth has been limited to 1.5°C, compared with pre-industrial levels. But that does not mean everything is the same as today. There have been some physical changes and achieving this goal has required a substantial shift in policy and behaviour.

We explored a second scenario of a 2°C world, where change ebbs and flows in the consciousness of leaders and the general public alike. Some action has been taken, but in other areas it's business as usual and global temperatures continue to climb, albeit slowly. And the impact of global warming is clear to see.

Finally, we considered a 3°C scenario where economies around the world have continued to be powered by fossil fuels and promises made by global leaders have been largely ignored. Life has continued much the same. As a result, the planet is in crisis and well past the point of no return by 2030. Global warming has accelerated. This is not doomsday, but the changes in climate are everywhere, tangible, and in some cases catastrophic.

In 2024, Eurowag reviewed and updated our roadmap to reach net zero by 2050. By implementing this roadmap, we aim to support our customers' transition to a low-carbon world and thus reduce the Company's exposure to potential climate-related risks and strengthen our ability to capture opportunities (see our net zero roadmap in the Sustainability report).

Please see page 41 for the Company's Viability statement and more detail on the resilience of Eurowag's business strategy.

Eurowag will continue to ensure that our business strategy and management approach are resilient when considering these different plausible futures.

The risk and sustainability functions will continue to review the business continuity plans for assets in order to ensure that considerations from the climate scenarios are taken into account in the plans. Eurowag will also review the scenario analysis in 2025.

Risk management

The organisation's processes for identifying and assessing climate-related risks

Current approach

The Board is responsible for overseeing climate-related risks and opportunities.

In 2022, the sustainability function initiated a series of workshops with the business units and functions to identify and assess climate-related risks, using scenario analysis to identify those risks. As part of the overall risk management process, climate risks are escalated to the risk function which then prepares the risk update for the Audit and Risk Committee. This Committee reviews the climate-related risks and opportunities and designates climate change as a principal risk (see the Principal risks register section on page 33).

In 2023, the finance function assessed and quantified the climate-related risks and opportunities (see table below – page 64). The impact of transitional and physical risks is assessed over a short to long-term timeframe, defined on page 64. The identified risks are assessed at different levels of the business focusing on both financial and strategic impacts.

In 2024, we undertook a Double Materiality Assessment including analysing climate-related impacts, risks and opportunities. The assessment has not yet been audited and will be disclosed in full in our 2025 Annual report in-line with European Sustainability Reporting Standards.

Going forward, we will continue to review the climate risks associated with M&A opportunities and post-acquisition integration, as well as country level activities that could create climate-related risks or opportunities for the Group.

The organisation's processes for managing climate-related risks

Current approach

Eurowag began assessing climate-related risks and opportunities in 2021 as part of its initial materiality analysis and completed its scenario analysis in 2022. On review in 2024, the scenario analysis was found to be sufficient and no modifications were made. Following the identification of climate-related risk and opportunities, Eurowag outlined a number of initiatives to reduce its operational and supply chain emissions, as well as developing products and services to help its CRT customers reduce their emissions. This process included the review and development of opportunities with individual business units. The business units have included prioritised plans for climate mitigation in their annual plans.

The VP of Sustainability and CSR is responsible for co-ordinating the management of climate-related risks across Eurowag. This includes setting the Company's climate strategy, which includes its GHG reduction targets; collecting and analysing environmental data to identify hotspots; defining and agreeing reduction plans; and engaging functional leadership teams.

The energy and carbon intensive nature of our business, reflected in our GHG emissions data, is the main driver for most of the risks presented in our climate-related risks and opportunities table (see page 64). As part of our process to manage these risks, in 2024, Eurowag continued to closely monitor and review its emissions data across Scope 1, 2 and 3, and focused on the following reduction activities:

- We have reduced our Scope 1 and 2 market-based emissions by 16.6% in 2024, compared to our 2023 baseline (see page 51). This has been achieved through measures that include doubling our on-site renewable energy generation and installing PV panels at our truck parks
- With Scope 3 being the largest share of our GHG emissions, we continued to reduce our customers' energy intensity compared to 2019, expanded our HVO and bioLNG networks, added new acceptance points to expand our LNG network, launched as the first CRT-focused eMSP and developed our Decarbonisation as a Service value proposition. To find out more, please see our climate action focus area on page 49 and our Sustainability report available on our website

Integration of the processes for identifying, assessing and managing climate-related risks into the organisation's overall risk management

Current approach

Climate change risk is a principal risk and is assessed alongside the Company's other principal risks as part of the overall risk management framework (see the Principal risks register section on page 35). The process for identifying, assessing and managing climate-related risks as part of the overall risk management is as follows:

- Climate change risks are evaluated in-line with the risk management framework and following the accepted system of three lines of defence
- As part of the overall risk process, climate risks are escalated to the risk function, which then prepares the risk update for the Audit and Risk Committee. This Committee reviews the climate-related risks and opportunities and designates climate change as a principal risk
- Climate risk is treated like other risks (e.g. people, technology, etc.)

Eurowag will continue to monitor external tools and the latest climate science to assess the physical and transition risks associated with climate change, and will report on how this has guided its strategy in future reports.

TCFD continued

Metrics and targets

The metrics used by the organisation to assess climate-related risks and opportunities in-line with its strategy and risk management process

Current approach

In 2022, Eurowag started to quantify the financial impact of climate-related risks, focusing on physical risks. In 2024, we have strengthened our methodology for quantification and expanded the scope to cover both physical and transitional risks.

Eurowag has disclosed annually its Scope 1 and 2 (both location and market based) as well as its Scope 3 emissions in the Annual Report and Accounts. The Company also publishes intensity indicators of carbon emissions from Scope 1 and 2 (see the Sustainability section on page 52). Eurowag will continue to monitor and disclose climate-related metrics on an annual basis.

GHG emissions and their related risks

Current approach

Eurowag has disclosed its Scope 1 and 2 (both location and market based) as well as its Scope 3 GHG emissions for the last four years in the Company's Annual Report and Accounts and its CDP 2024 submission. These calculations can be found on page 52. We will continue to refine our approach to quantification of climate risk as new external tools and information are being released, keeping a close eye on any new development.

Targets

Current approach

We have set a target to reduce our absolute Scope 1 and 2 (market-based) emissions by 50% by 2030, from a 2023 baseline, as well as a set of targets to drive the decarbonisation of our value chain, including a net zero target by 2050.

The full set of targets can be found on page 51, and more information can be found in our Sustainability report available on our website, regarding targets, progress and activities.

These targets include a range of actions that will help us become net zero by 2050, while acknowledging business growth in the short, medium and long term. This includes the following operational targets:

- 80,000 active alternatively fuelled trucks using Eurowag products and services by 2030. This target is dependent on the penetration of alternative vehicles in the market. The risk of us not meeting this target is therefore directly correlated to the success of the penetrations of alternative vehicles in the market. The potential financial impact of that risk is expected to be minimal for us. Our product and service offering is suitable for alternative trucks as well as for the more traditional segment of ICE vehicles, therefore not meeting the target would not pose a direct impact to our revenues
- No diesel-related products in Eurowag's portfolio by 2050
- 20% carbon intensity reduction per tkm by 2035 (gCO_2e/tkm) of Eurowag telematics customers

The Executive Committee reviews progress towards these targets and we report performance annually through the Annual Report and Accounts. Our business growth related to acquisitions has meant that the baselines set a few years back no longer fully reflect the total business scope of activities and geographies. Therefore we evaluated and refreshed these short-term targets, starting from a new baseline that captures the scale of our business to date, and that will in turn better inform the actions we need to take to reduce our emissions in-line with our long-term net zero ambition.

The following changes have been made, compared to 2023

Risk quantification

- Flooding Risk: Acute flooding events are now quantified with an EBITDA impact of up to (4.1)%. Chronic flooding scenarios have been reclassified as "Critical" due to their prolonged disruption potential
- Regulatory/Policy Risk: Rapid policy shifts—such as accelerated fossil fuel phase-outs—are explicitly estimated to affect EBITDA by up to (11.0)%, warranting a "Critical" rating in scenarios where these changes severely impact business operations
- Market/Customer Viability Risk: Risks associated with declining fossil fuel revenues, driven by rising prices and reduced customer viability, now include specific EBITDA impact estimates of approximately (10)%, with risk ratings adjusted to reflect these quantified impacts

Metrics and targets

Direct emission reduction targets have been recalibrated with an updated baseline to 2023, that accounts for recent business growth and acquisitions.

The measurement of customer emissions intensity is now refined (expressed in gCO_2e/tkm), harmonising the metric across newly acquired companies.

There is a direct linkage between these environmental metrics and financial outcomes, underpinned by the double materiality assessment conducted in 2024, which captures both financial and broader societal/environmental impacts.

Governance and strategy

The Board now conducts a formal review of the net zero roadmap and receives targeted climate training.

A portion of select executive compensation is now directly tied to achieving defined climate metrics, reinforcing accountability at the highest level.

Climate risks are more closely integrated into strategic decision-making processes, including M&A evaluations and country-level risk assessments, ensuring that climate considerations are embedded across the organisation.

Scenario analysis

Introduction

To comply with the TCFD recommended disclosure on strategy, Eurowag carried out a climate scenario analysis. Through three workshops, involving 25 participants from key business units and functions, the Group aimed to identify the resilience of its strategy under three possible climate futures; identify physical and transition risks and opportunities; and identify actions to mitigate risks and capture opportunities. With the support of external experts, three scenarios were created. The three scenarios were built based on publicly available scenarios from the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathways ("RCPs") and Shared Socioeconomic Pathways ("SSPs"), International Energy Agency ("IEA"), and Principles for Responsible Investment Inevitable Policy Response ("PRI IPR"). The three scenarios are summarised in the section below. Our scenarios describe the pathway towards different temperature outcomes by 2100. Because scenarios are models, rather than precise predictions of the future, they describe changes on a decadal level. They use a mix of qualitative and quantitative information and were applied through four lenses: assets and employees; business model; supply chain; and customers. We used a number of sources, which contribute insights on different elements of climate change. The IPCC RCP scenarios are about physical changes, the SSPs are focused on wider societal changes and the IEA scenarios provide specific insights on electrification of transport. To that end, the different scenarios help inform different parts of our analysis.

	Scenario 1 A better world (1.5˚C) Page 64	Scenario 2 An uncertain and volatile world (2˚C) Page 66	Scenario 3 An irreversible world (3˚C) Page 69
Eurowag scenarios			
Summary	Action taken around the world has achieved the aims set out in the 2015 Paris Agreement – global temperature growth has been limited to 1.5˚C compared with pre-industrial levels. But that does not mean everything is the same as today. There have been some physical changes and achieving this goal has required unprecedented shift in policy and behaviour.	Not much has changed from today. Climate change ebbs and flows in the consciousness of leaders and the general public alike. Actions have been taken to meet current and expected pledges made by global leaders. Global temperatures continue to climb, albeit slowly, reaching 2°C by 2100. The impacts become clear to see for many over the next 10–20 years.	Economies around the world have continued to be powered by fossil fuels and promises made by global leaders have been largely ignored. Life has continued much the same. As a result, the planet is in crisis and well past the point of no return by 2030. Global warming has accelerated. The changes in the climate are everywhere, tangible and in some cases catastrophic. They continue to worsen and become more pervasive as temperatures climb above 2°C by the 2040s.
External scenarios			
IPCC scenarios	RCP2.6/SSP1	RCP4.5/SSP2	RCP6.0/SSP5
IEA scenarios	Global EV Outlook: Sustainable Development Scenario ("SDS")	Global EV Outlook: Stated & Expected Policies Scenario ("STEPS") and SDS	—
Other scenarios	PRI IPR: 1.5°C Required Policy Scenario	PRI IPR: Forecast Policy Scenario	—
Other data sources	Climate Analytics, Climate Impact Explorer; Climate Central, Surging Seas: Sea Level Rise Analysis; Climate Interactive, EN-ROADS Climate Change Solutions Simulator		

TCFD continued

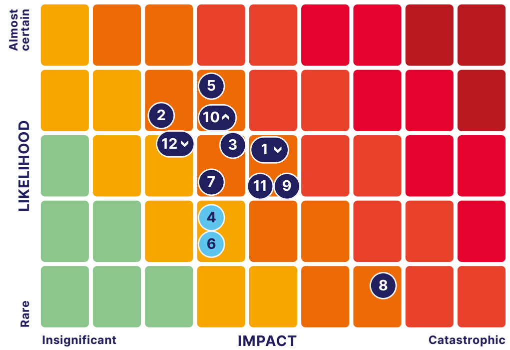
Risks and opportunities

The risks and opportunities that were identified as part of the climate scenario analysis are summarised in the below table. We defined likelihood and timeframe as follows:

Timeframe	# of years
Short	1
Medium	3
Long	5+

Likelihood	
Low	Rare/unlikely to materialise
Medium	Possible to materialise
High	Likely/almost certain to materialise

Eurowag defined the evaluation of the gross risk, as per the table below, which aligns with evaluation used to assess our principal risks on page 34. Please note that we evaluate here the gross risk rating based on the likelihood that a risk or opportunity materialises and its impact on EBITDA. The management approach column in our risks and opportunities table shows our approach to mitigate those risks. At present, we feel like our approach is robust enough to mitigate those inherent risks.



Scenario 1: A better world (1.5°C)

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Physical risks								
Acute	Risk	Inability of employees reaching their workplace due to acute extreme weather events such as droughts or flooding.	Medium	Disruption to business operations and occasional office closures.	(1.1)%	L	Low	Eurowag has an established hybrid working from home policy that was successfully tested during the COVID-19 pandemic.
Transition risks and opportunities								
Policy and legal/ market	Risk	Rapid shift in regulation and policy accelerating the phase-out of fossil fuels in Europe. The impact could vary depending on the nature of the policy, the country and the impacts on different types and segments of the CRT sector.	Medium	Decline in revenue from fossil fuel.	(3.5)%	H	Medium	Our current payments and mobility solutions business model, and our commitment to play a role in the transition to low-carbon economies will allow us to ensure a shift in our products and services offering. Our approach is energy agnostic, and we are able to provide access and process transactions for fossil fuels, alternative fuels and electricity.

Key

Type: Risk, Opportunity

Timeframe: Short, Medium, Long

Likelihood: L Low, M Medium, H High

Gross risk rating: Low, Medium, High, Critical

Scenario 1: A better world (1.5°C) continued

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Transition risks and opportunities continued								
Policy and legal	Risk	Higher price of fossil fuels increasing financial instability and indebtedness of our customers (e.g. SMEs more at risk).	Medium	Higher expense and credit risk.	(10.0)%	H	Critical	We provide support, including tools and technology, to our customers, facilitating their transition to low-carbon economies. We do this by focusing on improving efficiency with technology and giving customers access to alternative fuels.
Policy and legal/ reputation	Risk	Inability to keep pace with rapid shift in regulation and policy requirement, thus not meeting investors' expectations.	Medium	Decline in share prices and reputational damage.	No impact could be estimated due to relatively low stock liquidity and long-term majority investors.	L	n/a	Our current approach is to first track trends and build knowledge and capability internally to ensure our internal processes are adapted and robust. We also focus on increasing investment to comply with regulation and meet stakeholders' expectations.
Reputation	Risk	Increased climate awareness means people will want to work in a value driven business.	Medium	Challenges with talent retention and attraction.	(3.0)%	M	High	Continue to ensure we have a clear employee value proposition, including a clear message on how all employees can contribute and be part of the solution. In 2024, we will also re-engage employees with our purpose through a series of workshops, raising awareness of what it means to be a purpose driven business.
Technology	Opportunity	Incorporate energy transition into the business model ensuring we are part of the solution, offering new tools and technologies to our customers.	Medium	Increased revenue.	12%	M	n/a	Continuing to grow our ambition and working to support the transition to cleaner mobility in the CRT sector are key to this.

Key

Type: Risk · Opportunity

Timeframe: Short · Medium · Long

Likelihood: L Low · M Medium · H High

Gross risk rating: Low · Medium · High · Critical

TCFD continued

Scenario 1: A better world (1.5°C) continued

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Transition risks and opportunities continued								
Market	+	The successful electrification of CRT will in turn lead to more accessible prices for electric commercial vehicles in the future.	Long	Increased revenue and market share for electric commercial vehicles.	Currently no impact could be estimated due to a slower than anticipated uptake of electric commercial vehicles. It will be included once the portfolio grows.	M	No data	Continuously review opportunities to be part of the eMobility ecosystem for commercial vehicles. Monetise early investment in eMobility expertise, technology and acquisitions ("ROI").

Scenario 2: Uncertain and volatile world (2°C)

Category	Type	Description	Timeframe	Impact description	Impact on EBITDA	Likelihood	Gross risk rating	Management approach
Physical risk								
Acute	–	Extreme weather events such as sea level rise, flooding, fires or droughts compromising the usability of routes, thus leading to business disruption, for example, the closure of petrol stations.	Medium	Inability of the Group to operate during those events.	(3.7)%	L	Medium	Conduct regular reviews of our business continuity plans to factor in potential impacts of extreme weather events.
Chronic	–	Increased droughts in Southern Europe and increased flooding events in Northern Europe leading to shortage of supply and potential assets becoming inoperable (e.g. dried out petrol stations).	Long	Disruption to operations.	(4.1)%	M	High	Conduct regular assessment of climate risks associated with our current physical portfolio and supply to ensure we monitor the physical climate-related risks.

Key

Type – Risk + Opportunity

Timeframe: Short, Medium, Long

Likelihood: L Low, M Medium, H High

Gross risk rating: Low, Medium, High, Critical

Scenario 2: Uncertain and volatile world (2°C) continued

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Transition risks								
Policy and legal/ market	Risk	Eurowag's current transition plan not at a fast enough pace to follow the shift in regulation and policy accelerating the phase-out of fossil fuels in Europe.	Long	Decline in revenue from fossil fuels and increased opex.	(6.6)%	H	Critical	We continuously monitor the pace of change and aim to be a key leader in the transition for the CRT sector.
Market	Risk	Customer viability due to increased price of fossil fuels.	Medium	Higher expense and credit risk.	(11.0)%	M	Critical	Provide mobility and payment solutions, and related tools and advisory services to support customers in their transition to low-carbon economies.
Policy and legal/ reputation	Risk	Inability to keep pace with rapid shift in regulation and policy requirement, thus not meeting investors' expectations.	Long	Decline in share prices and reputational damage.	No impact could be estimated due to relatively low stock liquidity and long-term majority investors.	L	n/a	Increase investment to comply with regulation and meet stakeholders' expectations.
Policy and legal	Risk	The establishment of policies is disjointed with individual countries in Europe taking different approaches, with new policies and legislation on GHG emissions, electric vehicles, pollution, taxes and levies. All of this leads to a complex and challenging system of compliance, increasing the challenges of operating in the region.	Long	Disruption to operations. Increase in costs for the Group and its customers.	(6.6)%	H	Critical	Continue ongoing, constructive engagement, and advocacy with policy makers to promote a unified and consistent approach to public policy measures. This includes active participation within trade bodies as well as with other like-minded stakeholders in the CRT sector.

Key

Type: Risk, Opportunity

Timeframe: Short, Medium, Long

Likelihood: L Low, M Medium, H High

Gross risk rating: Low, Medium, High, Critical

TCFD continued

Scenario 2: Uncertain and volatile world (2°C) continued

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Transition risks continued								
Market	+	With our commitment to support the CRT move to a low-carbon economy, Eurowag has the opportunity to lead that transition, in turn increasing our attractiveness compared with our peers.	Long	Increase reputational gain and market share.	Estimates will be included as/when more detailed information becomes available, as Decarbonisation as a Service product offering matures.	M	No data.	Invest in new tools and technologies, support our consumers and work in partnership to facilitate that transition. We also adopt a data-centric approach, collecting data from our mobility solutions. In the future, there will be opportunities to share carbon data with customers.

Scenario 3: An irreversible world (3°C)

Category	Type	Description	Timeframe	Impact description	Impact on EBITDA	Likelihood	Gross risk rating	Management approach
Physical risk								
Acute	–	Increase in frequency and intensity of flooding events, higher temperatures, and other extreme weather events.	Medium	Temporary closure and/or disruption of key assets. Disruption of our supply chain. Impact on employees' health and ability to travel to work. Damages to infrastructure. Disruption to operations.	(4.1)%	H	Critical	Periodically review business continuity plans to ensure risks are factored into planning in the short and medium term. This includes utilisation of climate tools to assess risk on assets and supply chain.

Key

Type: – Risk, + Opportunity

Timeframe: Short, Medium, Long

Likelihood: L Low, M Medium, H High

Gross risk rating: Low, Medium, High, Critical

Scenario 3: An irreversible world (3°C) continued

Category	Type	Description	Timeframe	Risk evaluation: Impact description	Risk evaluation: Impact on EBITDA	Risk evaluation: Likelihood	Risk evaluation: Gross risk rating	Management approach
Physical risk continued								
Chronic	Risk	Extreme weather events would lead to high investment required to keep vulnerable assets operational. This can include wind, flooding and drought.	Long	Higher capital investment. Write-off of assets. Disruption to operations.	(0.5)%	M	Medium	Conduct regular assessment of climate risks associated with our current physical portfolio and supply to ensure we monitor the physical climate-related risks.
Chronic	Risk	Extreme weather could lead to social unrest and migration of upwards of millions of people to Western and Northern Europe.	Long	Migration of employees. Challenges with talent retention and attraction.	(4.1)%	H	Critical	Regular review and assessment of strategic and people agenda. Eurowag will continue to ensure we have a clear employee value proposition and a clear message on how all employees can contribute and be part of the solution. Employee support and business agility will also be key.
Transition risks								
Market	Risk	Competitive disadvantage if no ROI in low-carbon solutions due to a slow transition, with economic growth still powered by fossil fuels.	Medium	We will see no positive return from our current business model to transition if the transition has been slow.	(6.6)%	M	High	Monitor external developments, stay agile, and adapt our business model if need be.
Policy and legal	Risk	Social and political shift. Ideological and political perspectives change. Risk that the world becomes more polarised and irrational policy decisions are taken.	Long	Disruption to operations.	(4.1)%	H	Critical	Monitor external developments and ensure that the business is equipped to meet changing regulatory requirements.
Technology	Risk	Increased criminal activities and cyber-crime impacting platforms and technology sector.	Long	Loss of revenue and opex.	(3.0)%	M	High	Strengthen cyber security in all our platforms and manage the risk as well as building internal capability with a centralised dedicated role for IT security.

Key

Type: Risk, Opportunity

Timeframe: Short, Medium, Long

Likelihood: L Low, M Medium, H High

Gross risk rating: Low, Medium, High, Critical

Non-financial and sustainability information statement

Non-financial and sustainability information statement

The table below constitutes the Eurowag Non-Financial and Sustainability Statement, produced in compliance with the non-financial reporting requirements set out in Sections 414CA and 414CB of the Companies Act 2006. Information relating to each section of the non-financial reporting requirements has been incorporated via cross-reference.

Reporting requirement	Policies and standards	Additional information related to our policies and standards
Climate-related financial disclosures	TCFD disclosures	Climate risk and TCFD statement, page 58 ESG governance framework, page 47
Environmental matters	ESG strategy ESG policy	Sustainability strategy, page 46 ESG governance framework, page 47 TCFD statement, page 58 Main activities undertaken during the financial year, page 78
Employees	Eurowag values Code of conduct Speak Up (Whistleblowing) policy Health and safety policy Grievance policy Anti-harassment and anti-bullying policy	S172 statement, page 20 Main activities undertaken during the financial year, page 78 Engagement with the workforce, page 21 Developing our culture, page 24 DEI, page 27
Social matters	Modern slavery and human trafficking policy	Sustainability, page 44 DEI, page 27
Human rights	Modern slavery and human trafficking policy Anti-bullying and anti-harassment policy Personal data protection policy Personal data directive	Responsible business practices, page 56
Anti-corruption and anti-bribery matters	Anti-bribery and corruption policy AML policy System of internal principles Partner screening directive Conflicts of interest policy Market Abuse Regulation procedures manual Related Parties Transactions policy Significant Transactions policy	Responsible business practices, page 56
Principal risks relating to requirements	n/a	Risk management, page 33
Business model	n/a	Business model, page 12
Non-financial KPIs	n/a	Key performance indicators, page 17

This Strategic report was approved by and signed by order of the Board by:

Victoria Penrice FCG
24 March 2025

Corporate governance

Chairman's introduction to governance

Letter from the Chairman

Paul Manduca
Chairman

"

Robust corporate governance practices remain a core priority.

Dear fellow shareholders,

I am delighted to present our 2024 Governance report, which provides insight into how we, the Board, have approached our responsibilities during the year. We have continued to improve the Board through appointing technical experts and worked with our Committees to improve our efficiency.

Robust corporate governance practices remain a core priority, with our responsibilities under the 2018 UK Corporate Governance Code (the "Code") and those owed to our stakeholders kept central to our approach to decision making. For more details on how the Board has implemented the Code, please see page 77.

Our Board continues to consider the views of our key stakeholders throughout its decision making. Further details can be found in our Engaging with our stakeholders' section on pages 20 to 23, including the considerations the Board gave as part of its decision-making process.

Changes to our Board

During the year, we welcomed Sophie Krishnan and Kevin Li Ying to the Board as Independent Non-Executive Directors in March 2024. Both were recruited through our rigorous selection process using an external search agency. Sophie and Kevin sit on the Remuneration Committee and the Audit and Risk Committee and they co-chair our Technology and Product Advisory Committee.

These appointments bring additional skills and experience, particularly in the areas of technology and product development. Kevin and Sophie quickly fitted into the Board and have made a significant contribution to our overall understanding of the impact of scaling the technological side of the business. Subsequent to the year end, Sophie was appointed chair of the Remuneration Committee and both Sophie and Kevin will join the Nomination and Governance Committee following the Annual General Meeting ("AGM") on 22 May 2025.

Susan Hooper stepped down from the Board at the AGM in 2024. Susan had been with us since listing in 2021 and played a key role on the board, particularly with regards to ESG matters.

As announced in January 2025, Sharon Baylay-Bell stepped down from the Board in February 2025. Sharon has also served on the Board since listing and chaired the Remuneration Committee. Her contribution, particularly in all areas of remuneration and benefits, has been considerable. I thank Susan and Sharon, on behalf of the Board, for their commitment and service.

The Board will seek to ensure continuous improvement in its composition through annual reviews in order to have sufficient capabilities to meet our responsibilities and maximise our capacity to deliver value to our stakeholders.

As announced in January 2025, I will be leaving the Company after the AGM on 22 May 2025. Steve Dryden, the current chair of the Audit and Risk Committee, will succeed me on that date. I want to wish both Steve and the Company well for the future.

Commitment to Diversity

As part of the Board's ongoing reviews, diversity is a key consideration, and we remain committed to our targets on gender diversity. We also consider diversity of ethnicity, culture, and cognitive and personal strengths. The Board believes that we should be representative of our stakeholders, including our people, our shareholders, and the markets in which we operate. Our Diversity and Inclusion Policy is aspirational; we commit to no fewer than 50% of women on the Board and at least one Director from an ethnic minority, with a blend of nationalities to reflect the international nature of the Company, as a medium-term objective.

Currently the percentage of women on the Board is 25% increasing to 28.6% when I step down from the Board. Obviously, this sets us a challenge for future recruitment, as we are committed to achieving and maintaining the balance identified in the FTSE Women Leaders Review, Parker Review and the requirement under the Financial Conduct Authority ("FCA") Listing Rules.

Further information on our Board's composition and diversity can be found on page 80 in the Corporate governance report and page 87 of the Nomination and Governance Committee report.

Board effectiveness

In line with the Code, the Company performed a questionnaire-based evaluation during the year, facilitated by Linstock Limited following on from their first comprehensive review carried out in 2023. As part of the Board effectiveness review, the Board carried out a review of its committees. The Board discussed these reports and recommended that an action plan be drawn up to ensure that all areas suggested for improvement are addressed during the year.

I would invite you to read more on our 2024 evaluation and the action plan on page 87 in the Nomination and Governance Committee report.

Engagement with our workforce

Our Board understands the critical role that our people have in the delivery of our purpose and growth strategy, and they have the thanks of our Board for their hard work through uncertainty and challenges during 2024. I was delighted to visit our Sygic offices in Bratislava during 2024 and see for myself the work being undertaken on Eurowag Office.

Sharon Baylay-Bell acted as the Board's representative to the workforce during the year. In addition, Sophie Krishnan and Kevin Li Ying met on a regular basis with our employees to better understand the development of Eurowag Office and to share best practice and offer constructive challenge. Following Sharon's decision to leave the Company, the Board appointed Sophie Krishnan as the designated Director for employee engagement.

Our Board introduced a new Speak Up (Whistleblowing) Policy in September 2023, which allows employees a simple and effective channel to raise concerns and grievances. During 2024, the Board undertook training on whistleblowing to enable them to better understand their duties with regard to the policy, particularly with respect to the interaction of legislation in the Czech Republic and UK. Further details about our Speak Up (Whistleblowing) Policy and procedures can be found on page 95.

Engagement with our shareholders

The support of our shareholders has been integral to the Company's achievements during 2024. I would like to thank our shareholders again for the continued support they gave to the Company. During the year, Sharon Baylay-Bell met with shareholders to discuss our approach to remuneration, and our Executive Directors, supported by our brokers, undertook investor meetings in Europe, and met with existing and prospective shareholders. Additionally, I offered major shareholders the opportunity for a meeting during the run up to the 2024 AGM. Our Board will continue our engagement activities with our shareholders, and I look forward to meeting with our shareholders again at our next AGM which is scheduled to be held at our registered office at Third Floor (East), Albemarle House, 1 Albemarle Street, London W1S 4HA, on 22 May 2025 at 4pm British Summer Time.

Commitment to climate

Our Board remains committed to the Company's purpose, to help the CRT industry to become clean, fair and efficient. That purpose is supported by the Company's ambitions towards becoming a net zero business. During the year, our Board monitored progress against the Company's climate-related key performance indicators and discussed the Company's net zero transition plans. We will continue to challenge the Senior Leadership Team to go further in its endeavours to create a cleaner industry.

Conclusion

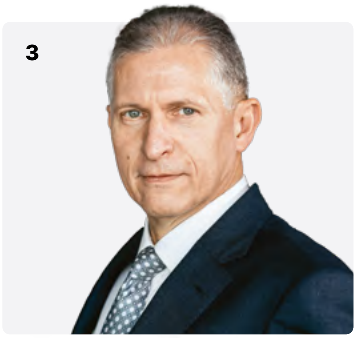
I would like to thank my colleagues on the Board for their commitment and constructive challenge throughout the year. I remain confident in the outlook for the Group and wish the team well for the future.

Paul Manduca
Chairman
24 March 2025

Board of Directors

Our Board of Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:



Key

- Chair
- R Remuneration Committee
- A Audit and Risk Committee
- N Nomination and Governance Committee

Other Directors of the Company who were in office during the year were:

Susan Hooper, who retired as an Independent Non-Executive Director of the Company on 16 May 2024.

Sharon Baylay-Bell, who retired as an Independent Non-Executive Director on 21 February 2025.

1 — Paul Manduca N

Chairman of the Board

Appointed
7 September 2021

Nationality
British/Maltese

Other commitments

Chairman of St James's Place plc

Skills and experience

Paul has over 40 years' experience in executive and non-executive roles in the financial and business services sectors. From 2012 to 2020, Paul was Chairman of Prudential plc, having previously been appointed to the board as Senior Independent Director in 2010. Other prominent positions include roles as Senior Independent Director of WM Morrison Supermarkets plc from 2005 to 2011, during which he served as Chairman of the Audit Committee and the Remuneration Committee. Prior to this, he was appointed global Chief Executive Officer of Rothschild Asset Management in 1999 and European Chief Executive Officer of Deutsche Asset Management from 2002 to 2005. Earlier in his career, Paul served as Chairman of the Association of Investment Companies, as Chairman of The City UK's Leadership Council, and as founding CEO of Threadneedle Asset Management Limited. Paul had also previously served as Chairman of Templeton Emerging Markets Investment Trust plc and stepped down from this role on 1 January 2024. Other previous appointments include Chairman of Aon UK Limited from 2008 to 2012, having served as a Non-Executive Director since 2006, JPM European Smaller Companies Investment Trust plc and Bridgewell Group plc, and Director of Henderson Smaller Companies Investment Trust plc, Eagle Star Insurance Company and Allied Dunbar. Paul holds an MA in Modern Languages from the University of Oxford, where he is also an Honorary Fellow of Hertford College. In 2018, Paul was awarded a Maltese Order of Merit.

2 — Martin Vohánka

Chief Executive Officer

Appointed
3 August 2021

Nationality
Czech

Other commitments

Co-founder of the Nadační fond nezávislé žurnalistiky (Independent Journalism Foundation)

Co-founder of the Nadace BLÍŽKSOBĚ (Closer Together Foundation)

Director of Couverina Business s.r.o

Skills and experience

Martin founded Eurowag Group in 1995, shortly after graduating from high school. Over the years, Martin has successfully developed and scaled the business from an energy payments solution to an integrated payments and mobility platform for the CRT industry, which includes toll payments, on-board telematics, route optimisation and much more. Martin is devoted to providing every CRT company with the benefits of digitalisation at scale. He has grown up with these businesses, spending time in their vehicles and with the families that own and operate them, to understand what they need in order to improve efficiencies. His vision is to build a seamless integrated digital ecosystem to revolutionise what is known as the middle mile, to benefit customers, partners and the environment. Martin holds an MBA from the University of Pittsburgh and lectures at the University of Economics, Prague.

3 — Oskar Zahn

Chief Financial Officer

Appointed
12 May 2023

Nationality
British/South African

Other commitments

N/A

Skills and experience

Oskar joined Eurowag and the Executive Team as Chief Financial Officer in April 2023, succeeding Magdalena Bartoś. Oskar brings with him over 30 years' experience of working within large complex international businesses with continuous improvement and growth focused cultures. Most recently, he was CFO at XP Power Limited, one of the world's leading providers of power converter solutions. Prior to XP Power, Oskar was CFO of Scapa Group plc, a leading global manufacturer to the healthcare and industrial markets, from 2018 until its acquisition by SWM International, Inc., in early 2021. Previously, Oskar was CFO at Spearhead International, a leading vertically integrated food and agriculture business operating in CEE and the UK. Oskar has held other senior roles in Teleflex, British Airways, Georgia-Pacific and KPMG. He has an honours degree in Finance from the University of South Africa and is a fellow of the Institute of Chartered Accountants in England and Wales and of the Institute of Chartered Accountants of South Africa.

4 — Mirjana Blume A R N

Senior Independent Non-Executive Director

Appointed
7 September 2021

Nationality
Swiss/Croatian

Other commitments

SML Solutions Ltd, Founder and Managing Director

Member of the Board of Directors, Chair of the Audit Committee and member of the Digital Committee of Orell Fuessli Ltd, a SIX Swiss Exchange-listed company

Vice Chair of the Board of Directors and Chair of the Audit Committee of IWB, Industrielle Werke Basel

Chair of the Board of Directors of EWE, Energie und Wasser Erlenbach Ltd

Member of the Board of Directors of WAZ, Werke am Zürichsee Ltd

Skills and experience

Mirjana is an international Finance Director and Corporate Non-Executive Director with diverse experience of both public and private companies. She has more than 25 years' experience in the areas of corporate finance, structuring of companies and management of complex corporate transactions. She was appointed to the Eurowag Supervisory Board in December 2020 to provide vision and expertise to guide Eurowag on its mission to become the leading on-road mobility platform. Mirjana held positions as Chief Executive and Financial Officer of various companies in the energy/renewables, technology and healthcare/pharmaceutical sector. Mirjana holds a bachelor's degree in Economics from the Zurich University of Applied Sciences and an MBA from the University of St Gallen.

5 — Steve Dryden A R N

Independent Non-Executive Director

Appointed
1 June 2023

Nationality
British

Other commitments

N/A

Skills and experience

Steve is a highly regarded and experienced business leader who brings significant financial and audit leadership experience and business acumen to the Board. Most recently, Steve served as Chief Executive Officer of Flint Group Holdings SARL, retiring in October 2024 to pursue a part time non-executive and advisory career. Previously, he held the positions of CFO of Flint Group, Group Finance Director of DS Smith plc and Group Finance Director of Filtrona plc. Steve achieved his professional accountancy qualification with PricewaterhouseCoopers and holds a degree in Chemical Engineering from the University of Leeds.

Board of Directors continued

6 — Sophie Krishnan A R

Independent Non-Executive Director

Appointed
1 March 2024

Nationality
British/French

Other commitments

CEO of Lokalise, Inc

Non-Executive Director of Simbio Holdings

Skills and experience

Sophie has extensive experience with digital businesses scaling their operations internationally, many of which offer mobility or payment solutions. She has held both executive and non-executive roles. She has served as CEO at CarNext and as Chief Operating Officer at Zepz (formally WorldRemit Ltd) and has been a senior executive at Trainline, Ltd and Expedia, Inc. She was a Non-Executive Director for Avanti Acquisition Corp. Earlier, she was a consultant at Bain & Co and an investor at Investor AB. Sophie holds a dual Master's-Diploma degree from the London School of Economics and EDHEC, and an MBA from Stanford Graduate School of Business as an Arjay Miller Scholar.

7 — Joseph Morgan Seigler

Non-Executive Director

Appointed
7 September 2021

Nationality
American

Other commitments

Managing Director at TA Associates and Co-Head of its European Technology Group

Member of the following boards as a representative of TA Associates: The Access Group, Adcubum, Auction Technology Group, Flashtalking, ITRS, Netrisk Group, Sovos, thinkproject and Unit4

Skills and experience

Morgan has over 17 years of private equity experience and has led investments in software, financial technology, online and e-commerce, and semiconductor companies. He is deeply involved in creating both organic growth and complementary acquisitions for all his portfolio companies. Prior to joining TA Associates in 2002, Morgan worked for Morgan Stanley and Raymond James. Morgan holds an MBA from the Stanford Graduate School of Business and a bachelor's degree in economics from Yale University.

8 — Kevin Li Ying A R

Independent Non-Executive Director

Appointed
1 March 2024

Nationality
British/Mauritian

Other commitments

CEO of Future plc

Executive Director and Board Member of GoCompare.com Ltd

Skills and experience

Kevin has over 20 years of experience in technology and over 10 years of executive leadership experience. Kevin brings deep expertise in building scalable technology platforms. As Chief Technology & Product Officer at Future plc, Kevin has helped transform the business from a traditional print publisher to a global online leading media platform. Over his career, Kevin has developed a strong understanding of the commercial levers, technology architecture and product services that drive value for both business and customers. Kevin currently serves as Executive Vice President of B2C Division, the largest division of Future plc. Kevin oversees all B2C brands, editorial and revenue generation consisting of subscriptions, commercial advertising, e-commerce and newstrade revenue whilst ensuring technology and data are central to the B2C offer. Kevin also serves as Executive Director and Board Member of GoCompare.com Ltd, the price comparison website for financial and non-financial products.

Key

- Chair
- R Remuneration Committee
- A Audit and Risk Committee
- N Nomination and Governance Committee

Corporate governance report

Governance overview

Statement of compliance with the 2018 UK Corporate Governance Code

W.A.G payment solutions plc (the "Company") continues to adopt the UK Corporate Governance Code (the "Code"). Throughout the year ended 31 December 2024, the Company has been fully compliant with the provisions of the Code.

Further information on the Company's application of the principles and provisions of the Code can be found in the Corporate Governance Report on pages 78 to 84. The Code is publicly available at www.frc.org.uk/.

Board's agenda and major decisions during 2024

February

- Budget approval
- Roadmap for sustainability
- Non-Executive Director appointments
- Refinancing
- Review of past acquisitions

March

- Health and safety
- Refinancing
- Analysis of M&A transactions
- Annual Report and Accounts and preliminary results announcement
- Sustainability report
- AGM and Rule 9 waiver

May

- Modern Slavery policy review
- Appointment of Company Secretary
- Board evaluation action review
- Strategy day

July

- Update on acquisitions
- Five-year strategic plan
- Code of conduct
- Investor updates

September

- 2024 half year interim results
- Year-end forecast
- Sustainability strategy
- Anti-bribery and corruption policy

December

- Whistleblowing training
- Tax strategy
- Risk management and controls framework
- Conflicts of interest policy

Corporate governance report continued

Board activities during 2024

Topic	Key activities and discussions	Key achievements	Key priorities for 2025
Strategy and management	› Review of M&A performance against action plans › Further technological transformation in our product offerings › Board strategy day held in May 2024	› Signed additional facilities agreements to refinance and expand the Group's existing credit facilities	› Continuing the integration of acquired businesses › Execution of transformational activities › Further development of future product › Delivery of organic and inorganic growth
Stakeholder engagement	› Feedback on investor engagement on remuneration › Investor relations meetings › Discussion of increasing engagement with staff at newly acquired M&A companies	› Implementation of Remuneration Policy following meeting with Investors › Chairman`s visit to Sygic in Bratislava	› Continue to engage with employees and customers to improve the Net Promoter Score ("NPS") and employee Net Promoter Score ("eNPS") › Board visits to Eurowag sites
Risk management and internal controls	› Review of the Company's principal risks and uncertainties › Reviewing and setting the Group risk appetite › Reviewing the effectiveness of the Group risk management framework and internal control system › Review of the Company's risk register › Reviewing the Group compliance action plan › Review and approval of the internal audit plan	› Cyber security progress reports › Audit and Risk Committee received progress reports from Business Assurance Committee › Embedded Health & Safety progress reports	› Monitor the effectiveness of the Group's risk management framework and internal control environment and support its continual enhancement
Financial reporting and controls	› Review of the external audit workplan › Finalising the Company's commitment, targets and implementation of KPIs › Review of the performance of External Auditors	› Re-appointment of the External Auditors › Review of the interim consolidated financial statements for the six months ended 30 June 2024 › Review of the full-year consolidated financial statements › Reviewed the effectiveness of internal controls relating to financial reporting › Updated UK tax strategy	› Monitor the implementation of an enterprise resource planning system to support financial reporting › Support enhancements to the financial reporting capabilities and controls over financial reporting
ESG	› Discussion of the Company's purpose, values and culture › Review of sustainability action plan › Discussion of ESG targets	› Reaffirmed commitment to the ESG Strategy and commitments	› Monitor the implementation and outcomes of the ESG strategy › Promote the Company's purpose, values and culture through the Group and its value chain
Board composition and effectiveness	› Review of the Board's composition › Review of Board succession planning and time commitments › Review of Senior Leadership Team succession planning › Discussion on Board diversity	› Nomination of two new Independent Non-Executive Directors › Monitored the implementation of recommendations from the external Board performance review	› Continue to strengthen the Board and its operations

Developing our people and culture

Defining our purpose, values and culture

Our success as a leading pan-European integrated payments and mobility platform continues to be driven by the Company's purpose, values and culture, as established by the Board of Directors. The Board has ultimate responsibility for establishing the Group's purpose, values and culture. The Board, with support from the Senior Leadership Team, is committed to its purpose to help the CRT industry to become clean, fair and efficient, and supports Eurowag operating under the following four values, which encourage its employees to act as good corporate citizens:

- **Deliver your best**
- **Embrace change**
- **Be a true colleague**
- **Be a good person**

Furthermore, the Board has committed to the journey to a greener future, as Eurowag is striving to reach net zero emissions by 2050 through a combination of short and longer-term decarbonisation targets covering operations within the Group and in our value chain.

Aligning purpose, values, strategy, and culture

We ensure that our purpose, values and culture are aligned with our long-term strategy, as we recognise that strong performance is driven by shared understanding. Our four core values provide a foundation that motivates and guides our people, and these principles are embedded in every action we take as an organisation in order to reach our shared purpose. Our values inspire us to achieve success and happiness in our work and private lives.

Our strategy is the roadmap to achieving our shared goals and underlying purpose, which is to promote fairness, increase efficiency and act as climate conscious leaders within the CRT industry. We have embedded our shared purpose and values as part of our shared organisational culture through the creation of policies to create clear standards that align our people.

Our people are our greatest asset, and therefore we ensure our people exemplify what we stand for. Alignment with our values is a criterion considered in recruitment, promotion and when establishing rewards. This is how we promote and safeguard the culture we have nurtured, which has allowed Eurowag to continue to perform and successfully execute its strategy each financial year.

Engagement with our employees

The Board has, in conjunction with the Senior Leadership Team, built an entrepreneurial environment that promotes collaboration and development of its employees. The Group shows it recognizes the value of its workforce through creating channels for collaboration and continual feedback, which can be evidenced by the Group's high levels of employee engagement.

Sharon Baylay-Bell was the Board's appointed workforce engagement representative during the year. Following her stepping down from the board, that role is now undertaken by Sophie Krishnan.

During the year, the Board directly engaged with the employees at all levels of the organisation, receiving presentations at Board and Committee meetings, in order to satisfy themselves that Board level reporting was consistent with operational delivery. This activity created an effective feedback loop between the Board and the wider workforce, and further contributed to the creation of positive working relationships across the Group.

The Board regularly reviews the action it has taken to engage with the wider workforce to ensure that policies and processes are operating effectively, including the Speak Up (Whistleblowing) Policy. The Board undertook a training session on whistleblowing during the year, which included an analysis of responsibilities under both Czech and UK law.

The Board receives regular reports from the Senior Leadership Team on specific areas of Group employee engagement activities to ensure the Board has a thorough understanding of the business and its employees. Further information on workforce engagement can be found on page 21.

> **Strong performance is driven by shared understanding.**
>
> **Paul Manduca**
> Chairman

Corporate governance report continued

Division of responsibilities

Decisions and matters reserved for the Board

The formal schedule of matters reserved for the Board and the Terms of Reference for each of the Board Committees are reviewed annually to ensure their accuracy in line with governance best practice. The Board also maintains a delegated authority matrix, which provides the division of responsibilities regarding decision making. The formal schedule of matters reserved for the Board can be found on the Company's website and provides guidance on the following areas:

Strategy and management

The Board has ultimate responsibility for the management, oversight and success of Group operations. Responsibilities of the Board include:

- Ensuring competent, prudent and effective management
- Forward planning to meet the Company's short-term and long-term strategic goals
- Implementing and monitoring the internal control framework on an ongoing basis
- Overseeing the maintenance of accurate accounting records and other records
- Ensuring compliance with statutory and regulatory obligations

The Group's strategic goals and wider business plan are regularly discussed and reviewed by the Board to ensure these are aligned with actual performance. The Board further establishes the Company's purpose and values to drive long-term objectives and commercial strategy. The Board is responsible for considering and approving any new ventures with external businesses or in different geographic areas, for deciding to discontinue operations in any area of the Group's business, and for the restructuring or reorganisation of the Group.

Board composition and effectiveness

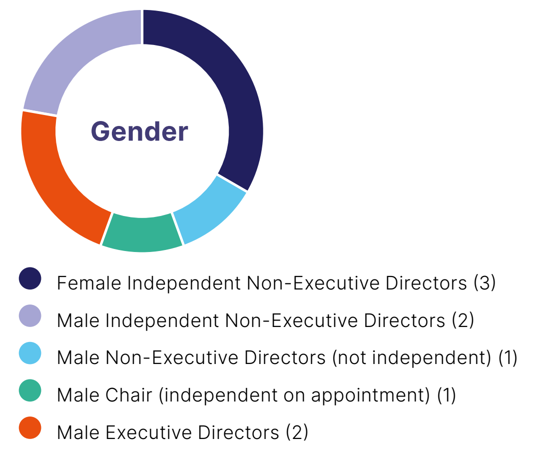
In line with the requirements of the Code, the Board is committed to undertake an annual evaluation of its own performance, as well as the performance of its committees and individual Directors. During 2024, the annual Board evaluation was facilitated by an external provider, Lintstock Limited, consistent with the Code and corporate governance best practice.

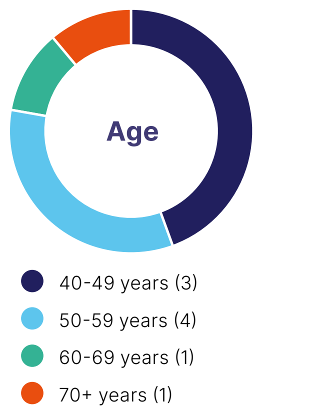
Throughout the evaluation, Board diversity, independence, time commitment, and the suitability of the mix of skills, experience and knowledge across the Directors were examined. Details of the Board evaluation undertaken for the year ended 31 December 2024 can be found in the Nomination and Governance Committee report on page 85.

The composition of the Board and succession planning are regularly considered by the Nomination and Governance Committee, and Eurowag is committed to ensuring a diverse pipeline for executive management and Board roles. Going beyond the requirements of the FCA Listing Rules, the Board's Diversity and Inclusion Policy established aspirational objectives to promote diversity in the Board and Senior Leadership Team.

As at 31 December 2024, the Board comprised three female Independent Non-Executive Directors, three male Non-Executive Directors, of whom two were considered independent by the Board, and two male Executive Directors. The Chairman of the Board, who is male, was considered independent on appointment. Five of the Directors have served on the Board for less than four years and two of the Directors have served on the Board for less than two years.

Diversity of the Board as at 31 December 2024





As at 31 December 2024, the Company was not fully compliant with the diversity requirement of the FCA Listing Rules ("UKLR"). At that date, the Board comprised 33% female members, having been 37.5% at 31 December 2023. The reduction was a result of the retirement of Susan Hooper from the Board and appointments of Sophie Krishnan and Kevin Li Ying. The Senior Independent Director, being a senior Board position, is held by a female, Mirjana Blume. There was one Board member from a minority ethnic background as defined by the Office of National Statistics. The Company's primary operations are in Central and Eastern Europe and the Board aims to be representative of the communities in which it operates. The Board has committed to meeting the requirements of the FCA Listing Rules and its aspirations in its Diversity and Inclusion Policy on female representation as a medium-term objective. The Board's Diversity and Inclusion Policy refers to the Board and, by extension, its Committees, which have not adopted separate policies and rely on the policy approved by the Board.

In accordance with UKLR 6.6.6R(10), below is the numerical diversity data in the format set out in UKLR 6 Annex 1 as at 31 December 2024. The information presented in the below tables was collected on a self-reporting basis by the Directors and by the Senior Leadership Team, who were asked to confirm which of the categories specified in the prescribed tables were most applicable to them.

Gender identity

	Number of Board members	% of the Board	Number of senior positions on the Board (Chairman, SID, CEO and CFO)	Number in executive management (Senior Leadership Team)	Percentage of executive management (Executive Committee members)
Men	6	67%	3	7	87.5%
Women	3	33%	1	1	12.5%
Non-binary	0	0%	0	0	0%
Prefer not to say	0	0%	0	0	0%

Ethnic background

	Number of Board members	% of the Board	Number of senior positions on the Board (Chairman, SID, CEO and CFO)	Number in executive management (Senior Leadership Team)	Percentage of executive management (Executive Committee members)
White British or other White (including minority White groups)	8	88.9%	4	8	100%
Mixed/Multiple ethnic groups	1	11.1%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African/Caribbean/ Black British	0	0%	0	0	0%
Other ethnic group, including Arab	0	0%	0	0	0%
Prefer not to say	0	0%	0	0	0%

Further details of the Board diversity can be found of the Nomination and Governance Committee Report on page 87.

Gender split of all employees available in the separate Sustainability report on our website.

Remuneration

The Board has delegated responsibility to the Remuneration Committee for determining the respective policies for the remuneration for Executive Directors and the Senior Leadership Team. The Board maintains oversight over the actions of the Remuneration Committee and is responsible for reviewing and approving the policies proposed by the Remuneration Committee. The Board is responsible for considering and approving the remuneration policy for the Board and Senior Leadership Team and determines the remuneration of the Non-Executive Directors within the limits set in the Articles of Association. For further details of the Company's approach to remuneration, see page 96.

Financial and annual reporting

The Board is responsible for approving the Group's Annual Report and Accounts, the Interim Accounts and Half-Yearly Report, and the preliminary announcement of the final results, following recommendation from the Audit and Risk Committee.

Corporate governance report continued

Division of responsibilities continued

Capital expenditure and financing

The Board is responsible for the approval and oversight of investments and capital projects in the following circumstances:

- Any proposed investments and capital projects exceeding £6 million in value
- Any unbudgeted investments and capital projects exceeding £2 million
- Any time the Group seeks to borrow in excess of £5 million
- Any time the Group seeks to enter into any mortgage, charge (fixed or floating), pledge, hypothecation or other encumbrance of a similar nature over all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company
- Any member of the Group seeks to issue any debt instruments for amounts in excess of £5 million, including bond issues, debenture issues and loan stock instruments (but excluding intragroup debt instruments)
- The Company seeks to enter into any indemnities or guarantees where the maximum amounts payable could exceed £5 million, other than indemnities and guarantees given in respect of the Group's products, services or any banking facilities (including any in substitution for or renewal of existing arrangements)

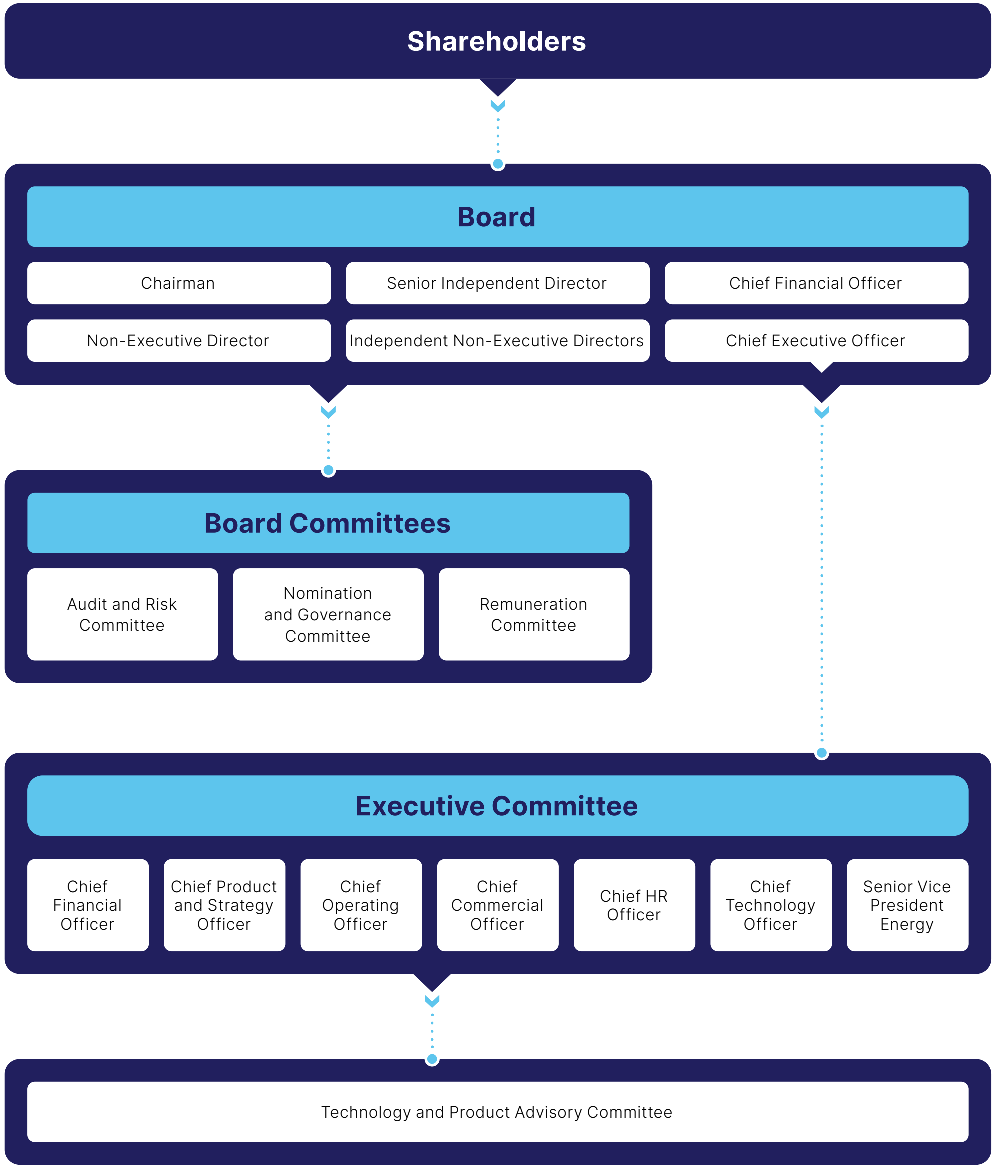
Engagement with shareholders and wider stakeholder groups

The Board, together with the Senior Leadership Team, regularly reviews and promotes engagement with our shareholders and wider stakeholder groups. The Board regularly reviews engagement mechanisms and processes to ensure these are operating effectively, and receives reports from the Senior Leadership Team, including the VP of Investor Relations, capturing feedback from shareholders. The Board uses shareholder feedback to contribute to the engagement strategy, as developed by the Board, to approach issues that are most important to the long-term success of the Group. The Chairman engages with our shareholder base to gain insight around their views on the current governance framework and Group performance against our strategy.

Environmental, social and governance

The Board ensures that the Group's environmental, social and governance impacts, risks and opportunities are reviewed on a regular basis. This has been achieved by the delegation of accountability to the ESG Executive Committee, the membership of which is comprised of the VP of Sustainability and Corporate Social Responsibility, the Chief Executive Officer, Martin Vohánka; several members of the Executive Committee, along with members from the Senior Leadership Team, including representatives from legal, human resources, communications, commercial and investor relations department.

Board governance framework



The ESG Executive Committee meets every quarter to set strategic direction and monitor the progress of ESG strategy, related policies and reporting. These discussions allow for recommendations to be made regarding the evolution and refinement of our ESG strategy, with consideration for ESG risks and opportunities. We have set tangible targets to monitor our progress in-line with these discussions, and we are aiming to achieve net zero emissions by 2050. The Board received regular updates on ESG matters from the Senior Leadership Team during the year and received training on climate and its impact on the Group. For further details of the Company's approach to Sustainability, see page 44 and the Company's Sustainability report.

Risk management and internal controls

The Board has ultimate responsibility for risk management and the internal controls in place, including the oversight and strengthening of the environment to ensure a comprehensive system to identify, assess and mitigate risk is in place. The Board is responsible for setting the Group's risk appetite and risk management framework. The Board's oversight is supported by the Audit and Risk Committee and the Senior Leadership Team.

The Group`s risk management is based on three lines of defence and the Board receives regular updates from the second and third lines of defence. The Company's outsourced internal audit function provides independent assurance to the Senior Leadership Team, the Audit and Risk Committee, and the Board, with respect to the effectiveness of the Group's internal control environment. Further information on the Company's internal controls framework can be found on page 33.

Board independence

The Board of Directors is expected to exercise independent judgement, free from external interference, in order to fulfil its duty to promote the success of the Company for the benefit of its members as a whole.

The Independent Non-Executive Directors act as a sounding board for the Executive team, providing constructive challenge and further guidance given their varied expertise and skillsets. The Board collaborates well to achieve its shared purpose, and all Directors are given the opportunity to raise questions and probe issues further during meetings. This cohesive environment improves the quality of discussion and, as a result, allows for more effective decision making. The varied experience on the Board adds value to these discussions, and the Executive team welcomes suggestions and advice based on the experience of the Independent Non-Executive Directors.

The Board also has a non-Independent Non-Executive Director, Morgan Seigler, who is nominated to the Board by its major shareholder, Bock Capital EU Luxembourg WAG S.à.r.l. Morgan is subject to the same duties and responsibilities as fellow Board members to exercise independent judgement and avoid conflicts of interest.

The Group has taken steps to avoid undue influences impacting Board decision making. The Directors promptly inform the Company Secretary where there has been a change to their external interests or relationships in order to ensure the Company has an accurate register of this information, to ensure conflicts of interest are avoided. Further steps taken include the implementation of shareholding agreements, relationship agreements, and other relevant processes and procedures.

Our Board composition is designed to ensure that no one or group of individuals dominate decision making, and to minimise the risk of issues such as groupthink. The independence of the relevant Non-Executive Directors is revisited at each Board meeting, and all the Directors are requested to confirm whether they have any conflicts of interests pertaining to the content tabled for discussion. These processes ensure that external influences do not compromise the independent judgement of the Directors.

Upon appointment and on an ongoing basis, Directors are required to provide requisite information to allow the Board, aided by the Nomination and Governance Committee, to ensure their independence. Following the provision of this information, the Board is satisfied that there are no matters that give rise to conflicts of interest which could compromise the independence of the Independent Non-Executive Directors.

Time commitment

Our Chairman, Independent Non-Executive Directors and Non-Independent Non-Executive Director are not employed in an executive capacity by the Company. These Board members have received letters of appointment, which provide the main terms of their respective appointments to the Board and cover an initial term of three years. Following the provisions of the Code, all Directors are put forward for initial election and thereafter annual re-election by shareholders at the Company's AGM.

The appointment letters further provide time commitment expectations of each Director in their role. Independent Non-Executive Directors can expect a typical time commitment of 26 days a year on average, while Non-Independent Non-Executive Directors are expected to commit, on average, 16 days per year.

Our Chairman is expected to commit circa one day per week given the intricacies of the role. These time frames are intended to serve as a guide, as the time commitment required of Directors can fluctuate. All Board members are expected to devote sufficient time to effectively discharge their duties.

The Board reviews the role profiles of each Director and the level of commitment required to meet those requirements to act in the best interest of stakeholders. The external commitments of the Directors are reviewed by the Nomination and Governance Committee on an ongoing basis to ensure that they can fulfil the time commitment to successfully discharge their role. This process is managed by the Company Secretary and the Chairman, and the complexity of each external interest is examined, such as whether other sectors in which an individual operates are highly regulated. Any changes to Directors' external appointments are further reviewed by the Nomination and Governance Committee. The Board has concluded that, notwithstanding Directors' other appointments, they are each able to dedicate sufficient time to fulfil their duties and obligation to the Company.

Corporate governance report continued

Division of responsibilities continued

Directors' attendance at Board and Committee meetings for the year ended 31 December 2024

Members	Board of Directors	Audit and Risk Committee	Nomination and Governance Committee	Remuneration Committee
Paul Manduca*	6/6	N/A	4/4	N/A
Martin Vohánka	6/6	N/A	N/A	N/A
Oskar Zahn	6/6	N/A	N/A	N/A
Sharon Baylay-Bell*	6/6	6/6	4/4	3/3
Mirjana Blume*	6/6	6/6	4/4	3/3
Steve Dryden*	6/6	6/6	4/4	3/3
Susan Hooper*[1]	3/3	3/3	2/2	2/2
Sophie Krishnan*[2]	5/5	5/5	N/A	2/2
Kevin Li Ying*[2,3]	4/5	4/5	N/A	2/2
Morgan Seigler	6/6	N/A	N/A	N/A

* Denotes Independent Director.

Notes:

1. Susan Hooper stepped down from the Board on 16 May 2024.
2. Sophie Krishnan and Kevin Li Ying were appointed as Directors with effect from 1 March 2024.
3. Kevin Li Ying missed a set of meetings due to illness.

Individuals such as the Chairman, the Chief Executive Officer, the Chief Financial Officer, among other members of management and external advisers, may be invited to attend all or part of any meeting as and when deemed appropriate and necessary with the agreement of the respective chair.

Board roles and their responsibilities

Chairman

- Ensure all Non-Executive Directors have the opportunity to effectively contribute, through engagement in open and honest discussions
- Oversee the effectiveness and suitability of the Company's governance processes, with support from the Company Secretariat
- Ensure the Board receives accurate and timely papers to accommodate the fulfilment of its duties
- Continually monitor the long-term development of the Group and ensure that effective strategic planning is undertaken

Chief Executive Officer

- Devise the strategy and long-term objectives of the Group in line with established risk appetite
- Maintain oversight over operational performance and report accurately to the Board and its Committees
- Ensure the Board's strategies, objectives and decisions are implemented in a timely and effective manner

Chief Financial Officer

- Oversee the day-to-day financial management of the Group
- Provide strategic financial leadership, creating the necessary policies and procedures to ensure sound financial management
- Ensure the accuracy, integrity and timeliness of financial reporting and compliance with any relevant reporting and accounting standards

Senior Independent Non-Executive Director

- Provide a sounding board for the Chairman
- Serve as an intermediary for other Directors
- Be available to shareholders where other channels of communication are inappropriate
- Lead the annual evaluation of the performance of the Chairman

Company Secretary

- Act as the trusted advisor to the Board and its committees on all corporate governance matters

Non-Executive Directors

- Provide constructive challenge to the Executive Directors and other members of the Senior Leadership Team
- Contribute to the development of strategy and provide oversight to ensure its execution
- Apply independent and impartial experience and expertise
- Oversee the effectiveness and integrity of the Company's financial reporting and risk management systems

Nomination and Governance Committee report

Nomination and Governance Committee report

Paul Manduca
Chair of the Nomination and Governance Committee

"

The Committee continues to oversee succession plans to ensure the long-term success of our Company.

Dear fellow shareholders,

In this Nomination and Governance Committee report for the year ended 31 December 2024, I am pleased to describe our considerations, discussions and outcomes from the year. The Nomination and Governance Committee during the year comprised me (Non-Executive Chairman of the Board and of the Committee), and the following Independent Non-Executive Directors: Mirjana Blume, Sharon Baylay-Bell and Steve Dryden. Susan Hooper served on the Committee until she stepped down from the Board on 16 May 2024. Sharon Baylay-Bell stepped down from the Board and from the Committee on 21 February 2025. I will step down from the Board and the Nomination and Governance Committee on 22 May 2025 following the AGM. The biographies of each member of the Committee are set out on pages 74 to 76.

The Committee met four times during 2024. At these meetings, we reviewed the composition of the Board considering the relevant and necessary knowledge, skills, expertise and diversity of each Director. We also reviewed the succession plans for both the Board of Directors and Senior Leadership Team and had oversight of the externally facilitated evaluation of the Board. The Committee oversaw the appointment to the Board of two new Independent Non-Executive Directors, Sophie Krishnan and Kevin Li Ying, and reviewed the composition of the Board committees, appointing Kevin and Sophie to both the Audit and Risk and the Remuneration committees. In February 2024, our Committee revised its Terms of Reference to establish a Nomination and Governance Committee, which provides additional remit over corporate governance considerations. The change affirms our commitment to developing a robust governance framework based on best practice, to support our business.

As the Chair of the Nomination and Governance Committee, I lead my Committee colleagues to fulfil the responsibilities of the Committee, notably to ensure the effectiveness of the Board, through its governance frameworks, processes and composition, at present and for the future.

In January 2025, the Committee met to consider my successor as Chairman of the Board. In accordance with best practice, I did not chair this discussion. Mirjana Blume, the Senior Independent Director, led the Committee in its discussion, which resulted in Steve Dryden being recommended to the Board as Chairman, with effect from the 2025 AGM.

The Committee also discussed succession planning for the Remuneration Committee and recommended that Sophie Krishnan succeed to the position of Chair of that Committee, following the departure of Sharon Baylay-Bell. The Committee also noted that, once Chair of the board, Steve Dryden would no longer be eligible to serve on the Audit and Risk Committee and it agreed to recommend to the Board that Mirjana Blume, who has recent and relevant financial experience, take on the chair of the Audit and Risk Committee from the AGM. No Director participated in discussion on his or her future role.

The Committee also recommended to the Board that Sophie Krishnan take on the role of designated Director for employee engagement following Sharon Baylay-Bell's departure and that Sophie Krishnan and Kevin Li Ying join the Nomination and Governance Committee following the AGM.

Director nomination processes

On 1 March 2024, Sophie Krishnan and Kevin Li Ying were appointed as Independent Non-Executive Directors. These appointments followed a robust appointment process which was supported by the external search agent, Korn Ferry. Korn Ferry does not have any other relationship with the Company. During the selection process, the Committee reviewed the candidate specifications and agreed that expertise in product technology and technology transformation was desired. The Committee had initially received a long list from Korn Ferry which was reduced to a shortlist of five candidates, of which three were female and two were from an ethnic minority background. The interview processes noted that Sophie Krishnan and Kevin Li Ying were each qualified and capable candidates with the necessary skills and experience to be appointed as Directors of our Company.

Nomination and Governance Committee report continued

Director nomination processes continued

On appointment, both took advantage of an induction programme that enabled them to meet with key senior employees of the Company, understand their fiduciary responsibilities and learn about the Company's products and services.

The Committee also considered and recommended to the Board that Sophie Krishnan and Kevin Li Ying be appointed to the Audit and Risk and Remuneration committees and, following the establishment of the Technology and Product Advisory Committee ("TPAC"), to that committee also.

During 2025, the Committee will lead any nomination process for new Directors, as required by vacancies and ongoing succession planning. The formal nomination process, as agreed by the Directors and in line with governance best practice, will continue to be followed. The Board has ultimate responsibility for any consideration of nominations based on merit against objective criteria, with regard to diversity factors, as identified by the Nomination and Governance Committee.

Succession Planning

The Committee regularly reviews and updates the succession plans for the Board and Senior Leadership Team. In the course of its reviews, the Committee considered the appointment profile of each Director, including relevant expertise and diversity, to capture plans for contingency, in the medium-term and in the longer term, to ensure the long-term success of our Company.

I am delighted that this approach allowed us to identify Steve Dryden as the successor to myself as Chairman of the Board, Sophie

Committee overview

- The Committee is composed of the Chairman of the Board and three Independent Non-Executive Directors
- All members have relevant expertise to support the Committee
- Meetings are attended by the Executive Directors, and other relevant attendees, by invitation of the Chairman, where attendance would support the Committee in fulfilling its responsibilities

Key responsibilities

- Monitor the governance framework, including the structure, size and composition of the Board and its Committees, to ensure a balance of skills, knowledge, experience and diversity
- Lead a rigorous and transparent process for identifying and selecting candidates to serve as Directors on the Board and its Committees and make recommendations to the Board for their appointment
- Develop and implement effective succession plans for the Board, its Committees and the Senior Leadership Team, having regard to the skills and expertise needed to ensure the long-term sustainable success of the Company
- Oversee the development of a diverse talent pipeline and monitor the Company's diversity policies and initiatives, including their effectiveness
- Review the external directorships and commitments of the Non-Executive Directors
- Assist the Chairman in ensuring there is a rigorous annual evaluation of the performance of the Board, its Committees, the Chairman and individual Directors
- Ensure that appropriate procedures are in place for training and developing Directors
- The Committee's Terms of Reference, which are reviewed and approved annually, are available on the Company's website at https://investors.eurowag.com

Highlights during 2024

- Oversight of the Company's Board evaluation process and the implementation of its recommendations
- Nomination and appointment of Sophie Krishnan and Kevin Li Ying as Independent Non-Executive Directors, and members of the Audit and Risk Committee, the Remuneration Committee and the Technology and Advisory Committee.
- Reviewed the composition of the Board, including diversity, and recommended Steve Dryden as Chair following the departure of Paul Manduca
- Reviewed Committee composition to address the departures of Sharon Baylay-Bell and Paul Manduca and made recommendations to the board for the chair of the Audit and Risk Committee and of the Remuneration Committee
- Reviewed the position of designated Director for employee engagement and made a recommendation to the Board
- Consideration, and recommendation to the Board, of the re-election of each continuing Director ahead of their re-election by shareholders at the Company's 2024 AGM
- Review of the external appointments and the time commitments of the Non-Executive Directors
- Reviewed the skills and the composition of the Board of Directors, and its Committees
- Reviewed and recommended to the Board the extension of the terms of office of four Non-Executive Directors at the end of their initial terms of office
- Reviewed the Terms of Reference for the Nomination and Governance Committee
- Reviewed the Terms of Reference for the Technology and Product Advisory Committee
- Reviewed the Schedule of Matters reserved for the Board

Focus areas for 2025

The Committee will continue to review succession plans for the Board of Directors and Senior Leadership Team and will continue to review the Board of Directors and its governance processes. It will keep under review diversity in all aspects within the Group, including the requirements of the Parker Review, the FTSE Women Leaders Review, and the targets set out under the FCA Listing Rules.

Krishnan as the appropriate Non-Executive Director to succeed Sharon Baylay-Bell as chair of the Remuneration Committee and as designated Director for employee engagement, and Mirjana Blume to succeed Steve Dryden as chair of the Audit and Risk Committee.

Board

As part of its review of Board succession plans during 2024, the Committee reviewed the skills, expertise and time commitment of the Independent Non-Executive Directors, which supported succession planning discussions. The Committee also considered other matters such as external appointments and the benefits of diversity including gender, social, ethnic and cognitive.

The Committee considered the need to enhance the Board's understanding of technological matters, and this underpinned the recruitment process for the two Independent Non-Executive Directors recruited during the year.

The Committee is committed to promoting diversity of thought, and for the Board and Senior Leadership Team to be representative of the communities in which the Company operates, including industry and geographic presence. The Committee values the diverse skills, experiences and backgrounds that comprise the Board, which are strategically aligned to the Company's purpose and values.

Senior Leadership Team

The Committee maintains oversight over the succession plans and ongoing development of the Company's Senior Leadership Team. It has noted the barriers to creating gender balance in the geographies in which the Company operated. Nevertheless, it has stressed the importance of taking opportunities to improve gender balance in the recruitment of senior leaders and will keep this under review.

Diversity and Inclusion policy

The Board has established a Policy on diversity and inclusion. The purpose of the Policy is to ensure the Board and its Committees have a diverse and inclusive membership which will enhance decision making and promote the best success of our Company. The Committee values the benefits of diversity of thought, alongside diversity of skills, experiences and backgrounds, in its considerations of appointments to Board and Senior Leadership Team positions. The Company requires that appointments consider diversity, while ensuring roles are offered on merit against objective criteria to the best available candidate. The policy set by the Board aspires to commit to no less than 50% of women on the Board and at least one Director from a minority ethnic background as a medium-term objective. The Committee regularly reviews the composition of the Board and its Committees and is committed to meeting the targets as set in the FTSE Women Leaders Review, the Parker Review on Diversity and the FCA Listing Rules.

Training and ongoing development

The Company has a programme to induct and onboard Directors, which enhances the integration of newly appointed Board members. This programme helps Directors further their understanding of the Company, with a focus on its people and culture. This includes ongoing activities to engage with its people, further details of which can be found on page 21.

During the year, the Board engaged in training on health and safety, Directors' fiduciary duty, whistleblowing, FCA Listing Rules changes and the Takeover Code. At its strategy day in May 2024, the Board received updates on industry trends and competition.

Board and committee evaluation

On an annual basis, the Board evaluates its own performance and that of its Committees, as well as the individual performance of the Chairman and each Director. The Company undertook its first externally facilitated Board evaluation during 2023 and built on this in 2024 using a questionnaire approach facilitated by Lintstock Ltd.

The 2024 evaluation considered the effectiveness of the Board and separately its Committees. Each Director completed a questionnaire to capture their professional feedback. The results were reviewed by the Chairman who discussed the findings with the Board.

The review helped us to identify a number of areas for focus in 2025 including clarifying and delivering the strategy, transformation and the Eurowag Office platform, people and succession planning and engagement with management. Recommendations from the review were to focus on delivery of the Eurowag Office platform and to prioritise succession planning and alignment across the organisation.

A key proposal was to increase site visits to maximise engagement to allow for exchanges with members of the management team and staff.

During 2025 the Committee will support the Board in implementing these actions to enhance the Board operations.

In addition to the Board effectiveness review, the Board carried out a review of its committees. The Committees received high ratings, although it was noted that the Remuneration Committee could provide greater clarity on how the Remuneration Policy works. The Audit and Risk Committee was singled out for having significantly improved it focus over the year.

Annual re-election of Directors

In accordance with the Code, all continuing Directors will stand for re-election by shareholders at the 2025 AGM. Both the Committee and the Board are satisfied that all Directors continue to be effective in, and demonstrate commitment to, their respective roles on the Board. The Committee believes each Director makes a valuable contribution to the leadership of the Company. The Board, therefore, recommends that shareholders approve the resolutions to be proposed at the 2025 AGM relating to the re-election of the Directors.

Paul Manduca
Chair of the Nomination and Governance Committee
24 March 2025

Audit and Risk Committee report

Audit and Risk Committee report

Steve Dryden
Chair of the Audit and Risk Committee

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The Committee has focus on the audit, assurance and risk and compliance processes within the business.

Dear shareholders,

As the Chair of the Audit and Risk Committee, I am pleased to present the Committee's report summarising our activities during the financial year ended 31 December 2024.

Our priority areas this year have been reviewing the progress of the Company's ERP implementation and the timely implementation of robust procedures in financial reporting, IT general controls, system transformation, compliance and the Speak Up (Whistleblowing) Policy process. The Committee has assessed financial performance, controls reporting, internal audit reports and the risk management framework.

The Committee is composed entirely of Independent Non-Executive Directors, whose detailed biographies can be found on pages 74 to 76. The expertise of the Committee covers accounting, internal and external auditing, technology and technological change and each member of the Committee has the necessary business experience to fulfil their duties as Committee members. Committee meetings are routinely attended by the Chairman of the Board, the Chief Financial Officer, the Group's External Auditors ("PwC"), the Internal Auditors ("KPMG" Česká republika, s.r.o.), and other members of the management team. Both PwC and KPMG have consistently participated in all Committee meetings throughout the year ended 31 December 2024, and will continue to do so in future meetings.

The Committee has reviewed and evaluated the contents of the Annual Report and Accounts and believes that it provides the essential information needed to assess the Group's performance, business model and strategy. Taken as a whole, the report is deemed fair, balanced and understandable. This Committee report should be read in conjunction with the Financial review on pages 28 to 32, the Risk management section on pages 33 to 40, the External Auditors' report on pages 116 to 120, and the Group Financial statements on pages 122 to 190.

As announced on 21 January 2025, I will be taking over from Paul Manduca as Chairman of≈the Board immediately following the AGM on 22 May 2025. At that point Mirjana Blume will succeed me as Chair of the Audit and Risk Committee.

I will be available at the AGM to address any enquiries from shareholders regarding the Committee's activities this year. I would like to take this opportunity to thank the dedicated members of the finance, risk and compliance teams as well as our external assurance providers, for their hard work throughout this financial year, and wish Mirjana well as the incoming Chair of the Committee.

Steve Dryden
Chair of the Audit and Risk Committee
24 March 2025

Committee overview

- The Committee comprises four Independent Non-Executive Directors (Steve Dryden (Chair), Mirjana Blume, Sophie Krishnan and Kevin Li Ying). Susan Hooper was a member of the Committee until she stepped down from the Board on 16 May 2024. Sharon Baylay-Bell was a member of the Committee until she stepped down from the Board on 21 February 2025
- Steve Dryden and Mirjana Blume are considered by the Board to have recent and relevant accounting experience. All members have relevant commercial and operating experience
- Six meetings have been held during the year ended 31 December 2024
- Meetings are attended by the Chairman of the Board and Chief Financial Officer, other members of management, the Internal Auditors, and the External Auditors, by invitation of the Chair

Focus areas for 2025

- Comtinue to monitor the implementation of a new finance system
- Review and scrutinise the preparation of the Annual Report and Accounts for the year ended 31 December 2024, including significant financial reporting issues and judgements
- Monitor the implementation of controls around the financial position
- Assist the Board in its review of the effectiveness of the Group's systems of internal control and risk management methodology
- Review the performance of the External Auditors and the Internal Auditors
- Undertake a review of the Committee's performance, composition and Terms of Reference

Key responsibilities

The Committee's main responsibilities, as outlined in its Terms of Reference, are:

- Recommending the half and full-year financial results to the Board
- Maintaining the integrity of all financial and non-financial reporting, including review of significant judgements and estimates
- Monitoring the Group's internal financial controls and risk management systems
- Overseeing the relationship with the External Auditors and reporting the findings and recommendations of the Auditors to the Board

The Committee's Terms of Reference, which are reviewed and approved annually, are available on the Company's website at www.investors.eurowag.com.

Activities of the Committee

The Committee has focused on the audit, assurance, and risk and compliance processes within the business. The Committee's role is to ensure that management's disclosures reflect the supporting detail provided to the Committee throughout the year, challenging where necessary and, in some cases, requesting items to be re-presented, in order for the Committee to further understand certain matters. The Committee reports its findings and makes recommendations to the Board in the form of Committee reports at each Board meeting. Individual items of business considered by the Committee, including as part of the Annual Report and Accounts process, are set out opposite:

Audit and Risk Committee report continued

Activities of the Committee continued

Actions	Outcomes	Cross-reference
Annual reporting		
External audit planning and key accounting matters	The Committee received and approved the external audit plan and audit fee proposal for PwC in December 2024.	Page 95
Review of significant financial reporting issues and key judgements	The Committee received and approved management's accounting paper and PwC's audit findings in March 2024, in respect of the 2023 Annual Report and Accounts. The Committee received and approved management's accounting paper and PwC's audit findings in March 2025 in respect of the 2024 Annual Report and Accounts.	Page 92
Review of Going Concern and Viability statements	The Committee received and approved management's paper on Going Concern and Viability in March 2024, in respect of the 2023 Annual Report and Accounts, and in March 2025 in respect of the 2024 Annual Report and Accounts.	Page 41
Review of Annual Report	The Committee recommended the 2023 Annual Report and Accounts to the Board in March 2024, and recommended the 2024 Annual Report and Accounts to the Board in March 2025.	n/a
Risk management and internal control		
Risk management framework and risk registers	The Committee reviewed the effectiveness of the 2024 risk management framework.	Page 33
Review of principal and emerging risks	The Committee and the Board completed a robust assessment of the Company's emerging and principal risks, along with the relevant appetite limits. Details of the risks approved by the Board can be found in the Risk section of this report.	Page 33
Review of internal controls	The Committee reviewed the internal control reporting for 2024 and reviewed the design and effectiveness of the internal controls in December 2024.	Page 93
Approved internal audit plan	The Committee approved the internal audit plan for 2025 in December 2024.	Page 95
Governance		
Mergers & Acquisitions	The Committee received reports on M&A integrations and risks in relation to the Company`s acquisitions.	n/a
Review of External Audit	During the year the Committee reviewed the effectiveness of the external audit process and identified areas for improvement.	Page 93
Committee Terms of Reference	The Committee reviewed and agreed the Terms of Reference for the Committee.	investors.eurowag.com
IT general controls	The Committee received regular reports on the IT general controls and, in particular, controls to mitigate cyber attacks.	Page 93
KPIs and metrics	The Committee continued to review, challenge and recommend metrics and indicators to enhance the Company's control environment. In particular, the Committee reviewed the externally reported environmental metrics and recommended them to the Board for approval.	Page 17
Anti-Money Laundering ("AML") Policy	The Committee received updates from the Anti-Money Laundering ("AML") Officer, and reviewed and approved the Group's AML Policy. It also received updates on the annual compliance report, and reviewed and approved the compliance action plan.	Page 57
Finance internal controls	The Committee received updates on internal controls specifically around finance and financial reporting.	Page 93
ERP implementation	The Committee received regular updates on the implementation of a new finance system along with the steps taken to minimise the risks to reporting during the implementation process.	n/a

Key accounting issues, significant judgements and significant estimates

In the preparation of the Group's 2024 financial statements, the Committee assessed the accounting principles and policies adopted, and whether management had made appropriate estimates and judgements. In doing so, the Committee discussed management reports and enquired into judgements made and discussed key matters with the External Auditors.

The significant issues considered by the Committee in relation to the financial statements include:

Significant judgements and significant estimates	Summary
Principal vs agent consideration (significant judgement)	The Group has considered whether it acts as a principal or an agent in the sale of energy from contracts with customers under the acceptance business model as set out in Note 1(c) and has concluded that the Group is the principal. The Group recognises revenue earned from sales of energy as part of an integrated web-based service solution comprising advice on locations, offering discounted energy prices, provision of payment cards, extended credit payment terms and administration of payment card transactions. The Group supplies energy to its customers under one contract under the acceptance business model and the bunkering business models described in Note 1(d). The recognition of revenue from contracts with customers under the acceptance business model involves significant judgement. In applying the judgement, management have concluded the Group is the principal supplier in contracts with customers, mainly because the Group is the primary obligor in respect of delivery of energy and related services to its customers, bearing the risk and rewards of supply. The Group has also considered whether it acts as principal or agent in the provision of Toll services to customers under contracts with Toll suppliers as set out in Note 1(d). The complexity of judgements in determining whether the entity is acting as principal or agent is increasing within the industry in which the Group operates, particularly in relation to entities that provide value-added services to entities engaged in transportation and distribution services. The recognition of revenue from Toll services involves significant judgement when considering the criteria set out in IFRS 15 for assessing if the Group controls the Toll service prior to providing the service to customers, which are often combined with performance obligations for the provision of energy and other services in a single contract. As Toll services are a combination of supply of goods (OBUs) and services (Toll charges for access to road infrastructure) significant judgment is required to determine if the Group acts as the agent in the provision of Toll services. The classification of Toll contracts as principal or agent requires judgement as the indicators show that there are a range of interpretations over whether the Group controls the specified service before it is transferred to the end customer. Management has concluded that the Group remains the agent in the provision of Toll services to customers based on a range of considerations, but recognises that the continued evolution of the Toll market, particularly as an EETS provider brings significant judgment to this conclusion. If a different basis were used for these classifications, this could significantly increase the amount of gross revenue and cost of goods sold recognised in the consolidated income statement by including Toll charges as part of the Group's revenue.
Adjusting items (significant judgement)	In determining whether costs should be presented as Adjusting items in the Consolidated income statement, the following criteria should be met: › Significant items deemed to be one-off in nature, which may straddle more than one accounting period. › Reorganisation costs directly incurred because of acquisitions, capital restructuring or strategic transformation programmes. › ERP implementation relating to key IT systems. › Other costs outside the ordinary course of business. Significant costs that meet one or more of the above-mentioned criteria are considered by the Board, through the Audit and Risk Committee, who exercise judgement as to whether such costs should be classified as Adjusting items in the Consolidated income statement. Adjusting items are disclosed on the face of the Consolidated income statement and further information is provided in Note 8. During FY24, the Group has separately reported ERP implementation costs as Adjusting items due to their size and one-off transformational nature. The Group considers the strategic transformational programme was concluded at the end of December 2023 and is no longer disclosing these costs as Adjusting items.

Audit and Risk Committee report continued

Key accounting issues, significant judgements and significant estimates continued

Significant judgements and significant estimates	Summary	
Cash Generating Unit ("CGU") (significant judgement)	A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group has identified five CGUs in FY 2024: Energy, Fleet management services ("FMS"), Navigation, Toll and Tax refund. Significant judgement is applied in the allocation of goodwill to CGUs, or a group of CGUs, as a change in the allocation of goodwill could impact the result of the impairment review. As set out in Note 1(i), for the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from that business combination, at the lowest level at which goodwill is monitored for internal management purposes.	Goodwill is allocated at the operating segment level, and if goodwill were allocated at a lower level, the results of the impairment testing may be different. The FMS and Energy CGUs comprise several CGUs which have been grouped for impairment testing purposes as they are expected to benefit from the synergies of combinations with the ADS and Webeye acquisitions to support integration and ownership of key IT and software systems by W.A.G. Payment Solutions, a.s. The Group is not forecasting or reporting these acquisitions separately in its management reporting because the cash inflows from ADS and Webeye acquisitions are not considered to be largely independent of the other cash inflows.
Going concern and viability (significant judgement and estimates)	Assessing whether the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and thus prepare the accounts on a going concern basis requires estimates and judgements to be made about the likely performance of the Group. It is necessary to considered the principal risks and uncertainties, likely to affect the Group's future performance and position. The financial forecasts require particular attention to be paid to the different scenarios tested (a base case and severe but plausible downside case). The severe downside case assumes a deterioration in trading performance relating to a decline in product demand, as well as supply chain risks. These downsides would be partly offset by the application of mitigating actions to the extent they are under management's control, including deferrals of capital and other discretionary expenditure. These estimates are made on prevailing market conditions.	It is also necessary to assess the Group's current financial position and principal risks over a period longer than the twelve months (as required by the Going concern statement) to conclude the Group's financial viability. Similar to above, particular judgement and estimation is required around the principal risks facing the Group together with the ability to preserve liquidity and ensure compliance with the Group's financial covenants. Having considered management's assessment, the Committee approved the Going concern statement set out on page 43 and the Viability statement set out on page 43.
Impairment of non-financial assets (significant estimate)	Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model.	The cash flows are derived from the budget and forecasts for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount of the FMS CGU is sensitive to the discount rate used in the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to the carrying value of goodwill. The key assumptions used to determine the recoverable amount of the CGUs are disclosed and further explained in Note 16.

Our disclosures against the Code are reviewed by the Internal Audit team and reported to the Committee.

Fair, balanced and understandable

The Committee carried out a thorough review of the Group's Annual Report and Accounts. The Committee gave particular consideration to whether the Annual Report and Accounts, taken as a whole, was fair, balanced and understandable, concluding it was.

To make this assessment, the Committee received copies of the Annual Report and financial statements to review during the drafting process to ensure that the key messages being followed aligned with the Company's position, performance and strategy being pursued and that the narrative sections of the Annual Report were consistent with the financial statements. After consideration of all of this information, the Committee is satisfied that, when taken as a whole, the 2024 Annual Report and Accounts is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Risk and internal controls

The key elements of the Group's internal control framework and procedures are set out on page 33. The principal risks the Group faces are set out on pages 35 to 40. The Committee devoted part of each meeting to discussions concerning risk and its management.

The Executive Committee has established a sub-committee, the Business Assurance Committee. The sub-committee reports to the Executive Committee and also has a separate reporting line directly to the Audit and Risk Committee where the Chair of the Business Assurance Committee presents updates. The executive sub-committee co-ordinates the governance, risk and controls at the Group level before reporting to the Committee and the Board. During the year, the Committee reviewed risk registers and the principal risks, and challenged management in respect of the Company's risk management framework and risk appetite statements ahead of Board discussions to approve the Group's final risk management framework and risk appetite statements.

The material internal controls are reviewed by the Business Assurance Committee and the Audit and Risk Committee. The relevant material internal controls have been defined and mitigate the highest inherent risks of the Group and are linked to the principal risks. The work to assure the effectiveness of the material internal controls is ongoing. Overall, progress has been made across the Group and we have observed a stronger control environment. Partially effective and non-effective controls are discussed at the Audit and Risk Committee. As a follow-up, due dates for remediation of the partially effective and non-effective controls are obtained from the control owners. Based on the commitments made, the Group presently expects to achieve approximately 90% effectiveness of material internal controls by the end of 2025 with the exception that the Group will determine expectations as to acquired businesses on further formalisation of the control environment in these businesses. Progress will be monitored and reported regularly to the Audit and Risk Committee. The Audit and Risk Committee, with support from the Business Assurance Committee, will continue to oversee the remediation and action plans to ensure the effectiveness of all material internal controls.

In addition to the general internal controls and risk management processes described on page 33, the Group also has specific systems and controls to govern the financial reporting process and preparation of the Annual Report and Accounts. These systems include clear policies and the procedures for ensuring that the Group's financial reporting processes and the preparation of its financial statements comply with all relevant reporting requirements. Group accounting policies are comprehensively detailed in the Group accounting policy manual, which all businesses are required to comply with in the preparation of their results.

Compliance

The Committee, with support from reports from the Chair of the Business Assurance Committee, reviewed its assurance arrangements covering legal, financial, tax, risk, IT and cyber security and employment policies, identified areas where additional assurance on Group compliance with these policies and procedures was required and agreed actions with management to obtain the desired level of assurance.

FRC minimum standards for audit committees

The Committee considers that the requirements set out in FRC Audit Committees and the External Audit: Minimum Standard published in May 2023 have been applied and the Committee is compliant with those requirements. During the year, the Committee reviewed its own Terms of Reference, with no changes adopted, as the Committee's operations either meet or exceed the requirements of the minimum standard.

Effectiveness of external audit

The Committee, on behalf of the Board, is responsible for the relationship with the Auditors, and in carrying out its oversight evaluates the effectiveness of the Auditors and statutory audit process. The quality of the statutory audit is a principal requirement of the annual audit process and is regarded by the Committee as such. The effectiveness of the external audit process depends on appropriate risk identification. In December 2024, the Committee discussed the Auditors' plan for the 2024 audit. This included a summary of the proposed audit scope and a summary of what the Auditors considered to be the most significant financial reporting risks facing the Group, together with the Auditors' proposed audit approach to these significant risks. In March 2024, the Auditors reported against its audit scope, providing an opportunity for the Committee to monitor progress and raise questions, and challenge both the Auditors and management. The Auditors are invited to attend meetings of the Audit and Risk Committee, as well as meeting with management at regular intervals during the annual audit process. The Committee formally reviewed the effectiveness of the 2023 external audit during 2024. The Committee will formally review the effectiveness of the 2024 external audit during the first half of 2025.

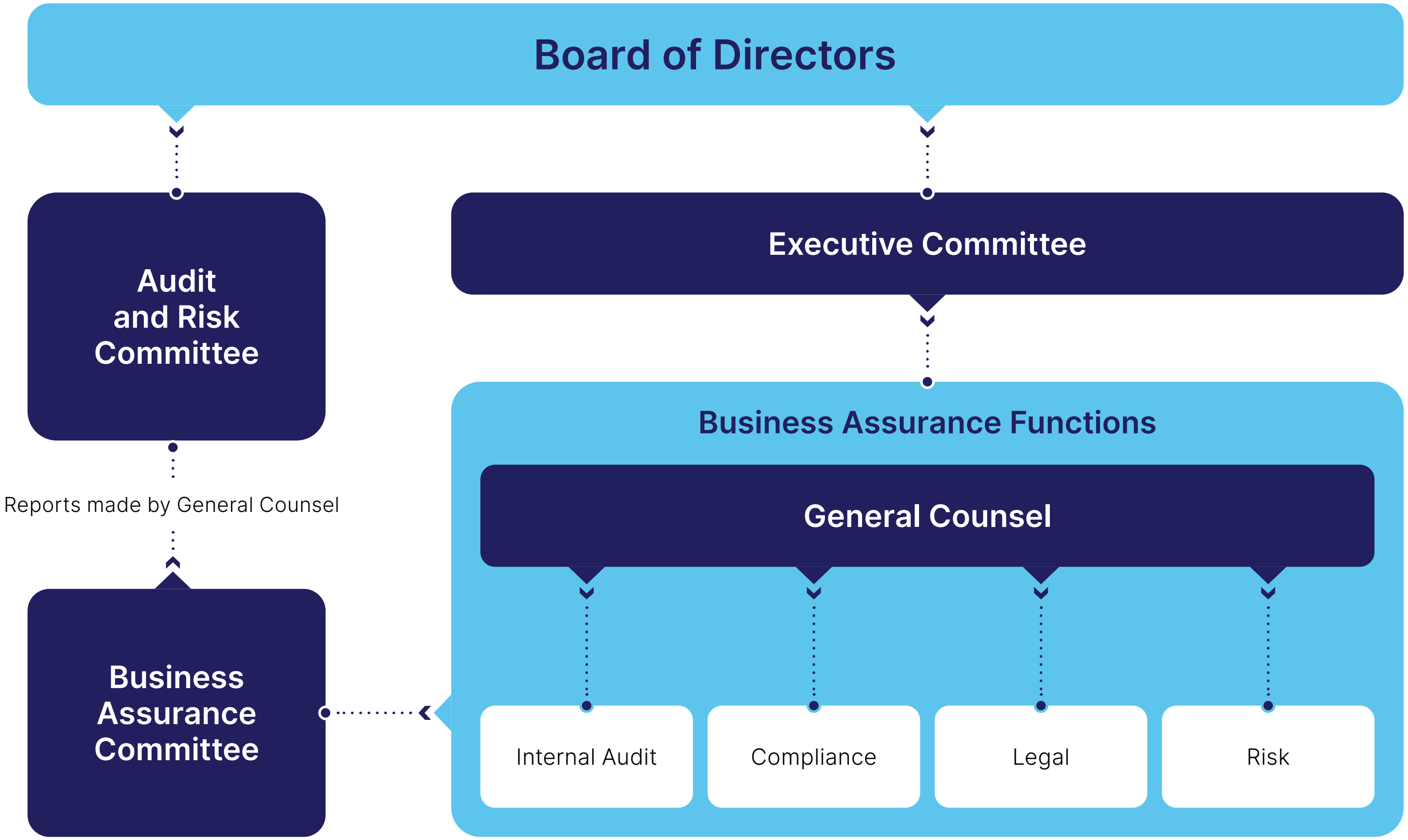
Auditor independence

The Committee keeps under review the cost effectiveness, independence and objectivity of the External Auditors. The Committee has put in place a policy on the engagement of the External Auditors to supply non-audit services and a review of the effectiveness of the External Auditors.

In assessing the independence of the Auditors from the Group, the Committee takes into account the information and assurances provided by the Auditors, confirming that all their partners and staff involved with the audit are independent of any links to the Group. PwC confirmed that all its partners and staff complied with its ethics and independence policies and procedures, which are fully consistent with the FRC Ethical Standard, including that none of its employees working on the audit hold any shares in W.A.G payment solutions plc.

Audit and Risk Committee report continued

PwC UK has audited the Company and Group since 2021. PwC CZ audited the predecessor group in 2019 and 2020. The lead audit partner rotates every five years to assure independence. Mr Mark Skedgel became lead partner in late 2021, responsible for the Group's statutory audit for the 2021 year end onwards. The Committee has no current plans to re-tender the audit.



The Committee is satisfied that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014. In recognition of underlying auditor rotation requirements, the Committee currently intends that a tender process will be undertaken during the year to 31 December 2029 to cover the financial year ending 31 December 2029 onwards. The Committee will continue to review the auditor's appointment each year to ensure that the Company is receiving an optimal level of service.

The Committee is satisfied that PwC continues to be independent, and free from any conflicting interest with the Group.

Non-audit services policy

The External Auditors are primarily engaged to carry out statutory audit work. There may be other services where the External Auditors are considered to be the most suitable supplier by reference to their skills and experience. A policy is in place for the provision of non-audit services by the External Auditors, to ensure that the provision of these services does not impair the External Auditors' independence or objectivity, in accordance with the FRC Ethical and Auditing Standards.

Service	Policy
Audit-related services May include the provision of services subject to approval by the Audit and Risk Committee, including capital markets services, review of interim financial statements, compliance certificates and reports to regulators.	All permitted non-audit services require approval in advance by the Chair of the Audit and Risk Committee or the Audit and Risk Committee, subject to the cap of 70% of the fees paid for the audit in the last three consecutive financial years (the cap does not apply until three years of audit fees have been accumulated).
Permissible services Permissible services are detailed in the FRC's whitelist of Permitted Audit-Related and Non-Audit Services. Any audit-related service or non-audit-related service which is not on the list cannot be provided by the External Auditors.	Permissible in accordance with the FRC Revised Ethical Standard 2019.

Non-audit services

The only fees incurred by PwC for non-audit work during the year were for: an agreed upon procedures engagement for CVS over a report on related parties which was required by law, and a fee of €4,700 was paid. In December 2024, the Company approved a service to allow access to PwC's generic accounting manual, for which a fee of GBP 2,250 was agreed and paid in 2025.

Internal audit

KPMG was appointed Internal Auditors for the Group in October 2021. This financial year, the Committee reviewed various internal audit reports for 2024, and approved the Internal Audit plan for 2025 in December. The Committee has assessed the effectiveness of the Internal Audit function and has satisfied itself that the quality, experience and expertise of the function continue to be appropriate for the business. The Committee will review the effectiveness of the Internal Audit function again during 2025.

Audit fees for 2024

Fees paid to the External Auditors for the year were €1.888m of which €5,000 was for non-audit and other assurance services. The audit to non-audit fee ratio was 1:0.003.

The Committee reviewed the relatively high audit fee and was satisfied that it was appropriate, given the amount of substantive testing undertaken given the fragmented nature of the Company`s ERP systems and the early stage of new ERP implementation. The reporting accountant work is subject to the non-audited services cap. The Committee will continue to review the non-audit fee ratio.

Whistleblowing

The Committee approved the Group's Speak Up (Whistleblowing) campaign and implemented a range of employee awareness campaigns around whistleblowing. Part of the Speak Up (Whistleblowing) campaign involved making employees aware of the Committee Chair's email address, which is published on the Group's intranet, for the purpose of whistleblowing. No items have been notified to the Committee Chair prior to this report.

Terms of Reference

The Committee has reviewed and approved the Terms of Reference, which are available on the Company's website, and were last reviewed and approved in December 2024. The Committee will, at least annually, review its Terms of Reference to ensure they remain appropriate and robust.

Committee effectiveness review

The Board undertook a review of its own effectiveness which included the effectiveness of the Committee. The Board and Committee will implement actions from the review during 2025.

Continuing education and training

The entire Board has received training on health and safety, Directors' fiduciary duty, whistleblowing, Listing Rules changes and the Takeover Code and the FCA Listing Rules, and regularly receives information and regulatory updates that could affect the work of the Committee.

Remuneration report

Remuneration report

Sophie Krishnan
Remuneration Committee Chair

"

The Committee is resolute in ensuring a fair, transparent, and performance-oriented remuneration framework that aligns executive compensation with shareholder interests and promotes long-term value creation.

Annual statement

I am pleased to present Eurowag's Directors' Remuneration Report for 2024. This year, the Directors' Remuneration Report comprises the following sections:

- This Annual Statement, where I summarise the work of the Committee during 2024 and our approach to Directors' remuneration
- A summary of the Directors' Remuneration Policy ("Policy"), which was approved by shareholders at the May 2024 AGM
- The Annual Report on Remuneration, which explains in more detail how Directors have been paid in 2024 and how we intend to implement the Policy in 2025

In January 2025, as part of Eurowag's ongoing succession planning, Sharon Baylay-Bell, Chair of the Remuneration Committee, indicated her intention to step down from the Board and I assumed the role in February 2025. I would like to extend my gratitude to Sharon for the significant role she played in our success and people agenda

2024 business performance

Eurowag delivered continued strong growth from our business-critical products and services, despite the economic headwinds impacting the industry across Europe. At a headline level, net revenue grew 14.0% to €292.5 million, with adjusted EBITDA up 11.9% to €121.7 million, supported by strong organic growth. Adjusted EBITDA margins were maintained at 41.6%, demonstrating the strong profitability of the business. Our capital expenditure was €46.0 million. A marked improvement in our net leverage at 2.3x also gives us a solid position from which to continue our growth in 2025 and beyond.

The business successfully launched Eurowag Office, an industry-first digital platform that provides end-to-end services for transport companies, enabling them to optimise business operations in one place. By the end of the year we had ~260,000 customers benefit from Eurowag Office.

You can find more information about Eurowag's activities and performance in 2024 in the Board Chairman's statement on page 2 and in the Chief Executive Officer's review on page 14.

Remuneration outcomes for 2024

The annual bonus for 2024 was based 70% on financial performance and 30% on non-financial objectives.

Financial (70%):

- **Adjusted EBITDA (30%)** – the Group achieved an adjusted EBITDA of €121.7 million in 2024, which resulted in a payout of 21% out of 30%
- **Net revenue (20%)** – the net revenue of €292.5 million in 2024, which resulted in a payout of 14% out of 20%
- **Net debt leverage (10%)** – the net debt leverage was 2.3x in 2024, which resulted in a payout of 10% out of 10%
- **Capital expenditure (10%)** – the capex was €46.0 million in 2024, which resulted in a payout of 0% out of 10%

Non-financial (30%):

- **Eurowag platform roadmap delivery (10%)** – the platform roadmap delivery of 82% performance was assessed as 10% out of 10%
- **Individual KPIs and objectives (20%)** – This includes annual objectives based on our strategic initiatives, priorities and sustainability commitments. Overall, these were assessed as 10% out of 20% for the Chief Executive Officer and 20% out of 20% for the Chief Financial Officer

The overall annual bonus outcome for 2024 was 65% of maximum opportunity for the Chief Executive Officer, comprising a 65% of salary cash bonus and a 32.5% of salary deferred bonus, with deferral in cash. For the Chief Financial Officer, the outcome was 75% of maximum opportunity, comprising a 75% of salary cash bonus and a 37.5% of salary deferred bonus, with deferral in shares.

Performance Share Plan ("PSP") awards granted to selected individuals in 2022 are eligible to vest in 2025 based on performance measures ending 31 December 2024. None of the Executive Directors participated in that cycle of awards but Oskar Zahn received a buyout award which was based on the same performance measures as applied to the 2022 PSP award, namely 60% on EPS and 40% on relative TSR. Neither the threshold EPS measure nor the relative TSR were achieved and therefore these awards will lapse.

The Remuneration Committee has carefully assessed the bonus and PSP vesting outcomes and believes that they accurately reflect performance over the relevant performance periods and that the Remuneration policy operated as intended in terms of Company performance and quantum. No discretion was exercised by the Remuneration Committee to alter the formulaic outcomes.

Directors' Remuneration Policy approval

We were pleased with the strong support received by shareholders for our Directors' Remuneration Policy at the 2024 Annual General Meeting. In accordance with the Policy, the Chief Financial Officer was granted both performance shares and restricted shares during the year under review. The performance element was subject to adjusted basic EPS (60%) and relative TSR (40%) measures. The restricted shares remain subject to satisfaction of a performance underpin framework over the period 2024–2026. To further align him with the future success of the Company, the Committee approved a one-off grant of restricted shares in 2024 to the value of 100% of salary alongside his hybrid award. This gives Oskar Zahn significant alignment with the share price and is believed to be an appropriate incentive to retain him over the medium-term. The awards vest after three years subject to the achievement of the 2024 restricted shares underpin. Vested awards will have a two-year holding period attached.

As a reminder, the Chief Executive Officer does not participate in any long-term incentive arrangements.

Our people

In 2024, Eurowag conducted its standard annual salary review for all employees, resulting in an average salary increase of 3.9%, effective from 1 April 2024. This review ensures that we remain competitive in the market and continue to attract and retain top talent while balancing Company affordability.

All our non-sales employees participate in an annual bonus scheme, scheduled to be paid in April 2025. This scheme is part of our broader commitment to rewarding performance and fostering a culture of excellence. To ensure fairness, we have aligned the financial measures of this annual bonus scheme with those of the Executive Directors annual bonus plan, ensuring that performance is rewarded equally across the workforce.

Our people and culture are the foundation of Eurowag's success. We have implemented various initiatives to support our employees' engagement, wellbeing and professional growth. In 2024, we launched the People and Culture Ambassadors Network, which includes 40 colleagues from across the organisation. This network focuses on key areas such as culture, diversity, inclusion, tech innovations, and sharing Company purpose and strategy.

In 2024, our annual engagement survey achieved a 91% participation rate, and the overall engagement score increased from 60% to 62%. However, this score is still lower than in 2022. Therefore, we remain focused on fostering open and inclusive communication, as well as improving honest two-way communication and aligning systems and processes.

We also continued to build on our diversity, equity and inclusion strategy, with a focus on gender diversity to further increase the representation of women in leadership roles and promote inclusive recruitment practices. Our efforts included gender-neutral job postings, diverse interview panels and partnerships with organisations like AjTyvIT which support women in IT. Additionally, we hosted the June Women's Summit, featuring inspiring speakers and activities to encourage women's engagement and career development.

Our commitment to learning and development is reflected in initiatives like the Leadership Design Journey and the internal mentoring programme, which support our colleagues' personal and professional growth. We also offer access to digital training libraries, e-learning courses, workshops and certification opportunities.

By investing in our employees and creating a supportive and engaging workplace, we aim to drive success and innovation across the organisation.

Remuneration report continued

Annual statement continued

Operation of the Policy in 2025

The Committee intends to operate the Policy as follows in the current financial year.

- Fixed pay – the Remuneration Committee considered several factors when reviewing the base salaries of the Chief Executive Officer and the Chief Financial Officer. These factors included: the wider workforce experience (with an average salary increase budget of 5.6% across the company), market data against the FTSE 250 and broader international peer group, and overall business performance. Balancing these considerations, the Remuneration Committee approved a 5% increase for the Chief Executive Officer and 5% for the Chief Financial Officer effective 1 April 2025
- Annual bonus – the Chief Executive Officer and Chief Financial Officer will participate in the 2025 annual bonus plan, which aligns them with the financial and corporate goals set by the Remuneration Committee which cascade down the organisation. In accordance with the Policy, the Chief Executive Officer's and Chief Financial Officer's bonus opportunity will be set at 150% of their salary. For 2025, the proposed performance measures aim to balance financial and strategic objectives. We will place equal emphasis on adjusted EBITDA (30%) and net revenue (30%), as delivering our growth is as important as achieving operational efficiency. Additionally, 10% of the measures will be based on the number of active trucks, and another 10% on customer NPS, as these metrics are crucial for achieving our long-term strategic vision. The remaining 20% will be based on individual performance. The targets remain commercially sensitive and will be disclosed retrospectively in next year's Remuneration Report
- Long-term incentives – with the new Board, we intend to conduct our normal July strategy review, deep dive into our product and technology roadmap and update our medium-term business plan to drive significant value for our customers and increase our cash EBITDA for the next three years. We will update our medium-term business plan as needed and review our Policy to ensure alignment with this value creation

Concluding remarks

The Committee is very grateful for the support received from shareholders at the 2024 AGM and for their constructive feedback. We will keep the Policy under review to ensure that it is fit for purpose and the executive remuneration supports the Group's strategic aims by retaining and motivating the existing management team whilst ensuring we remain focused on the interests of shareholders.

Sophie Krishnan
Chair of the Remuneration Committee
24 March 2025

Directors' Remuneration Policy

The Directors' Remuneration Policy was approved by a shareholder vote at the AGM on 16 May 2024 and applies for a period of three years. The Policy was prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended, considering the six factors listed in Provision 40 of the Code:

- Clarity

The Policy is simple and supports long-term, sustainable performance. The Policy clearly sets out the limits in terms of quantum, an overview of the performance measures that can be used and discretions that could be applied if appropriate.

- Simplicity

The Group's arrangements are simple and include a market standard annual bonus and a single LTIP under which performance shares and restricted shares may be granted. There are no complex or artificial structures required to deliver the Policy.

- Risk

Appropriate individual limits and caps are set with appropriate weighting on long-term performance to discourage any inappropriate risk taking. The Committee retains discretions to override formulaic outturns. When considering performance measures and target ranges, the Committee will take account of the associated risks and liaise with the Audit and Risk Committee as necessary. The long-term nature of a large proportion of pay (through annual bonus deferral, post-vesting holding periods and post-cessation shareholding requirements) encourages a long-term, sustainable mindset. Clawback and malus provisions are in place across all incentive plans.

- Predictability

The Policy contains appropriate caps for each component of pay. The potential reward outcomes are easily quantifiable and are set out in the illustrations provided in the Policy. Performance can be reviewed at regular intervals to ensure there are no surprises in outcomes at the end of the performance period.

- Proportionality

Incentive outcomes are contingent on successfully meeting stretching performance targets, which are aligned to the delivery of the Company's strategy. The Committee retains discretions to override formulaic outturns.

- Alignment to culture

The Policy encourages performance delivery, which is aligned to the culture within the business. However, this performance focus is always considered within an acceptable risk profile. The measures used in the variable incentive plans reflect business priorities and are aligned across the Group.

The following section includes a summary of the Policy approved. The full description of the Policy can be found in last year's Directors' Remuneration Report on the Company's corporate website (investors.eurowag.com).

Remuneration policy for Executive Directors

The following table summarises each element of the Remuneration Policy for the Executive Directors, explaining how each element operates and links to the corporate strategy.

Base salary

Link to strategy	Operation	Maximum potential value	Performance metrics
• To provide a base level of pay that helps us recruit, retain and engage high-calibre Executive Directors • Recognises the knowledge, skills and experience of the individual and reflects the scope and size of the role	• Salaries are normally reviewed, but not necessarily increased, annually • When setting base salaries a number of factors are considered including skills and experience, the size and scope of the role and salary increases across the Group	• There is no maximum salary level • Salary increases are normally considered in relation to the wider salary increases across the Group	• Individual performance and the performance of the Group

Remuneration report continued

Directors' Remuneration Policy continued

Remuneration policy for Executive Directors continued

Pension

Link to strategy	Operation	Maximum potential value	Performance metrics
› To provide cost-effective retirement benefits	› The Executive Directors may receive a pension contribution to a Company pension scheme or in the form of a cash allowance in lieu of pension	› Pension provision is no more generous than any applicable local arrangements implemented for other employees	› Not applicable

Benefits

Link to strategy	Operation	Maximum potential value	Performance metrics
› To provide competitive, cost-effective benefits, which help to recruit and retain Executive Directors	› Benefits may include insurances such as life and accident insurance, private medical and dental cover, a mobile telephone, use of a company car and related costs and other market standard benefits provided across the Group from time to time	› There is no specific maximum, although it is not expected to exceed a normal market level	› Not applicable

Annual bonus

Link to strategy	Operation	Maximum potential value	Performance metrics
› To incentivise and reward for the delivery of annual corporate targets aligned to the business strategy › To align with shareholders' and wider stakeholders' interests	› The annual bonus is subject to performance measures and objectives for the financial year › One-third of any bonus earned will be deferred in shares for three years under the Deferred Bonus Share Plan ("DBSP") › Malus and clawback provisions apply	› The annual bonus policy maximum is 150% of base salary › The target annual bonus opportunity is normally set at 50% of the maximum › The amount payable for achieving threshold performance is up to 25% of the maximum › If the threshold level is not achieved, no payment will arise for the portion of bonus against that metric	› Performance measures may include financial, strategic, operational, ESG and/or personal objectives › The majority of the performance measures will be based on financial performance

Directors' Remuneration Policy continued

Remuneration policy for Executive Directors continued

Long-term incentive

Link to strategy	Operation	Maximum potential value	Performance metrics
› To incentivise and reward for the delivery of long-term performance and sustainable shareholder value creation › To align with shareholders' interests and to foster a long-term ownership mindset	› Hybrid awards comprising a mix of performance shares, restricted shares, options and conditional awards may be granted, with performance conditions and holding periods as determined by the Committee	› The maximum annual award is 75% of salary for performance shares and 75% of salary for restricted shares	Performance shares: › Performance conditions, weightings and target ranges will be determined prior to grant each year to align with the Company's longer-term strategic priorities at that time Restricted shares: › Restricted share awards will be subject to the satisfaction of a performance underpin which considers the overall performance of the business over the three-year performance period

All employee share plans

Link to strategy	Operation	Maximum potential value	Performance metrics
› To encourage wider share ownership across all employees, including the Executive Directors › To align with shareholders' interests and to foster a long-term mindset	› Executive Directors may participate in all employee schemes on the same basis as other eligible employees	› Limits are in-line with those set by HMRC	› Not applicable

Shareholding requirements

Link to strategy	Operation	Maximum potential value	Performance metrics
› To align with shareholders' interests and to foster a long-term mindset	› Executive Directors will normally be expected to retain vested shares, net of sales to settle tax, until they have met the required shareholding and continue to hold the shares for a period of two years after termination of employment	› The shareholding requirement for Executive Directors is 200% of base salary	› Not applicable

Remuneration report continued

Fees policy for Chairman and Non-Executive Directors

The following table summarises the fees policy for the Chairman and the Non-Executive Directors.

Fees

Link to strategy	Operation		Maximum potential value	Performance metrics
› To provide a competitive fee to attract Non-Executive Directors who have the requisite skills and experience to oversee the implementation of the Company's strategy	› Fees for the Chairman are set by the Committee › Fees for the other Non-Executive Directors are set by the Board, excluding the Non-Executive Directors › Fee levels are determined based on an estimate of the expected time commitments of each role and by reference to comparable fee levels in other companies of a similar size and complexity › Additional fees are payable to Non-Executive Directors who take on certain other responsibilities on the Board › The Non-Executive Directors and the Chairman are not eligible to receive benefits and do not participate in pension or incentive plans	› Additional fees may be payable for additional responsibilities such as ESG-related responsibilities or for being the designated Director for employee engagement for the purposes of the Code › Higher fees may be paid to a Non-Executive Director should they be required to assume executive duties on a temporary basis › The Non-Executive Directors and the Chairman are not eligible to receive benefits and do not participate in pension or incentive plans › Business expenses incurred in respect of their duties including international travel and accommodation for meetings (including any tax thereon) are reimbursed	› Fees are reviewed, but not necessarily increased, annually. Fee increases are normally effective from either 1 January or 1 April › There is no maximum fee level	› Not applicable

Malus and clawback

The incentive pay awards made by the Company are subject to provisions that allow it to recover any value delivered (or which would otherwise be delivered) in connection with any variable award including annual bonus, DBSP and PSP awards in exceptional circumstances, and where it believes that the value of those variable pay awards is no longer appropriate.

The malus and clawback provisions can be used in the following circumstances:

- A material misstatement
- An error of calculation (including on account of inaccurate or misleading information)
- An action or conduct that amounts to serious misconduct
- An instance of corporate failure (e.g. administration or liquidation)
- A significantly adverse impact on the Group's reputation

Malus and clawback may be effected prior to the third anniversary of the vesting of an LTIP award or prior to the third anniversary of the payment of a bonus or grant of deferred bonus share award, as relevant.

Statement of consideration of shareholder views

The views of senior executives were taken when drawing up the 2024 Policy. In considering the operation of the Policy, the Committee takes into account the published remuneration guidelines and specific views of shareholders and proxy voting agencies. The Committee will consider shareholder feedback received in relation to the AGM each year and the reports from shareholder representative bodies more generally. Furthermore, the Committee will consider specific concerns or matters raised at any time by shareholders on remuneration.

Statement of consideration of employment conditions elsewhere in the Group

In considering rewards for Executive Directors and senior executives, the Committee has been provided with an update of pay and employment conditions throughout the Group. This includes details of base salary increases, bonus award levels and share scheme participation across the Group workforce, as well as more information on salaries and proposed increase for the Executive Committee and Company Secretary. The Committee has reviewed and agreed all grants of share awards. The 2024 employee engagement scores were shared and reviewed with the designated Director for employee engagement.

Executive Directors' service contracts

The service contracts for the Chief Executive Officer and Chief Financial Officer are terminable by either party, with six months' notice for the Chief Executive Officer and 12 months' notice for the Chief Financial Officer. Additionally, any contracts for newly appointed Executive Directors will include equal notice in the future, capped at a maximum of 12 months. The specific date of each service contract is recorded in the table below:

	Date of service contract
Chief Executive Officer[1] – Martin Vohánka	7 September 2021
Chief Financial Officer[2] – Oskar Zahn	12 May 2023

Notes:

1. The Chief Executive Officer was appointed as Director of W.A.G payment solutions plc on 3 August 2021.
2. The Chief Financial Officer was appointed as Director of W.A.G payment solutions plc on 12 May 2023.

Executive Directors' service agreements are kept available for inspection at the Company's single alternative inspection location.

Executive Directors' external appointments

Executive Directors may accept external appointments as Non-Executive Directors of other companies with the specific approval of the Board in each case. Any fees payable will be retained by the Executive Directors.

Non-Executive Directors' terms of appointment

The Non-Executive Directors do not have service contracts with the Company but instead have letters of appointment. The appointments of each of the Independent Non-Executive Directors are for an initial term of three years from the date of appointment, unless terminated earlier, until the conclusion of the Company's AGM occurring approximately three years from that date. The appointment of each Independent Non-Executive Director is also subject to annual re-election at the Company AGM. The date of appointment for each Non-Executive Director is shown in the table below.

	Date of appointment
Paul Manduca[1]	7 September 2021
Morgan Seigler	7 September 2021
Mirjana Blume	7 September 2021
Sharon Baylay-Bell[2]	7 September 2021
Susan Hooper[3]	7 September 2021
Steve Dryden	1 June 2023
Kevin Li Ying	1 March 2024
Sophie Krishnan	1 March 2024

Notes:

1. Paul Manduca will step down from the Board after the 2025 AGM.
2. Sharon Baylay-Bell stepped down from the Board on 21 February 2025.
3. Susan Hooper stepped down from the Board on 16 May 2024.

The Chairman's appointment can be terminated with six months' notice or, at the Company's discretion, immediately in exchange for a payment in lieu of notice. Additionally, the Company reserves the right to terminate the Chairman's appointment without compensation. Similarly, a Non-Executive Director's appointment requires one month's notice for termination, but the Company also has the authority to terminate it immediately without compensation.

Remuneration report continued

Annual report on remuneration

This section of the report provides detail on how we have implemented our Remuneration policy in 2024 which, in accordance with the UK remuneration reporting regulations and alongside other sections of the Directors' Remuneration report, will be subject to an advisory shareholder vote at our 2025 AGM.

Remuneration Committee roles and responsibilities

The Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration and employee engagement, including making recommendations to the Board on the Company's policy on executive remuneration, setting the overarching principles, parameters and governance framework of the Company's Remuneration Policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors, Executive Committee and Company Secretary.

Remuneration Committee members and meetings

The Committee currently comprises six Independent Non-Executive Directors:

- Sophie Krishnan[1] (since 1 March 2024)
- Mirjana Blume
- Steve Dryden
- Kevin Li Ying (since 1 March 2024)
- Sharon Baylay-Bell (to 21 February, when she stepped down from the Board)
- Susan Hooper (to 16 May 2024, when she stepped down from the Board)

Note:
1. Sophie Krishnan became Chair of the Committee on 11 February 2025.

The Board Chairman, the Chief Executive Officer, the Chief Financial Officer and the Chief Human Resources Officer attend meetings by invitation to provide valuable input. However, no Director plays any part in determining their own remuneration.

The Remuneration Committee is required to meet at least three times a year. The Terms of Reference of the Remuneration Committee cover such issues as membership and the frequency of meetings, as mentioned above, together with requirements for the quorum for and the right to attend meetings, reporting responsibilities and the authority of the Remuneration Committee to carry out its duties. Further details on the roles and responsibilities of the Committee are disclosed in the Terms of Reference, which were reviewed during the year and can be found on the Company's corporate website (https://investors.eurowag.com/).

Key activities during the year

The Remuneration Committee held three meetings during 2024, and all members of the Remuneration Committee were present. The Remuneration Committee undertook the following activities in this period:

- Agreed the 2024 base salaries for Executive Directors and selected Senior Leadership Team members under the Remuneration Committee's remit
- Concluded the shareholder consultation on the proposed terms of the Directors' Remuneration Policy.
- Implemented the new Directors' Remuneration Policy following approval at the 2024 AGM
- Determined the participants in the 2024 annual bonus and long-term incentive schemes and the related measures and targets, ensuring incentives are aligned with Company performance and culture
- Approved the disclosures contained within the 2024 Directors' Remuneration Report
- Received updates from the Committee's independent advisor on market practice and governance developments, including an overview of the 2024 AGM season and proxy voting agency guidelines
- Approved the outcomes of the 2024 annual bonus plan and 2022 PSP awards
- Undertook an initial consideration of performance measures to apply to the 2025 annual bonus and LTIP schemes
- Reviewed the Remuneration Committee's Terms of Reference

Independent advisor

The Company received advice from FIT Remuneration Consultants LLP ("FIT") which was selected by the Remuneration Committee following a tender process. During the year, FIT assisted the Remuneration Committee on a range of subjects including the shape of the 2024 Policy, incentive arrangements for 2024, an overview of pay trends and governance and remuneration report drafting. FIT is a signatory to the Remuneration Consultants' Code of Conduct and has confirmed to the Committee that it adheres in all respects to the terms of the Code. The fees for the advice provided to the Remuneration Committee for the year to 31 December 2024 were £56,003 plus VAT (on a time and materials basis). FIT separately provided share plan technical services to the Company during the year but provides no other services to the Company and the Committee is satisfied that it receives independent and objective advice.

Annual report on remuneration continued

Single total figure of remuneration (audited)

The single figure of total remuneration disclosures covers the 2024 financial year and the prior financial year.

EUR '000		Salary/fees	Benefits[7]	Pension[8]	Total fixed remuneration	Annual bonus[9]	Other[10]	Total variable remuneration	Total remuneration
Executive Directors									
Martin Vohánka	**2024**	**321**	**60**	**—**	**381**	**313**	**—**	**313**	**694**
	2023	321	47	—	368	173	—	173	541
Oskar Zahn[1]	**2024**	**508**	**15**	**41**	**564**	**571**	**—**	**571**	**1,135**
	2023	316	9	25	350	171	411	582	932
Magdalena Bartoś[2]	**2024**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	2023	130	6	—	136	—	—	—	136
Non-Executive Directors[11]									
Paul Manduca[6]	**2024**	**350**	**—**	**—**	**350**	**—**	**—**	**—**	**350**
	2023	333	—	—	333	—	—	—	333
Sharon Baylay-Bell	**2024**	**112**	**—**	**—**	**112**	**—**	**—**	**—**	**112**
	2023	95	—	—	95	—	—	—	95
Mirjana Blume	**2024**	**107**	**—**	**—**	**107**	**—**	**—**	**—**	**107**
	2023	93	—	—	93	—	—	—	93
Morgan Seigler[3]	**2024**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	2023	—	—	—	—	—	—	—	—
Susan Hooper[5]	**2024**	**42**	**—**	**—**	**42**	**—**	**—**	**—**	**42**
	2023	92	—	—	92	—	—	—	92
Steve Dryden[4]	**2024**	**118**	**—**	**—**	**118**	**—**	**—**	**—**	**118**
	2023	62	—	—	62	—	—	—	62
Caroline Brown[4]	**2024**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	2023	29	—	—	29	—	—	—	29
Sophie Krishan[5]	**2024**	**74**	**—**	**—**	**74**	**—**	**—**	**—**	**74**
	2023	—	—	—	—	—	—	—	—
Kevin Li Ying[5]	**2024**	**74**	**—**	**—**	**74**	**—**	**—**	**—**	**74**
	2023	—	—	—	—	—	—	—	—

Notes:
1. Oskar Zahn joined the Company on 17 April 2023 and joined the Board as Chief Financial Officer on 12 May 2023. Oskar Zahn is paid in GBP and his remuneration has been converted to Euros at a rate of 0.847.
2. Magdalena Bartoś stepped down from the Board on 30 April 2023.
3. Morgan Seigler was appointed to the Board by TA Associates. He does not receive a fee for his services.
4. Steve Dryden joined as a Non-Executive Director on 1 June 2023 and Caroline Brown stepped down as a Non-Executive Director on 11 May 2023. Their remuneration reflects the period served on the Board during 2023.
5. Sophie Krishan and Kevin Li Ying were appointed on 1 March 2024. Susan Hooper stepped down as a Non-Executive Director on 16 May 2024. Their remuneration reflects the period served on the Board during 2024.
6. Paul Manduca will step down from the Board after the 2025 AGM.
7. Benefits for Executive Directors consisted of life insurance, private medical and dental insurance, residency allowance, air travel, reimbursement of tax return preparation costs, use of company car, fuel card and travel allowances. The „Benefits" figure for Martin Vohánka in 2023 and 2024 reflects also the value of the vacation pay according to the local legislation in the Czech Republic.
8. Martin Vohánka did not participate in a private pension arrangement in 2024. Oskar Zahn received a pension contribution as a cash allowance to the value of 8% of base salary in lieu.
9. The bonus outcome for the year was 65% of maximum for Martin Vohánka and 75% for Oskar Zahn. Two-thirds of the bonus earned will be paid in cash, while one-third will be deferred for three years. For Martin Vohánka, the deferred portion will be in cash, and for Oskar Zahn, it will be in shares, contingent upon continuous service.
10. The "Other" figure for Oskar Zahn in 2023 reflects the value of buyout Awards I, II, and III based on their face values at the time of grant, as they are not subject to performance criteria. It also includes the value of Award IV, which was based on performance up to 31 December 2023 and has been updated to reflect the share price at vesting on 10 May 2024. Additionally, Award V of his buyout was based on EPS and relative TSR performance for the period ending 31 December 2024. However, the thresholds for EPS and relative TSR were not achieved, and therefore this award will lapse. These buyouts were given to Oskar Zahn upon joining Eurowag to compensate him for remuneration forfeited at his previous employer. Additionally, Oskar Zahn received a cash sum of €57,000 to compensate him for the forfeited 2022 bonus.
11. Non-Executive Directors are paid in GBP and their remuneration has been converted to Euros at a rate of 0.847.

Remuneration report continued

2024 annual bonus outcome (audited)

The 2024 annual bonus was based on the achievement of financial and non-financial measures as set out below:

Targets and performance

Performance measure	Threshold (10% payable)	Max (100% payable)	Actual 2024	Bonus outcome (% of maximum for each element)	Bonus earned (% of overall maximum)
Adjusted EBITDA €m (30%)	104.9	129.8	121.7	70.7%	21%
Net revenue €m (20%)	265.8	307.3	292.5	67.9%	14%
Net debt leverage (10%)	2.73x	2.47	2.3x	100%	10%
Capital expenditure €m (10%)	40.8	33.4	46.0	0%	0%
Platform roadmap delivery (10%)	60%	80%	82%	100%	10%
Individual KPIs (20%)	Includes: annual objectives based on our strategic initiatives, priorities and sustainability commitments.			50% for the Chief Executive Officer 100% for the Chief Financial Officer	10% for the Chief Executive Officer 20% fo-r the Chief Financial Officer
Total bonus					65% for the Chief Executive Officer 75% for the Chief Financial Officer

The Chief Executive Officer and Chief Financial Officer individual performance metrics were measured versus the following objectives in 2024:

	Objective	Achievement
Business performance	Increase net revenue growth	Net revenue growth 14% increase compared to prior year
	Increase adjusted EBITDA margins	Adjusted EBITDA 12% increase compared to prior year
	Increase total number of active trucks	Total number of active trucks 10% increase compared to prior year
	Maintain or increase customer NPS	Customer NPS score slightly increased from 39 to 40 points
Sustainability commitments	Reduce our GHG emissions	Our direct emissions reduced by 17% compared to year 2023 baseline
	Maintain or increase employee engagement	Annual engagement survey had a 91% participation and overall engagement score increased from 60% to 62%
	Increase number of women in leadership	Overall women in leadership increased from 35% to 37%

The Committee has decided to evaluate the individual contributions of both the CEO and the CFO towards achieving these objectives, attributing 50% to the CEO and 100% to the CFO.

The Committee considered the formulaic outcome in the context of broader company and individual performance and agreed that the results were warranted. Therefore, no discretion was used to alter the outcome.

The bonus opportunity for Martin Vohánka and Oskar Zahn for 2024 was 150% of base salary.

	Total bonus €000	Cash (2/3) €000	Deferred (1/3) €000
Martin Vohánka	313	209	104
Oskar Zahn[1]	571	381	190

Note:
1. Oskar Zahn is paid in GBP and his remuneration has been converted to Euros at a rate of 0.847.

One-third of the bonus is deferred for three years – Martin Vohánka's bonus will be deferred in cash to reflect his high shareholding in the business and Oskar Zahn's bonus will be deferred in shares.

Long-term incentive awards vesting (audited)

The 2022 PSP awards were granted to selected individuals on 19 April 2022 and 4 November 2022. These awards were subject to adjusted basic EPS and relative TSR measures for the financial year ended 31 December 2024 as set out below:

Vesting (% of awards)	0% vesting	25% vesting	100% vesting	Actual performance	Vesting (%)
Adjusted basic EPS for the year ended 31 December 2024	<8.62 cents	11.5 cents	≥11.5 cents	4.65 cents	0% vesting
Relative TSR for the year ended 31 December 2024	Below median	Median	Upper quartile	Below median	0% vesting

Oskar Zahn's buyout award was made up of five parts. Award V of his buyout was based on adjusted basic EPS and relative TSR performance for the year ending 31 December 2024.

The thresholds of the EPS and relative TSR were not achieved and therefore these awards will lapse.

LTIP award granted in 2024 (audited)

As set out in last year's report and in-line with the new Policy, the following awards were granted during 2024:

	Date of grant	Type of award	No. of awards granted	Share price on grant	Face value of award	Award as a % of salary	Vesting date
Oskar Zahn	16 May 2024	Performance Share Award	452,949 options[1]	71.2p	£322,500	75%	16 May 2027
		Restricted Share Award	452,949 options[1]	71.2p	£322,500	75%	16 May 2027
		One-off Restricted Share Award	603,932 options[1]	71.2p	£430,000	100%	16 May 2027

Note:
1. All options granted are at nominal cost.

LTIP award granted in 2024 (audited) continued

The share awards will vest on the third anniversary of its grant, contingent upon Oskar Zahn's continued service and the extent to which the relevant performance conditions (described below) are met.

The performance vesting of a distinct 60% of the performance share award (the "EPS Part") will be contingent upon the Company's adjusted basic EPS for its financial year ending 31 December 2026 ("EPS 2026"). The performance vesting of 40% of the performance share award (the "TSR Part") will be contingent upon the Company's TSR performance over the performance period, 1 January 2024 to 31 December 2026. This performance will be evaluated relative to the TSR performance (over the same period) of a comparator group of companies – the constituents of the FTSE 250 Index (excluding investment trusts) as at the start of the performance period.

Vesting (% of awards)	Adjusted basic EPS for FY 2026	Relative TSR ranking versus FTSE 250 excluding investment trusts
0%	< 7.0 cents	Below median
25%	7.0 cents	Median
100%	≥8.3 cents or higher	Upper quartile or higher

The restricted share awards are subject to the achievement of a performance underpin framework that ensures awards will not vest if there has been clear underperformance against the key elements included in the framework. For the 2024 restricted share awards, the proposed underpin framework to be measured over the period 2024–2026 is as follows:

Performance underpin framework	Factors to be considered (not limited to)
Financial health of the business, considering key financial indicators	› Revenue growth › Operating margin › Adjusted earnings per share › Return on capital › Cash conversion › Balance sheet strength
Strategic priorities	Delivery of key strategic objectives over the vesting period including operational and individual performance
Stakeholder experience	Consideration of our key stakeholders including employees, customers, suppliers and shareholders
ESG progress	Progress towards key achievement of ESG objectives

Payments for loss of office and to former Directors (audited)

There were no payments for loss of office, nor payments to former Directors.

Share interests and incentives (audited)

The table below sets out the share awards held by Executive Directors.

Oskar Zahn	Date of award	Number of awards at 1 January 2024	Awards granted	Awards vested	Awards lapsed	Awards exercised	Number of awards at 31 December 2024	Earliest vesting date	Lapse date
Buyout Award I	20 April 2023	37,689	—	—	—	—	37,689	10 May 2026	20 April 2023
Buyout Award II	20 April 2023	45,240	—	—	—	—	45,240	8 March 2027	20 April 2033
Buyout Award III	20 April 2023	79,233	—	(79,233)	—	—	—	8 March 2024	20 April 2033
Buyout Award IV	20 April 2023	251,391	—	(251,391)	—	—	—	10 May 2024	20 April 2023
Buyout Award V	20 April 2023	362,017	—	—	(362,017)	—	—	8 March 2025	20 April 2033
2023 PSP	20 April 2023	682,395	—	—	—	—	682,395	20 April 2026	20 April 2033
2024 LTIP (perf shares)	16 May 2024	—	452,949	—	—	—	452,949	16 May 2027	16 May 2034
2024 LTIP (restricted shares)	16 May 2024	—	452,949	—	—	—	452,949	16 May 2027	16 May 2034
2024 LTIP (restricted shares) including one off	16 May 2024	—	603,933	—	—	—	603,933	16 May 2027	16 May 2034
Deferred bonus	22 April 2024	—	81,931	—	—	—	81,931	22 April 2027	22 April 2034

Remuneration report continued

The table below sets out the total shareholdings and share interests for each Board Director.

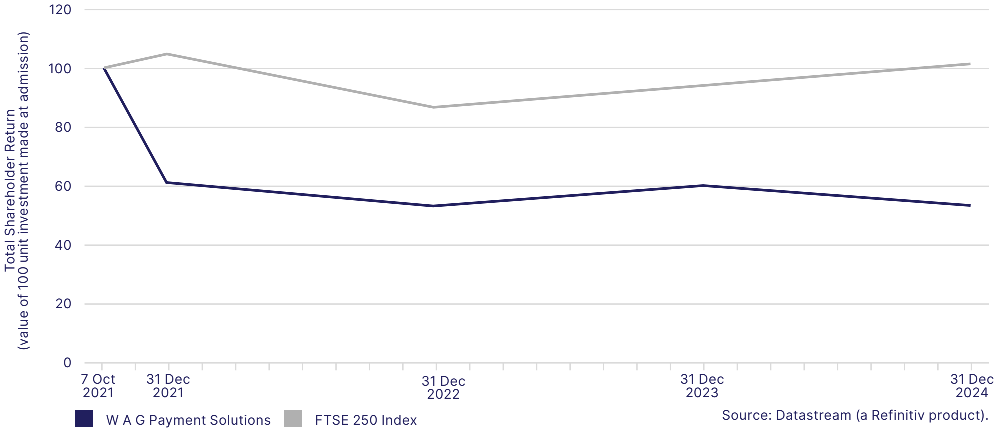
	Audited					
	Shares owned outright as at 31 December 2024	Vested but unexercised options	Options unvested and subject to performance conditions	Options unvested and not subject to performance conditions	Shareholding as a percentage of salary	Shareholding requirement met (200% salary)
Executive Directors						
Martin Vohánka[1]	329,195,021	—	—	—	96,916%	YES
Oskar Zahn[2]	—	330,624	1,135,344	1,221,742	153%	NO
Non-Executive Directors						
Paul Manduca	150,000	—	—	—	—	n/a
Morgan Seigler	—	—	—	—	—	n/a
Mirjana Blume	13,913	—	—	—	—	n/a
Sharon Baylay-Bell[3]	35,000	—	—	—	—	n/a
Susan Hooper[4]	—	—	—	—	—	n/a
Steve Dryden	—	—	—	—	—	n/a
Sophie Krishnan	—	—	—	—	—	n/a
Kevin Li Ying	—	—	—	—	—	n/a

Notes:
1. Comprises 135,775,918 shares held by Martin Vohánka and 193,419,103 shares held by Couverina Business s.r.o, a business wholly owned by Martin Vohánka.
2. Oskar Zahn's shareholding comprises the net of tax value of vested but unexercised options and options unvested which are not subject to any performance requirements.
3. Sharon Baylay-Bell stepped down as a Non-Executive Director on 21 February 2025.
4. Susan Hooper stepped down as a Non-Executive Director on 16 May 2024.

The shareholding as a percentage of salary is based on shares owned outright and the net of tax number of other awards which are not subject to ongoing performance conditions. The middle market share price at the close of business on 31 December 2024 was £0.80 and the range of the middle market price from 1 January 2024 until 31 December 2024 was £0.61 to £0.92. Since the year end to the date of signing off this report there have been no changes in the shareholdings shown in the table above.

Performance graph against FTSE 250

The chart below shows the value of £100 invested in the Company on IPO compared with the value of £100 invested in the FTSE 250 Index at the same date and the movement in value until 31 December 2024. We have chosen the FTSE 250 Index as Eurowag is a constituent of the index and it provides the most appropriate and widely recognised index for benchmarking the Company's corporate performance since IPO.



Source: Datastream (a Refinitiv product).

Chief Executive Officer single figure history

Chief Executive Officer single figure history	2021	2022	2023	**2024**
Total remuneration (EUR '000)	134	321	518	**654**
Annual bonus as % of max	n/a	n/a	36%	**65%**
PSP shares vesting as % of max	n/a	n/a	n/a	**n/a**

The Chief Executive Officer did not participate in the annual bonus in 2021 or 2022 and has not received any long-term incentive awards. He participated in the 2023 and 2024 annual bonus. The Chief Executive Officer's total remuneration for 2024 is as set out in the single figure of total remuneration table on page 105. The Chief Executive Officer's total remuneration for 2021 is based on the period between incorporation and 31 December 2021.

Chief Executive Officer pay ratio

The Company has fewer than 250 UK employees and, therefore, has no statutory requirement to publish a Chief Executive Officer pay ratio. The Committee will continue to review the appropriateness of publishing pay ratios in the future.

Relative importance of spend on pay

The following table shows the Company's expenditure on remuneration for all employees globally as well as distributions to shareholders and adjusted EBITDA delivered, which the Committee believes is a useful additional disclosure. The table below shows the year-on-year change between 2024 and 2023.

	2024	2023	% change
Overall expenditure on pay	**€113.0m**	€111.1m	1.7%
Dividends	**n/a**	n/a	n/a

Percentage change in Directors' remuneration and employee pay

The following table shows the percentage change in each Executive and Non-Executive Director's remuneration compared with the average change for all employees of the Company for the year ended 31 December 2024. In calculating the percentage change, remuneration figures have been annualised to provide a better and more meaningful comparison.

	2024			2023			2022		
	Salary/fee	**Taxable benefits**	**Annual bonus**	Salary/fee	Taxable benefits	Annual bonus	Salary/fee	Taxable benefits	Annual bonus
Martin Vohánka	**—**	**31.1%**	**80.6%**	7%	219.4%	n/a	0%	8.1%	n/a
Oskar Zahn[1]	**—**	**(1.6)%**	**108.3%**	n/a	n/a	n/a	n/a	n/a	n/a
Paul Manduca	**2.3%**	**n/a**	**n/a**	0%	n/a	n/a	0%	n/a	n/a
Morgan Seigler	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Mirjana Blume	**12.1%**	**n/a**	**n/a**	6.6%	n/a	n/a	0%	n/a	n/a
Sharon Baylay-Bell[2]	**14.9%**	**n/a**	**n/a**	10%	n/a	n/a	0%	n/a	n/a
Susan Hooper[3]	**6.3%**	**n/a**	**n/a**	6.6%	n/a	n/a	15.3%	n/a	n/a
Steve Dryden[4]	**7.5%**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Sophie Krishnan[5]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Kevin Li Ying[5]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
All employees	**(1.5)%**	**(35.6)%**	**(25.8)%**	(2.1)%	9.2%	(4.3)%	8.0%	(33.0)%	(1.3)%

Notes:
1. Oskar Zahn joined the Board on 12 May 2023.
2. Sharon Baylay-Bell stepped down from the Board on 21 February 2025.
3. Susan Hooper stepped down from the Board on 16 May 2024.
4. Steve Dryden joined the Board on 1 June 2023.
5. Sophie Krishan and Kevin Li Ying joined the Board on 1 March 2024.

Changes in remuneration are based on the currency in which Directors are paid, to remove the impact of currency movements.

Statement of shareholding voting

At the AGM held on 16 May 2024, there was an advisory vote on the Directors' Remuneration Report and the Directors' Remuneration Policy. The voting outcomes are set out in the table below.

	Votes for	%	Votes against	%	Votes withheld	%
Approval of the Directors' Remuneration Policy (2024)	560,992,209	96.25%	21,869,182	3.75%	—	—
Approval of the Directors' Remuneration Report (2024)	582,582,777	99.95%	278,614	0.05%	—	—

The Remuneration Committee was pleased with the high level of support received.

Remuneration report continued

Implementation of Policy in FY 2025

Component of pay	Implementation for 2025
Base salaries	There will be changes to the Chief Executive Officer and Chief Financial Officer's base salaries in 2025. These will be effective from 1 April 2025 along with the increases provided for the wider workforce: Chief Executive Officer: 5% salary increase to €337,050/Chief Financial Officer: 5% salary increase to £451,512.
Benefits and pension	The Chief Executive Officer does not receive any pension contributions or allowance in lieu. The Chief Financial Officer's pension contribution rate is set at 8% of salary, which is in-line with the UK pension contribution rate. There are no material changes to benefit provision.
Annual bonus	The Chief Executive Officer and Chief Financial Officer will participate in the 2025 annual bonus scheme. The maximum opportunity will be 150% of base salary. One-third of any bonus earned will be deferred for a period of three years in the form of cash for the Chief Executive Officer and in shares for the Chief Financial Officer. The 2025 bonus will be subject to the following performance conditions: › Adjusted EBITDA (30%) › Net revenue (30%) › Number of active trucks (10%) › Customer NPS (10%) › Individual KPIs and objectives (20%) These performance conditions aim to balance financial and strategic objectives, supporting our top-line growth, achieving operational efficiency and realising our long-term strategic vision. The target ranges are not disclosed prospectively as they are commercially sensitive, but will be reported in next year's Remuneration Report.

Component of pay	Implementation for 2025
LTIP – performance shares and restricted share	The long-term incentive targets for the upcoming period have not yet been established at the time this Annual Report and Accounts is issued. The Remuneration Committee is currently reviewing the approach to long-term incentives to ensure it is aligned with our medium-term incentive plans. The Committee will communicate the terms of the 2025 awards in due course.
NED fees	The Board Chairman fee and NED fees for 2025 are as follows: Board Chairman fee: £310,000 for Paul Manduca until his stepping down from the Board, and £250,000 for Steve Dryden from his appointment as Board Chairman Non-Executive Director base fee: £64,800 Senior Independent Director fee: £11,000 Audit and Risk Committee Chair fee: £25,000 Remuneration Committee Chair fee: £20,000 Designated ESG Director additional fee: £10,000 Member of Audit, Nomination and Governance or Remuneration Committees: £5,000

On behalf of the Board

Sophie Krishnan
Chair of the Remuneration Committee
24 March 2025

Directors' report

Directors' report

The Directors present the Annual Report, together with the audited consolidated financial statements for the year ended 31 December 2024. The Directors' Report, together with the Strategic Report on pages 01 to 70, represents the management report for the purposes of compliance with the Disclosure Guidance and Transparency Rules 4.1.R.

Corporate governance statement

The information that fulfils the requirements of the corporate governance statement for the purposes of the FCA's Disclosure Guidance and Transparency Rules can be found in the corporate governance information on pages 77 to 84 (all of which forms part of the Directors' Report), the wider Corporate Governance Report and this Directors' Report.

Articles of Association and powers of the Directors

The Company's Articles contain the rules relating to the powers of the Company's Directors and their appointment and replacement mechanisms. The Articles may only be amended by special resolution at a general meeting of the shareholders. The Articles provide that the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, subject to the Statutes, these Articles and any special resolutions of the Company. The Articles can be found at: https://investors.eurowag.com/investors/shareholder-information/ipo-information/

Directors

As at the date of signing of this report, the Board is comprised of two Executive Directors, four Independent Non-Executive Directors, a Non-Executive Chairman who was independent on appointment and one non-independent Non-Executive Director (the Nominee Director - further information is provided on page 113 of this report).

During the year there were changes to the composition of the Board. On 1 March 2024, Sophie Krishnan and Kevin Li Ying were each appointed as Directors. Susan Hooper resigned as a Director, following the AGM of the Company held on 16 May 2024. On 21 January 2025, it was announced that Paul Manduca would leave the Board following the AGM on 22 May 2025, and the position of Chair would be taken by Steve Dryden. It was also announced on 21 January 2025 that Sharon Baylay-Bell would be leaving the Board. She stepped down on 21 February 2025, having served her one month period of notice.

Further details on each of the Directors appointed can be found on page 74 of this report. Further details on the Directors' skills and the Company's succession planning can be found on pages 85 and 86 of the Nomination and Governance Committee Report.

During the year, an assessment of the independence of the Chairman of the Board and each of the Independent Non-Executive Directors was carried out, following the relevant independence parameters provided for within the Code. The Company considers all Independent Non-Executive Directors to be independent, and the Chairman, Paul Manduca, to be independent on appointment. The Board considers each of these Directors to be free from any business or other relationship that could materially interfere with the exercise of their independent judgement. The independence of the Directors will continue to be assessed annually during the Board evaluation process. In accordance with the Code, Mirjana Blume is the Senior Independent Director and acts as a sounding board for the Chairman and an intermediary for the other Non-Executive Directors, and leads the evaluation of the Chairman.

SECR disclosures

The information relevant to climate disclosures, including the Company's TCFD statement, 2030 climate target and emissions data, is outlined on pages 44 to 69. This includes information about the Company's total energy consumption in its operations, Scope 1 and Scope 2 emissions and GHG intensity figures covering 2022-2024. The Company has also disclosed its 2024 baseline Scope 3 emissions as well as information on the material categories for Scope 3 emissions based on 2024 data. Information on climate risks is included in both the Principal risks section as well as the TCFD disclosures.

Disclosure of information to Auditors

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditors are unaware. Each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's External Auditors are aware of that information.

Directors' indemnities

In pursuing their duties, the Directors have the benefit of indemnity provisions contained within the Company's Articles. The Company has additionally purchased and maintained Directors' and Officers' liability insurance to provide further protections for the Directors. The Directors are able to obtain legal or other relevant advice at the expense of the Company in their capacity as Directors. The Company provided a qualifying third-party indemnity to each Director as permitted by Section 234 of the Companies Act 2006 and by the Articles for the full financial year and which remain in force at the date of this report.

Directors' report continued

Conflicts of interest

The Directors have declared any conflict or potential conflict of interest to the Board, which has the authority to approve such situations. A conflicts of interest register is maintained on an ongoing basis and reviewed annually. The Directors advise the Board as soon as they become aware of any conflict of interest. When a Director has a relevant conflict of interest, they are recused from discussions or decisions on the matter on which they are conflicted.

Political and charity donations

The Company's policy is that it does not, directly or through any subsidiary, make what are commonly regarded as donations to any political party. However, the Companies Act 2006 (the "Act") defines political donations very broadly and so it is possible that normal business activities, such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform, which might not be thought of as political expenditure in the usual sense, could be captured. Activities of this nature would not be thought of as political donations in the ordinary sense of those words.

The resolution to be proposed at the 2025 AGM, authorising political donations and expenditure, is to ensure that the Group does not commit any technical breach of the Act. At the AGM of the Company held on 16 May 2024, shareholders voted to allow the Company to incur political expenditure up to a maximum aggregate amount of £100,000 in-line with market practice. That authority is due to expire at the AGM due to be held on 22 May 2025 and, therefore, the Company will seek to renew the authority in-line with the above considerations.

Major interests in shares

As at 31 December 2024, and in accordance with Rule 5 of the FCA's Disclosure and Transparency Rules, the following table sets out the major shareholdings notified to the Company by holders of notifiable interests.

	As at 31 December 2024	
Name of shareholder	Number of ordinary shares	Percentage of issued ordinary shares
Couverina Business s.r.o[1]	**193,419,103**	**28.03**
Bock Capital Investors[2]	**179,505,764**	**26.01**
Martin Vohánka[3]	**135,775,918**	**19.68**
Alantra Asset Management	**25,675,513**	**3.72**
Columbia Threadneedle Investments	**22,377,160**	**3.24**

Notes:
1. A vehicle wholly owned by Martin Vohánka.
2. A vehicle affiliated with Bock Capital EU Luxembourg WAG S.à.r.l., a vehicle associated with TA Associates.
3. Martin Vohánka's total interest was 329,195,021 ordinary shares representing 47.71% of the issued ordinary shares, as at 31 December 2024. Since 31 December 2024 to the date of this report, the Company has not been informed of any notifiable changes with respect of the shares.

Share capital structure

As at 31 December 2024, the issued share capital of the Company comprised 690,061,843 ordinary shares of £0.01 each admitted to the London Stock Exchange. The ordinary shares have attached to them full voting, dividend and capital distribution (including winding up) rights.

Authority to purchase own shares

At the Company's AGM held on 16 May 2024, shareholders passed a resolution allowing the Company to make market purchases of ordinary shares of £0.01 each in the capital of the Company up to a maximum aggregate amount of 10% of the Company's issued share capital. No shares have been purchased under this authority as at the date of this report. This authority is due to expire at the AGM to be held on 22 May 2025. The Board will seek to renew the authority to make market purchases of the Company's ordinary shares at this year's AGM.

Principal shareholder and relationship agreement

In connection with, and effective from, admission, relationship agreements were entered into with Martin Vohánka, Couverina Business, s.r.o ("Couverina") and TA Associates to ensure that, following admission, the Company was able to operate independently of the aforementioned parties for the purposes of the Listing Rules.

Relationship agreement with Martin Vohánka and Couverina

Under the relationship agreement, Martin Vohánka and Couverina have made undertakings to: (i) conduct all transactions and arrangements with any member of the Company and the Group at arm's length and on normal commercial terms; (ii) not take any action which would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and (iii) not propose or procure the proposal of any shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules. Subject to below, Martin Vohánka and Couverina have the right: (i) to nominate for appointment up to two Non-Executive Directors to the Board, while together with their associates' shareholding in the Company are greater than or equal to 25% of the votes available to be cast at General Meetings of the Company; and (ii) to nominate for appointment one Non-Executive Director to the Board, while together with their associates' shareholding in the Company are greater than or equal to 10%. Martin Vohánka and Couverina opted not to appoint any Nominee Directors at admission and currently have expressed that they do not intend to exercise these rights while Martin Vohánka is Chief Executive Officer. Martin Vohánka shall not be considered as a Nominee Director for so long as he is an Executive Director of the Company, but that for so long as he is an Executive Director of the Company, the right of Martin Vohánka and Couverina to appoint Nominee Directors shall be reduced by one, to reflect Martin Vohánka's appointment as a Director of the Company. The relationship agreement additionally governs information flow between the Company and Martin Vohánka and Couverina. For so long as Martin Vohánka (or his concert parties (as defined in the City Code on Takeovers and Mergers (the "City Code")) holds in aggregate an interest in 30% or more of the aggregate voting rights in the Company and subject, where necessary, to the prior consent of the Panel, the Company has undertaken to procure that at the first AGM of the Company, and thereafter once in every calendar year, to propose to its independent shareholders a resolution to waive, in accordance with Appendix 1 to the City Code, all obligations of the relevant shareholder (or its concert parties) to make a general offer for the ordinary shares of the Company in accordance with Rule 9 of the City Code that may otherwise arise as result of the Company purchasing or effecting any other transactions in relation to the ordinary shares or related securities.

Relationship agreement with TA Associates

The TA relationship agreement contains substantially the same terms as the relationship agreement with Martin Vohánka and Couverina as described above, other than the appointment rights, which provide Bock Capital EU Luxembourg WAG S.à.r.l. ("Bock") with the right to appoint one Non-Executive Director to the Board, while together with its associates' shareholding in the Company are greater than or equal to 10% of the votes available to be cast at General Meetings of the Company. Morgan Seigler was appointed to the Board, as Nominee Director, at admission. Morgan Seigler additionally has the ability to share confidential information with Bock in accordance with the terms of the relationship agreement, subject to prior clearance from the rest of the Board.

Disclosures in the Strategic Report

In accordance with Section 414C(11) of the Act and the Companies (Miscellaneous Report) Regulations 2018, the Board has decided to include certain disclosures within the Strategic Report, including:

Subject matter	Page
Employee and stakeholder involvement	Our Engagement with Stakeholders on page 20 and Sustainability on page 44
The employment of disabled people	Sustainability on page 44
The future development, performance, and position of the Group	Strategic Report on pages 01 to 70
Branches outside the UK	Group Information on page 178
Research and development activities	Notes to the financial statements on page 158
Going Concern and Viability statement	Viability Statement on page 41
Climate-related financial disclosures, greenhouse gas consumption, energy consumption and energy efficiency action	Sustainability on page 44

Additional disclosures

The following information can be found elsewhere in this document, as indicated in the table below and is incorporated into this report by reference.

Disclosure	Page
Directors of the Company	Board of Directors on page 74
Dividends	Consolidated statement of changes in shareholders' equity on page 125
Financial instruments	Notes to the financial statements on page 137
Important post balance sheet events since the financial year end	Notes to the financial statements on page 183
Statement of Directors' responsibilities	Directors' report on page 113

Information required to be included in the Annual Report and Accounts by LR 9.8.4 can be found in this document as indicated in the table below:

Disclosure	Page
Long-Term Incentive Plans	Directors' remuneration report on page 106
Confirmations regarding entering into a relationship agreement with a controlling shareholder and compliance with independence provisions	Principal shareholder and relationship agreement section on page 112
Agreements with a controlling shareholder	Principal shareholder and relationship agreement section on page 112

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Directors' report continued

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the Going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable. They believe it furnishes shareholders with the information necessary needed to evaluate the Company's position, performance, business model and strategy. Each of the Directors, whose names and roles are detailed in the Board of Directors section on page 74, confirms that, to the best of their knowledge:

- The consolidated financial statements, prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view the assets, liabilities, financial position and profits or loss of the Group
- The Company's financial statements, prepared following United Kingdom Accounting Standards, including FRS 101, give a true and fair view of the Company's assets, liabilities and financial position
- The Strategic Report within this document includes a fair review of the development and performance of the business and the position of the Company and the wider Group, together with a description of the principal risks and uncertainties that it faces

In the case of each Director in office at the date the Directors' Report is approved:

- So far as the Director is aware, there is no relevant audit information of which the Group's and Company's Auditors are unaware
- 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 Group's and Company's Auditors are aware of that information

Going concern

In accordance with Provision 30 of the Code, the Directors consider it appropriate to continue to adopt the Going concern basis of accounting in preparing the financial statements.
The Directors, having made appropriate enquiries, are satisfied that the Company and Group as a whole has adequate resources to continue operations for a period of at least 12 months from the date of this report. A comprehensive Going concern statement is presented on page 43.

Viability statement

In accordance with Provision 31 of the Code, the Directors are required to provide a Viability statement that states whether the Company and Group will be able to continue in operation and meet its liabilities, taking into account its current position and the principal risks it faces.
The Directors must also specify the period covered by, and the appropriateness of, this statement. The Directors' evaluation of the Company's viability is detailed on page 41.

Fair, balanced and understandable

The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and gives shareholders the information needed to assess the Group's position and performance, business model and strategy. This responsibility statement was approved by the Board of Directors and is signed by order of the Board by:

Victoria Penrice FCG
Company Secretary
24 March 2025

Financial statements

Other information

Independent auditors' report to the members of W.A.G Payment Solutions plc

Report on the audit of the financial statements

Opinion

In our opinion:

- W.A.G Payment Solutions plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's profit and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position and the Company Statement of Financial Position as at 31 December 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and the Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 11 to the Consolidated Financial Statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- PwC component audit teams were engaged to perform two full scope audits in the Czech Republic and one in Poland. The PwC Czech Republic component team were also requested to perform specified procedures over certain balances and transactions in other components. The Group audit team carried out audit procedures over centralised balances, the consolidation and the company.

Key audit matters

- Recoverability of goodwill and intangible assets (group)
- Carrying value of investment in subsidiaries (parent)

Materiality

- Overall group materiality: €8,776,000 (2023: €7,695,000) based on 3% of net revenue.
- Overall company materiality: €2,771,000 (2023: €2,739,000) based on 1% of total assets.
- Performance materiality: €6,582,000 (2023: €5,771,000) (group) and €2,078,000 (2023: €2,054,000) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Valuation of the acquired Inelo intangibles (group) and the Presentation of adjusting items to EBITDA (group), which were key audit matters last year, are no longer included because of no acquisitions occurring and the reduced significance of adjusting items in the year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Recoverability of goodwill and intangible assets (group) In accordance with IAS 36 (Impairment of assets), goodwill must be tested for impairment on at least an annual basis. We focused on the risk of recoverability as the determination of recoverable amount, being the higher of value-in-use and fair value less costs of disposal, requires estimation by the directors to value the relevant CGU. Refer to Notes 1 and 16 to the consolidated financial statements and the Key accounting issues, significant judgements and significant estimates section of the Audit and Risk Committee report.	As part of our audit of the directors' impairment assessment and underlying discounted cash flow model: › We obtained and audited the impairment models which calculate the value-in-use based on five year forecast cash flows; › We identified the key assumptions within the cash flow forecast for the next five years and focused our work on these. We assessed these cash flows against underlying support, including Board approved budgets and third-party market forecast data. We challenged the basis of the forecasts to assess whether the key assumptions were supportable and that the cash flows reflected the current strategic plan. We also challenged the potential impact of climate change to the cash flow forecast, ensuring this was consistent with the assessment performed within the TCFD disclosures; › We used our internal valuation experts to determine whether the discount and growth rates were within an acceptable range through reference to suitable third-party comparator information; and › We evaluated the disclosures included in the financial statements, including the sensitivity analysis, to validate that these were in compliance with IAS 36. Based on our procedures, the conclusion that no impairment was necessary and the disclosures included in the financial statements are consistent with the evidence obtained.
Carrying value of investment in subsidiaries (parent) Investment in subsidiaries are accounted for in the Company balance sheet at cost less provision for impairment. Investments are tested for impairment if indicators exist. If such indicators exist, the recoverable amounts of the investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the income statement. A review for indicators of impairment was performed by the directors, including considering the latest available forecasts and developments in the Group during the year. The assessment identified no impairment indicator in respect of the investment in subsidiaries.	We evaluated the directors' determination of whether there were any other indicators of impairment. Our procedures included: › comparing the carrying value of investment with the market capitalisation of the Group at 31 December 2024; and › comparing the carrying value of investment with the carrying amount of the Group's net assets. Overall, we found the assessment of the carrying value of investment in subsidiaries and associated disclosures to be consistent with the evidence obtained.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group financial statements are a consolidation of multiple reporting units across Europe, comprising the group's operating businesses and centralised functions. These reporting units maintain their own accounting records and controls and report to the head office finance team in the Czech Republic for consolidation purposes. In establishing the overall approach to the Group audit, we identified four reporting units which, in our view, required an audit of their complete financial information whether due to their size or risk characteristics: W.A.G Payment Solutions plc (the Company); W.A.G Payment Solutions a.s; W.A.G Issuing Services a.s (both incorporated in the Czech Republic); and Inelo Polska Sp. z o.o. (incorporated in Poland). W.A.G Payment Solutions plc (the company) was audited by the Group engagement team, W.A.G Payment Solutions a.s, and W.A.G Issuing Services a.s were audited by PwC Czech Republic and Inelo Polska Sp. z o.o. was audited by PwC Poland. We also added four components to our scope to perform specified procedures to ensure sufficient coverage of certain financial statement line items within the group consolidation, which were all performed by PwC Czech Republic. Where work was performed by component auditors, we determined the appropriate level of involvement that we needed to have in that audit work to ensure that we could conclude that sufficient appropriate audit evidence had been obtained for the Group Financial Statements as a whole. In addition to instructing and reviewing the reporting from our component audit teams, we conducted file reviews and participated in key meetings with local management. Most of these meetings took place remotely but we visited the Czech Republic twice in person and Poland once to meet group and local management as well as the PwC Czech Republic and PwC Poland component auditors. We also had regular dialogue with component teams throughout the audit. The Group consolidation and financial statement disclosures were audited by the Group audit team.

The impact of climate risk on our audit

In planning our audit, we considered the potential impact of climate change on the Group's financial statements. We made enquiries of the directors to understand the process for assessing climate-related risks and opportunities, the extent of the potential impact of climate change risk on the Group's financial statements and the Group's preparedness for this. The TCFD statement describes and explains how climate change could have an impact on the group's business. Using our knowledge of the business we considered whether the risks identified are consistent with our knowledge of the business. We have assessed how the group has considered the impact of climate change risk on the financial statements, in particular on the impairment assessment over non-current assets (see Key Audit Matter above).

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Independent auditors' report to the members of W.A.G Payment Solutions plc continued

	Financial statements - group	Financial statements - company
Overall materiality	€8,776,000 (2023: €7,695,000).	€2,771,000 (2023: €2,739,000).
How we determined it	3% of net revenue	1% of total assets
Rationale for benchmark applied	Net revenue is a key metric used by the directors' and external stakeholders to assess the performance of the group and it removes any impact of significant volatility in gross revenue and cost of sales due to oil price fluctuations.	Based on the nature of the company, trading is not the entity's main function. The company has transactions that are there to support the group in its trading and so total assets is considered appropriate and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between €2,771,000 to €7,562,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to €6,582,000 (2023: €5,771,000) for the group financial statements and €2,078,000 (2023: €2,054,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above €438,000 (group audit) (2023: €384,750) and €138,550 (company audit) (2023: €136,950) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and agreeing the directors' going concern assessment to the Group's Board approved plan and ensuring that the base case scenario, representing the trading performance to June 2026, indicates that the Group generates sufficient cash flows to meets its obligations while complying with covenant arrangements;
- Assessing growth forecasts against third-party market data;
- Obtaining and reviewing the updated amendment letter to the Group's Club Finance agreement to extend the facility's settlement date to 31 March 2029, to reduce interest quarterly payments and a reduction of the interest cover covenant to 3.5x;
- Assessing the historical accuracy of the directors' forecasting;
- Analysing the cash flows in the forecast models to identify unexpected trends and relationships and ensuring the mathematical accuracy of management's models;
- Evaluating management's severe but plausible downside scenario to ensure that it reflected historically experienced levels of disruptions, ensuring this is appropriately modelled through the cash flows and that the mitigating actions proposed by the directors' are achievable;
- Assessing whether climate change is expected to have a significant impact during the period of the going concern assessment; and
- Reviewing the related disclosures in the Annual Report and Accounts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Strategic Report and Governance sections is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent auditors' report to the members of W.A.G Payment Solutions plc continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the FCA Listing Rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as taxation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries that improve financial performance. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions among the engagement personnel covering the potential for material misstatements due to error or fraud, the risks associated with related parties and emphasis on the need to maintain professional scepticism throughout the engagement;
- Inquiries of the directors and others within the entity, including those outside of finance, as to their knowledge, awareness and concerns regarding fraud, or breaches in laws and regulations;
- Identification and testing of journal entries that met our risk criteria, in particular any journal entries posted with unusual account combinations that hit our risk criteria and incorporating an element of unpredictability in the nature, timing and extent of audit procedures performed;
- Testing significant accounting estimates made by the directors;
- Reading the minutes of the Board meetings to identify any inconsistencies with other information provided by management;
- Reviewing component teams' key working papers for all full-scope components, with a particular focus on the areas involving judgement and estimates;
- Reviewing internal audit reports insofar as they related to the financial statements; and
- Reviewing legal expense accounts to identify items which may indicate the existence of material legal claims.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the directors on 2 December 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement is four years, covering the years ended 31 December 2021 to 31 December 2024.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Mark Skedgel (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
25 March 2025

Consolidated income statement

For the year ended 31 December

	Note	2024 Adjusted €000	2024 Adjusting items* €000	2024 Total €000	2023 **Represented Adjusted €000	2023 **Represented Adjusting items* €000	2023 **Represented Total €000
Revenue	3	**2,236,573**	**—**	**2,236,573**	2,088,107	—	2,088,107
Cost of sales		**(1,944,035)**	**—**	**(1,944,035)**	(1,831,577)	—	(1,831,577)
Net revenue		**292,538**	**—**	**292,538**	256,530	—	256,530
Operating expenses	4	**(207,719)**	**(34,588)**	**(242,307)**	(189,398)	(39,365)	(228,763)
Other operating income	6	**4,777**	**—**	**4,777**	10,089	—	10,089
Impairment losses of financial assets	21	**(13,578)**	**—**	**(13,578)**	(8,884)	—	(8,884)
Impairment losses of non-financial assets	16	**—**	**—**	**—**	—	(56,663)	(56,663)
Share of net loss of associates accounted for using the equity method	19	**(746)**	**—**	**(746)**	(504)	—	(504)
Operating profit/(loss)		**75,272**	**(34,588)**	**40,684**	67,833	(96,028)	(28,195)
Finance income	9	**2,679**	**—**	**2,679**	14,682	—	14,682
Finance costs	10	**(31,667)**	**—**	**(31,667)**	(25,794)	—	(25,794)
Profit/(loss) before income tax		**46,284**	**(34,588)**	**11,696**	56,721	(96,028)	(39,307)
Income tax (expense)/credit	12	**(14,036)**	**5,196**	**(8,840)**	(9,988)	5,747	(4,241)
Profit/(loss) from continuing operations		**32,248**	**(29,392)**	**2,856**	46,733	(90,281)	(43,548)
Loss after tax for the year from discontinued operations		**—**	**—**	**—**	(489)	—	(489)
Profit/(loss) for the financial year		**32,248**	**(29,392)**	**2,856**	46,244	(90,281)	(44,037)
Profit/(loss) attributable to:							
Continuing operations							
Owners of the parent		**32,088**	**(29,392)**	**2,696**	44,644	(90,281)	(45,637)
Non-controlling interests		**160**	**—**	**160**	1,600	—	1,600
		32,248	**(29,392)**	**2,856**	46,244	(90,281)	(44,037)

Earnings per share – basic and diluted (Note 13):	**2024 cents**	2023 cents
Basic earnings/(loss) per share	**0.39**	(6.62)
Diluted earnings/(loss) per share	**0.39**	(6.62)

* Adjusting items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance. See Notes 2 and 8.

** Operating expenses and operating profit have been represented. See further information in Note 1(a) and Note 35.

The notes on pages 127 to 183 form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December

	Note	**2024 €000**	2023 €000
Profit/(loss) for the year		**2,856**	(44,037)
Other comprehensive (expense)/income			
Items that may be reclassified to profit or loss			
Change in fair value of cash flow hedge recognised in equity	23	**(2,605)**	(7,139)
Exchange differences on translation of foreign operations		**(2,059)**	16,539
Deferred tax related to other comprehensive income - cash flow hedge		**351**	154
Total items that may be reclassified to profit or loss		**(4,313)**	9,554
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income	22	**—**	(15,475)
Total items that will not be subsequently reclassified to profit or loss		**—**	(15,475)
Total other comprehensive expense (net of tax)		**(4,313)**	(5,921)
Total comprehensive expense for the year		**(1,457)**	(49,958)
Total comprehensive (expense)/income attributable to:			
Owners of the parent		**(1,617)**	(51,552)
Non-controlling interests		**160**	1,594
Total comprehensive expense for the year		**(1,457)**	(49,958)

The notes on pages 127 to 183 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

at 31 December

	Note	31 December 2024 €000	31 December 2023 €000
Assets			
Non-current assets			
Intangible assets	16	**517,507**	532,404
Property, plant and equipment	17	**56,125**	55,760
Right-of-use assets	18	**19,192**	22,226
Investments in associates	19	**10,973**	11,719
Deferred tax assets	12	**9,165**	9,564
Other non-current assets	21	**6,479**	4,845
		619,441	636,518
Current assets			
Inventories	20	**15,380**	14,903
Trade and other receivables	21	**370,967**	396,943
Income tax receivables		**3,308**	2,205
Derivative assets	22, 23	**261**	3,425
Cash and cash equivalents	24	**107,430**	90,343
		497,346	507,819
Total assets		**1,116,787**	1,144,337
Liabilities			
Current liabilities			
Trade and other payables	25	**406,307**	402,834
Borrowings	27	**115,380**	113,297
Lease liabilities	18	**5,019**	4,909
Provisions	26	**2,126**	2,529
Income tax liabilities		**4,628**	3,927
Derivative liabilities	22, 23	**1,183**	188
		534,643	527,684
Net current liabilities		**(37,297)**	(19,865)

	Note	31 December 2024 €000	31 December 2023 €000
Non-current liabilities			
Borrowings	27	**267,547**	293,822
Lease liabilities	18	**14,260**	17,417
Provisions	26	**794**	1,324
Deferred tax liabilities	12	**26,488**	28,878
Derivative liabilities	22, 23	**1,464**	3,140
Other non-current liabilities	25	**9,275**	9,236
		319,828	353,817
Total liabilities		**854,471**	881,501
Net assets		**262,316**	262,836
Equity			
Share capital	29	**8,120**	8,113
Share premium	29	**2,958**	2,958
Merger reserve	29	**(25,963)**	(25,963)
Other reserves	29	**114**	4,427
Put option reserve	29	**(4,657)**	(22,460)
Retained earnings		**281,370**	289,380
Equity attributable to equity holders of the Company		**261,942**	256,455
Non-controlling interests	29	**374**	6,381
Total equity		**262,316**	262,836

The notes on pages 127 to 183 form an integral part of these consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 25 March 2025. They were signed on its behalf by:

Oskar Zahn
Chief Financial Officer

Company No. 13544823

Consolidated statement of changes in equity

For the year ended 31 December

		Attributable to owners of the parent								
	Note	Share capital €000	Share premium €000	Merger reserve €000	Other reserves €000	Put option reserve €000	Retained earnings €000	Total €000	Non-controlling interests €000	Total equity €000
At 1 January 2023		8,107	2,958	(25,963)	10,342	(12,526)	329,362	312,280	4,283	316,563
(Loss)/profit for the year		—	—	—	—	—	(45,637)	(45,637)	1,600	(44,037)
Other comprehensive (expense)/income	29	—	—	—	(5,915)	—	—	(5,915)	(6)	(5,921)
Total comprehensive income		—	—	—	(5,915)	—	(45,637)	(51,552)	1,594	(49,958)
Share options exercised	29	6	—	—	—	—	—	6	—	6
Share-based payments	14	—	—	—	—	—	7,604	7,604	—	7,604
Transactions with NCI in subsidiaries	29	—	—	—	—	(9,934)	(1,949)	(11,883)	504	(11,379)
Total transactions with owners recognised directly in equity		6	—	—	—	(9,934)	5,655	(4,273)	504	(3,769)
At 31 December 2023		8,113	2,958	(25,963)	4,427	(22,460)	289,380	256,455	6,381	262,836
Profit for the year		—	—	—	—	—	2,696	2,696	160	2,856
Other comprehensive (expense)/income	29	—	—	—	(4,313)	—	—	(4,313)	—	(4,313)
Total comprehensive (expense)/income		—	—	—	(4,313)	—	2,696	(1,617)	160	(1,457)
Share options exercised	29	**7**	**—**	**—**	**—**	**—**	**—**	**7**	**—**	**7**
Dividends paid		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Share-based payments	14	**—**	**—**	**—**	**—**	**—**	**4,354**	**4,354**	**—**	**4,354**
Transactions with NCI in subsidiaries	29	**—**	**—**	**—**	**—**	**17,803**	**(15,060)**	**2,743**	**(6,167)**	**(3,424)**
Total transactions with owners recognised directly in equity		**7**	**—**	**—**	**—**	**17,803**	**(10,706)**	**7,104**	**(6,167)**	**937**
At 31 December 2024		**8,120**	**2,958**	**(25,963)**	**114**	**(4,657)**	**281,370**	**261,942**	**374**	**262,316**

Consolidated statement of cash flows

For the year ended 31 December

	Note	2024 €000	2023 €000
Cash flows from operating activities			
Profit/(Loss) before tax for the year		**11,696**	(39,796)
Non-cash adjustments:			
Depreciation and amortisation	4	**65,471**	57,529
Gain on disposal of non-current assets		**(347)**	(209)
Interest income	9	**(720)**	(219)
Interest expense	10	**23,963**	19,787
Movements in provisions	26	**(933)**	405
Impairment losses of financial assets	21	**13,578**	8,884
Movements in allowances inventories	20	**203**	3
Impairment of goodwill	16	**—**	56,663
Foreign currency exchange rate differences		**(1,799)**	(7,264)
Fair value revaluation of derivatives and securities		**(24)**	(2,114)
Share-based payments	14	**4,354**	7,604
Other non-cash items		**2,748**	477
Operating cash flows before movements in working capital		**118,190**	101,750
Changes in:			
Trade, contract and other receivables		**10,764**	(19,401)
Inventories		**(681)**	7,058
Trade, contract and other payables		**35,941**	(32,027)
Cash generated from operations		**164,214**	57,380
Interest received		**720**	219
Interest paid		**(24,433)**	(17,417)
Income tax paid		**(11,549)**	(9,266)
Net cash generated from operating activities		**128,952**	30,916
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**460**	1,534
Proceeds from sale of subsidiaries	15	**—**	150
Purchase of property, plant and equipment		**(10,033)**	(12,582)
Purchase of intangible assets		**(36,140)**	(37,437)
Purchase of financial instruments		**—**	(1,112)
Payments for acquisition of subsidiaries, net of cash acquired	15	**(9,828)**	(284,277)
Net cash used in investing activities		**(55,541)**	(333,724)
Cash flows from financing activities			
Payment of principal elements of lease liabilities		**(5,181)**	(5,352)
Proceeds from borrowings	28	**55,000**	356,886
Repayment of borrowings	28	**(78,471)**	(97,283)
Acquisition of non-controlling interests	29	**(27,495)**	(6,976)
Dividend payments		**—**	(142)
Proceeds from issued share capital (net of expenses)	29	**7**	6
Net cash (used in)/generated from financing activities		**(56,140)**	247,139
Effect of exchange rate changes on cash and cash equivalents		**(185)**	10
Net increase/(decrease) in cash and cash equivalents		**17,271**	(55,669)
Net cash and cash equivalents at beginning of the financial year		**90,342**	146,001
Net cash and cash equivalents at the end of year		**107,428**	90,342

Notes to the consolidated financial statements for the year ended 31 December 2024

1. Principal accounting policies

This section describes the principal accounting policies and management judgements and key accounting estimates that management have identified as having a potentially material impact on the Group's consolidated financial statements. These accounting policies have been consistently applied in all material respects to the years ended 31 December 2023 and 31 December 2024.

We have also detailed below the new accounting pronouncements that we will adopt in future years and our current view of the impact they will have on our financial reporting.

W.A.G Payment Solutions PLC (the "Company" or the "Parent") is a public limited company incorporated and domiciled in the United Kingdom and registered under the laws of England & Wales under company number 13544823 with its registered address at Third Floor (East), Albemarle House, 1 Albemarle Street, London W1S 4HA.

(a) Basis of preparation

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

The Group also uses alternative performance measures ("APMs") in addition to those reported under IFRS as explained in Note 2 to the Group financial statements. The Group also provides information to investors based on underlying results as explained in Note 1(f) to the Group financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments) that have been measured at fair value as explained in Note 1(s). The consolidated financial statements are presented in EUR ("€") and all values are rounded to the nearest thousand (€'000), except where otherwise indicated.

In the current year, the Group has amended its presentation of the consolidated income statement as follows (see Note 35 for further information):

The consolidated income statement subtotal "Net energy and services sales" has been replaced with "Net revenue"

The "function of expense" or "Cost of sales" method in IAS 1 classifies expenses according to their function as part of Cost of sales or operating activities. At a minimum, the Group is required to disclose its Cost of sales under this method separately from other expenses and management believes that this method provides more relevant information to users.

The Group used "Net revenue", defined as revenue less costs of goods sold in the Annual Report and in other information supplied to markets, a subtotal similar to gross profit.

The Group has combined Other operating expenses with Employee and Technology expenses and Depreciation and Amortisation to present Operating expenses

As described in Note 1(d), Revenues are derived from multiple sources including sale of energy, Toll revenue, tax agency services, fleet management solutions, navigation and other services (see note 1(d)). The consolidated income statement presented expenses by function in the prior year with separate line items for employee expenses and technology expenses. The Group discloses employee expenses in Note 7 and it is not necessary to duplicate this disclosure in the consolidated income statement to explain the nature of the business. Similarly, technology expenses are not necessarily relevant to describe the nature of the Group's other business activities because a large portion of these expense are capital in nature. These changes have no impact on tax, EPS, Adjusting items or segmental results.

The Group has introduced a "middle column" to disclose Adjusting items

The Group has introduced a middle column for the disclosure of Adjusting items to show the impact of these items on expenses reported in the consolidated income statement. To aid the user's understanding of Adjusted EBITDA which is an APM, the Group has moved this disclosure to Note 2 "Alternative Performance Measures", Note 5 "Financial Performance by Segment" and Note 8 "Adjusting items".

The Group has moved the Share of net loss of associates accounted for using the equity method to operating profit

In the prior year, the Group disclosed the share of net loss of associates together with finance income and finance costs after operating profit. In the current year the Group has moved this item to include it within operating profit or loss as the investment in associates is related to operating activities rather than financing activities. See Note 19 for further information

Going concern

The Financial statements have been prepared on a going concern basis. Having considered the ability of the Company and the Group to operate within its existing facilities and meet its debt covenants, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The adoption of the going concern basis is based on an expectation that the Group will have adequate resources to continue in operational existence at least until June 2026.

The Directors considered the Group's business activities, together with the principal risks and uncertainties, likely to affect its future performance and position. For the purpose of this going concern assessment, the Directors have considered the Group's FY 2025 budget together with extended forecasts for the period to June 2026. The review also included the financial position of the Group, its cash flows and adherence to its banking covenants. The Group has access to a Club Finance Facility which comprises of two amortising loans, a revolving credit facility ("RCF") together with additional uncommitted lines all of which mature in March 2029. See Note 27 for the covenant assessment as at 31 December 2024.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(a) Basis of preparation continued

Going concern continued

Throughout the period to June 2026, the Group has available liquidity and on the basis of current forecasts is expected to remain in compliance with all banking covenants. In arriving at the conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources above are sufficient to accommodate the principal risks and uncertainties faced by the Group. The Directors have reviewed the financial forecasts across a range of scenarios and prepared both a base case and severe but plausible downside case. The severe downside case assumes a deterioration in trading performance relating to a decline in product demand, as well as supply chain risks. These downsides would be partly offset by the application of mitigating actions to the extent they are under management's control, including deferrals of capital and other discretionary expenditure.

The downside scenario incorporating an aggregation of all risks considered, showed a year-on-year decline in Adjusted EBITDA by 1% and an Adjusted EBITDA margin of 41.4% in comparison to the Base case Adjusted EBITDA growth of 15% and an Adjusted EBITDA margin of 42.5%. These adjusted projections do not show a breach of covenants in respect of available funding facilities or any liquidity shortfall.

In all scenarios, the Group has sufficient liquidity and adequate headroom in the Club Finance Facility to meet its liabilities as they fall due and the Group complies with the financial covenants at 30 June and 31 December throughout the forecast period.

The financial covenants have also been stress tested against the downside case to determine the required decline in either Adjusted EBITDA, Net Debt or Finance charges before the covenant conditions are breached. This assessment showed that Adjusted EBITDA would have to reduce by more than 10% before the interest covenant is broken or 27% for the net leverage covenant. Similarly, Net debt would need to increase by 37% and Finance charges would need to increase by 12%. The Directors do not consider such a scenario to be plausible.

The Directors have also considered the impact of climate-related matters on the Group's going concern assessment, and do not expect this to have a significant impact on the going concern assessment throughout the forecast period. Since performing their assessment, there have been no subsequent changes in facts and circumstances relevant to the Directors' assessment of going concern.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a negative balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value

(c) Management judgements and key accounting estimates

The preparation of financial statements under IFRS requires the Group's management to make judgements and estimates that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and costs. These judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Principal accounting policies continued

(c) Management judgements and key accounting estimates continued

Critical judgements in applying the Group's accounting policies

Principal versus agent consideration - Note 3

The Group has considered whether it acts as a principal or an agent in the sale of energy from contracts with customers under the acceptance business model as set out in Note 1(c) and has concluded that the Group is the principal. The Group recognises revenue earned from sales of energy as part of an integrated web-based service solution comprising advice on locations, offering discounted energy prices, provision of payment cards, extended credit payment terms and administration of payment card transactions. The Group supplies energy to its customers under one contract under the acceptance business model and the bunkering business models described in Note 1(d). The recognition of revenue from contracts with customers under the acceptance business model involves significant judgement when considering the following criteria:

a) The Group controls the availability of energy supply from acceptance partners due to its agreement with acceptance partners to have minimal levels of energy supply available, however the energy is not fungible and the Group does not pay in advance for energy.

b) The supplier retains rights to supply alternative energy products directly to customers of the Group.

c) The Group is responsible for sales strategy and decides whether to accept or reject customers based on credit risk from customer receivables.

d) The Group and customers have the option to select alternative locations for supply of energy based on the most advantageous price available on the Group's website and software applications ("Apps") where the Group's payment methods are accepted.

In applying the judgement, management have concluded the Group is the principal supplier in contracts with customers, mainly because the Group is the primary obligor in respect of delivery of energy and related services to its customers, bearing the risk and rewards of supply.

Management have also considered the following additional indicators:

a) The Group has discretion in setting energy prices for customers independent from the prices payable to contracted suppliers under the acceptance model and has often revised its prices in response to market-related developments or inflation;

b) The Group has the right to alternate its choice of suppliers between the bunkering model and acceptance partner model for any route based on the best available prices.

The Group has also considered whether it acts as principal or agent in the provision of Toll services to customers under contracts with Toll suppliers (see Note 1(d)). The complexity of judgements in determining whether the entity is acting as principal or agent is increasing within the industry in which the Group operates, particularly in relation to entities that provide value-added services to entities engaged in transportation and distribution services. The recognition of revenue from Toll services involves significant judgement when considering the criteria set out in IFRS 15 for assessing if the Group controls the Toll service prior to providing the service to customers, which are often combined with performance obligations for the provision of energy and other services in a single contract. As Toll services are a combination of supply of goods (OBUs) and services (Toll charges for access to Road infrastructure) further factors were considered to conclude that the Group acts as the agent in the provision of Toll services:

(a) In compliance with the EETS EU directive 2019/520, EETS providers, such as the Group, deliver the EETS service to road users. EETS providers must be registered with the authorities in each country where the service is provided by applying for accreditation in respective toll domains where technical, procedural and financial criteria are passed. The accreditation passes the right to EETS Providers to offer EETS services in those Toll domains to road users registered with the provider under a single contract.

(b) The service is regulated in a bilateral contract between the Toll operator, responsible for maintaining Toll domains and the EETS provider. The Toll operator does not offer the service to road users but is responsible for issuing penalties where non-compliance of terms and conditions of use, payment or a lack of registration is identified.

(c) No other third parties are primarily responsible for fulfilling the contracts between the EETS provider and road users registered with it.

(d) An on-board unit ("OBU") is a device installed in a vehicle which is intended to monitor the movement of a vehicle on toll roads and to calculate the Toll charges payable by road users in individual countries. The Group carries risk before the service can be activated by issuing OBUs to road users registered with the Group. (See further details in Note 1(d)).

(e) The Group has full autonomous discretion in establishing prices for the service and the benefit the Group can receive from Toll services is not limited to the commission received from the Toll operator. In exchange, the Toll operator receives guarantees for the payment of the Toll in advance from the Toll Provider.

(f) The Group's consideration is derived from invoices issued directly to road users for Toll charges and issuing of OBUs in addition to commission from Toll operators, fees and volume discounts applied by the Toll provider to the Toll charges. The Group has control over volume and other discounts offered to road users for Toll charges and markets its services based on the competitive prices that the Group can offer to customers.

(g) The Group is responsible for sales strategy and decides whether to accept or reject customers based on credit risk from customer receivables.

(h) The Group is obliged to transfer the Toll charge to the Toll operator.

(i) The Group is exposed to credit risk for the amount receivable from customers in exchange for the full price of the Toll service provided.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(c) Management judgements and key accounting estimates continued

Critical judgements in applying the Group's accounting policies continued

Principal versus agent consideration - Note 3 continued

The Group acts as an agent if it does not control the specified good or service before it is transferred to the customer and such contracts are classified as "agent" contracts. An agent records as revenue the commission or fee earned for facilitating the transfer of the specified service (the 'net' amount retained). It records as revenue the net consideration that it retains after paying the principal for the specified good or service that was provided to the customer.

The classification of Toll contracts as principal or agent requires judgement as the indicators above show that there are a range of interpretations over whether the Group controls the specified service before it is transferred to the end customer. Management has concluded that the Group remains the agent in the provision of toll services to customers based on the range of considerations above, but recognises that the continued evolution of the toll market, particularly as an EETS provider brings significant judgment to this conclusion. If a different basis were used for these classifications, this could significantly increase the amount of gross revenue and cost of goods sold recognised in the consolidated income statement by including Toll charges as part of the Group's revenue (See Note 3).

Adjusting items

In determining whether costs should be presented as Adjusting items in the consolidated income statement, the following criteria should be met:

- Significant items deemed to be one-off in nature, which may straddle more than one accounting period.
- Reorganisation costs directly incurred because of acquisitions, capital restructuring or strategic transformation programmes.
- ERP implementation relating to key IT systems.
- Other costs outside the ordinary course of business.

Significant costs that meet one or more of the above-mentioned criteria are considered by the Board, through the Audit and Risk Committee, who exercise judgement as to whether such costs should be classified as Adjusting items in the consolidated income statement. Adjusting items are disclosed on the face of the consolidated income statement and further information is provided in Note 8 to the financial statements. During FY24, the Group has separately reported ERP implementation costs as Adjusting items due to their size and one-off transformational nature. The Group considers the strategic transformational programme was concluded at the end of December 2023 and is no longer disclosing these costs as Adjusting items.

Goodwill: Allocation to Cash Generating Units ("CGUs")

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group has identified five CGUs in FY 2024:

- Energy
- Fleet management services ("FMS")
- Navigation
- Toll
- Tax refunds

Significant judgment is applied in the allocation of goodwill to CGUs, or a group of CGUs, as a change in the allocation of goodwill could impact the result of the impairment review. As set out in Note 1(i), for the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from that business combination, at the lowest level at which goodwill is monitored for internal management purposes. Goodwill is allocated at the operating segment level, and if goodwill were allocated at a lower level, the results of the impairment testing may be different. The FMS and Energy CGUs comprise several CGUs which have been grouped for impairment testing purposes as they are expected to benefit from the synergies of combinations with the ADS and Webeye acquisitions to support integration and ownership of key IT and software systems by W.A.G. Payment Solutions, a.s. The Group is not forecasting or reporting these acquisitions separately in its management reporting because the cash inflows from ADS and Webeye acquisitions are not considered to be largely independent of the other cash inflows.

Key sources of estimation uncertainty

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 in the following paragraph. The Group based its assumptions and estimates on parameters available when the consolidated 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.

1. Principal accounting policies continued

(c) Management judgements and key accounting estimates continued

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget and forecasts for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount of the FMS CGU is sensitive to the discount rate used in the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to the carrying value of goodwill. The key assumptions used to determine the recoverable amount of the CGUs are disclosed and further explained in Note 16.

(d) Revenue from contracts with customers – Note 3

The Group's revenue comprises principally of the following categories provided through our payment network: sale of energy, toll revenue, fleet management solutions, navigation and other services, reduced by customer incentives. The Group's primary performance obligation is to provide continuous access to the products and services of our supplier network over the contractual term at pre-agreed discounted prices. Consideration is variable based primarily upon the amount and type of transactions and payments volume on the Group's products and services.

The Group recognises revenue when control of goods or services have been transferred to the customer, net of VAT and other sales-related taxes. Revenue is recognised as the performance obligations are performed over time, at point of delivery or at point of receipt, depending on contractual terms. Revenue is recognised for an amount the Group expects to receive in exchange for goods and services when the Group has satisfied a performance obligation, and the amount of revenue can be reliably measured. Costs of fulfilling performance obligations on existing contracts with customers are expensed as incurred. Costs incurred in advance of obtaining a new contract or an anticipated contract that directly relate to the fulfilment of specific performance obligations are initially recognised as an asset and subsequently expensed once the new contract is obtained or obtaining the contract is no longer anticipated.

Determining the transaction price

The Group has discretion in establishing energy, toll and other service prices independent from the prices of its suppliers as explained in Note 1(c) under Principal versus Agent considerations.

Revenue is recognised when goods and services are delivered to customers (see Note 3 'Revenue'). Goods and services represent performance obligations in accordance with IFRS 15 and may be delivered to customers at different times under the same contract. The Group allocates the amount payable by customers between goods and services on a 'relative standalone selling price basis.'

It is necessary to estimate the standalone price when the Group does not sell equivalent goods or services on a standalone basis. When estimating the standalone price, the Group uses the input method using a cost-plus margin approach. Where it is not possible to reliably estimate standalone prices due to a lack of observable standalone sales or highly variable pricing, the standalone price of an obligation may be determined as the transaction price less the standalone price of other obligations in the contract.

The allocation of revenue between devices which are delivered upfront and services which are delivered over the contract period is dependent on the standalone price determined for obligations. The Group does not consider that there is a significant risk of material misstatement of the carrying value of contract-related assets or liabilities in the 12 months after the balance sheet date if these estimates were revised.

When refunds or discounts are issued to customers they are deducted from revenue in the relevant service period.

Sale of energy

Revenue resulting from the sale of energy is recognised at point of delivery or point of receipt. Provision of services are provided on a post-paid or pre-paid basis.

The Group operates two business models for the sale of energy to owners of fleets of professional transport and forwarding services:

- The "acceptance" business model comprises the sale of energy on payment cards supplied by the Group at locations owned by pre-contracted third-party suppliers. Customers may access fuel at any location which accepts the Group's payment cards, for pre-agreed discounted prices negotiated by the sales personnel of the Group.
- The "bunkering" business model is the sale of fuel at sites that are owned by the Group or rented from supply partners to which the Group supplies bulk energy deliveries. The risk and rewards of energy inventory is transferred to customers when they purchase fuel from these bunker sites.

Toll revenue

Revenue for the supply of toll services comprises commission from Toll operators and fees charged to customers for payments made to Toll operators on behalf of Toll customers, net of volume discounts offered to road users by the Group. Revenue resulting from the provision of Toll services is recognised at point of delivery, on a post-paid or pre-paid basis.

The Group operates two business models for the sale of Toll services to owners of fleets of professional transport and forwarding services and both are recognised on an agent basis (see Note 1(c) for discussion of principal vs agent):

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(d) Revenue from contracts with customers – Note 3 continued

Toll revenue continued

- The "Reseller" business model comprises the sale of Toll charges by issuing OBUs and payment cards supplied by the Group at locations (Toll domains) owned by pre-contracted third-party suppliers. Customers may access Toll domains at any location which accepts the Group's OBUs and payment cards. Prices for Toll charges and related services are based on standalone prices determined by Toll operators and adjusted for volume discounts and fees charged by the Group. The Group issues invoices for Toll charges and related fees from the date when the OBUs are activated at the point of accessing the Toll domains. The Group offers guarantees for payment of Toll charges to Toll operators which are collected based on data received from OBUs registered by the Group. Invoices are recognised as contract assets including Toll charges. Revenue for Toll services is recognised net of Toll charges.
- The "Agent" business model is the sale of Toll charges at sites that are owned and operated by supply partners on whose behalf the Group collects fixed price Toll charges in return for commission. The Group does not supply OBUs and has limited control over prices set by the Toll partner. The Group issues invoices to customers for Toll charges in the name of Toll operators and collects Toll charges from customers on behalf of Toll operators. The Group recognises contract assets for the Toll charge and fees, net of volume discounts applied. Revenue for Toll services is recognised net of Toll charges and volume discounts applied.

Under the Reseller model, Toll charges are calculated through the configuration and collection of data via artefacts such as paper forms, OBUs or other equipment intended for the determination of the standalone price of the Toll charges.

The Group is responsible for procuring and issuing a virtual or tangible toll artefact which enables the Group to set prices for Toll charges by configuring the artefacts and collecting data directly from customer vehicles, thereby controlling prices and access to various toll domains. The Group accepts customers based on credit profiling. The terms and conditions of providing the artefacts are controlled by the Group. OBUs are recognised as inventory before they are issued to customers and transferred to PPE once issued to customers.

Provision of services are provided on a post-paid or pre-paid basis. The Group assumes the Toll debt from the Toll system operator for the use of the Toll domain by the customer.

In the post-paid model, the Group extends credit to customers for the payment of Toll charges. Expected credit losses are provided on unused credit limits and invoiced Toll charges and fees, net of discounts offered by the Group. The Group settles Toll charges received from OBU data with Toll system operators in accordance with separate contracts and recognises contract liabilities for Toll charges, net of discounts received from Toll operators. The Group recognises commission receivable from Toll operators as contract assets.

In the pre-paid model, customers pay for Toll charges in advance which are reduced by invoices issued for the use of Toll domains. Toll charges paid in advance are recognised as contract liabilities by the Group.

Revenue derived from the supply of Toll services is recognised at a point in time in the period in which the performance obligation is satisfied and the service is rendered. Costs of fulfilling performance obligations on credit terms with suppliers are expensed as incurred. Costs incurred in advance of obtaining contracts with customers, such as procurement of onboarding units, are recognised as an asset and subsequently expensed when the performance obligation is satisfied. Revenue derived from the supply of Toll services is recognised at the agreed transaction price over a short period during which the obligation is performed.

Revenues from tax agency services

Revenue derived from tax agency services is recognised over time as the customer simultaneously receives and consumes the benefits provided in the period in which the performance obligation is satisfied. Customer contracts from tax consultancy services are typically awarded on a fixed price basis based on the estimated time required to deliver the performance obligations. Services provided under a fixed price contract generally have a single performance obligation or a distinct series of performance obligations which are satisfied over time. For each distinct performance obligation recognised over time, revenue is recognised using an input method, based on total costs incurred to date as a percentage of total estimated costs to satisfy each performance obligation. Changes to the estimates of forecast costs to complete, the outcome of the contract and technical risks may impact revenue recognised at the reporting date with revenue recognition appropriately adjusted as required for the reporting period.

Revenue derived from the provision of direct point-of-sale tax customer refund services for which no advanced refund is extended by the Group to the customer is invoiced at the fixed price for services rendered. Revenue derived from the provision of direct point-of-sale tax refund services for which advanced refund credit is offered by the Group to the customer is invoiced inclusive of refund credits extended to the customer, as this amount is paid to the customer in advance of receiving the refund from tax authorities which is recognised as financed refunds by the Group. Revenue derived from financed refunds are estimated with reference to the average amount of direct point-of-sale tax reimbursed to the Group in a specified tax region over the reporting period.

Fleet management solutions(FMS)

Revenues derived from the sale of on-board units ("OBU") and recurring fees for software services are recognised in the period in which the performance obligation is satisfied, and the services are rendered. Fleet management software allows vehicle fleets to be continuously monitored by customers.

1. Principal accounting policies continued

(d) Revenue from contracts with customers – Note 3 continued

Navigation

Revenue derived from navigation is generated through licensing of navigation software and digital map content to business-to-business ("B2B") and business-to-customer ("B2C") customers. Navigation software licenses are granted to customers as either a right to use existing intellectual property or digital map and traffic monitoring software that is regularly updated over the contract period.

Revenue derived from the right to use software that is not regularly updated is recognised at a point in time when control of the software passes to the customer. Revenue derived from the right to access software that is regularly updated is recognised over time during the contract period on a straight-line basis as the performance obligation is satisfied. Revenue derived from B2C lifetime software licenses is recognised over a period of three years and revenue derived from B2B lifetime customers is recognised over a period of five years.

Other services

Other services considered immaterial from Group perspective include:

- 24-hour assistance services – revenue recognised over period for which service is activated;
- Legal services – revenue recognised at the moment service is rendered; and
- Insurance – the Group acts as an insurance broker offering various insurance products on behalf of third-party insurance companies. Revenue is earned by the Group in the form of commission from insurance companies recognised when a contract with a customer is signed;
- Sale of goods in shops and car wash sales.

(e) Impairment of non-financial assets

For non-financial assets with a finite useful life, the Group assesses at each reporting date whether there is an indication an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs, to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is estimated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated income statement.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement.

Intangible assets with indefinite useful life are tested for impairment annually as at 31 December, either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(f) Adjusting items – Note 8

As described in Note 1(c), adjusting items that meet certain criteria determined by management are separately disclosed on the face of the consolidated statement of comprehensive income and in Note 8.

(g) Taxes – Note 12

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. No significant tax provisions were recognised as at 31 December 2024 and 2023.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(g) Taxes – Note 12 continued

Deferred tax

Deferred tax is calculated separately for each company of the Group, using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information arises and/or circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

(h) Share-based payments – Note 14

Eligible employees of the Group receive remuneration in the form of share-based payment transactions whereby employees render service as consideration for equity instruments or cash. Further information relating to these transactions are set out in Note 14.

Equity-settled transactions

The fair value of options granted is recognised as an employee expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of options granted, using the Black-Scholes model. The total amount is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues the appropriate number of shares to the employee. The proceeds received, net of any directly attributable transaction costs, are credited directly to equity.

Cash-settled transactions

Liabilities for cash-settled share-based payments are recognised as an employee expense in the consolidated income statement over the relevant service period. The liabilities are remeasured at fair value at each reporting date and are presented as employee-related liabilities in the balance sheet.

(i) Business combinations and goodwill – Note 15

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date at fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in Operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in income statement. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Put options granted to holders of non-controlling interests that convey the right to sell shares for an exercise price specified put option agreements meet the definition of a financial liability in accordance with IAS 32. Obligations of the Group to settle put options in cash or other financial assets on exercise are recognised at the present value of the redemption amounts within financial liabilities with a corresponding charge directly to equity within the put option reserve. Subsequent revisions of put option liabilities are recognised in the option reserve directly in equity. Put option liabilities that expire without being exercised are derecognised with a corresponding adjustment to the put option reserve directly in equity. Upon the exercise of put options, amounts previously recorded in the put option reserves in equity are recycled to retained earnings.

Goodwill arising on the acquisition of subsidiaries represents the excess of consideration transferred and the fair value of contingent consideration, over the fair value of the identifiable assets acquired and liabilities assumed. Goodwill arising on acquisitions denominated in foreign currencies are retranslated using exchange rates prevailing at each reporting date.

1. Principal accounting policies continued

(i) Business combinations and goodwill – Note 15 continued

Goodwill is recognised as an asset at cost less accumulated impairment losses. Goodwill is not subject to amortisation but is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate a potential impairment. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to a CGU, or group of CGUs, that is expected to benefit from that business combination. Each CGU, or group of CGUs, to which goodwill is allocated represents the lowest level at which goodwill is monitored for internal management purposes and is not larger than an operating segment before aggregation.

When the Group changes the composition of its CGUs, it reallocates goodwill using a relative value approach at the date of the reorganisation, unless the entity can demonstrate that some other method provides a better allocation of goodwill to the reorganised CGUs. The Group's impairment review compares the carrying value of the goodwill to the recoverable amount of the CGU, or the Group of CGUs to which the goodwill has been allocated. The recoverable amount is the higher of the value in use or the fair value less costs of disposal. Estimating the value in use requires the Directors to perform an assessment of the discounted future cash flows the CGU, or group of CGUs, is able to generate. See Note 1(c) for discussion of the critical estimates involved in this assessment.

(j) Foreign currency transactions

The Group's consolidated financial statements are presented in €. Each entity in the Group determines its own functional currency, and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange valid at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss as finance income or finance expenses. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

On consolidation, the assets and liabilities of foreign operations are translated into € at the exchange rates prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rate for the relevant year. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(k) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws of the United Kingdom, a distribution is authorised when it is approved by the Shareholders. A corresponding amount is recognised directly in equity.

(l) Intangible assets – Note 16

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Directly attributable costs that are capitalised as part of software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

The useful life of intangible assets is assessed as either finite or indefinite (goodwill).

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Amortisation of intangible assets with a finite life is recorded on a straight-line basis over their estimated useful life as follows:

	Years
Clients' relationships	7–15
Internal software developments	2–10
Patents and rights	2–20
External software	2-8
Other intangible assets	2–3

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(l) Intangible assets – Note 16 continued

Intangible assets in progress are not amortised.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Clients' relationships

Clients' relationships acquired as part of a business combination (Note 15, 16) are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful life.

Internal software development

Research costs are expensed as incurred. Development expenditure on an individual project is 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; and
- 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.

Development includes programming relating to the internal development of externally purchased software, development of software-based solutions provided to the Group's customers and development of new fleet management products and services, which include fleet management and toll units.

Patents and rights, external software

Separately acquired patents and rights, and external software are shown at historical cost. Patents and rights, and software acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(m) Property, plant and equipment – Note 17

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the aggregate amount paid, and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately, based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant, and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recorded on a straight-line basis over the estimated useful life of an asset as follows:

	Years
Buildings	10–40
Leasehold improvements	4–15
Machinery and equipment	2–20
Vehicles	2–5
Fixtures and fittings	5–10
OBU	3-5

Land and tangible assets in progress are not depreciated.

OBU are classified as property, plant and equipment once rented to a customer, before that they are classified as inventory.

An item or a significant part of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The residual value, useful life, and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(n) Leases – Note 18

Identification of the subject of a lease – lease agreement

A lease is a contract, or part of a contract, that conveys the right to use an identifiable asset for a period of time in exchange for consideration. At the inception of the contract, the Group assesses whether the contract is a lease or contains a lease. The Group reassesses whether the contract is a lease or contains a lease only when the contractual terms are amended.

The Group assesses whether a contract transfers the right to control the use of an identifiable asset over a period of time based on:

- The Group has the right to obtain a substantial economic benefit from the asset for the period of its use;

1. Principal accounting policies continued

(n) Leases – Note 18 continued

Identification of the subject of a lease – lease agreement continued

- The lease is agreed for the lease of a specific asset, and the lessor does not have the right to exchange it or to profit financially from the exchange;
- The Group has the right to control the use of an identifiable asset;
- The lease is longer than 12 months (short-term lease exemption allowed under IFRS 16); and
- The value of the new asset exceeds €4,500 (low value exemption allowed under IFRS16).

The Group assesses whether the contract contains a lease separately for each potential lease component.

The Group does not have any external subleases outside of the Group nor any contract, where the Group is a lessor.

Lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. Lease payments are payments by the lessee to the lessor for the right to use an underlying asset for the duration of the lease. These payments include:

- fixed payments (lowered by any lease incentives);
- variable lease payments that are indexed or fixed to a rate;
- call option to purchase where there is sufficient certainty that the lessee will make use of the option; and
- payment of penalties for termination of the lease where the lease period corresponds to the lessee making use of the option to terminate the lease.

After commencement date, variable lease payments not included in the measurement of the lease liability are recognised in profit or loss in the period in which the event or condition that triggers those payment occurs. Interest from the lease obligation is recognised as a finance cost.

Right to use an asset

The Group measures the right to use an asset on the date the lease commences on the basis of a lease agreement. These are based on:

- the value of the lease liability increased by the lease payment that the Group has paid before the day the lease commences (reduced by lease incentives – discounts);
- the initial direct costs of the lease paid by the Group;
- the estimated value of the costs for dismantling and removing an identified asset or the reclamation of the site where the asset was located; and
- an increase by the asset's modification and renovation costs required in the lease agreement, namely by the creation of a reserve in compliance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

(o) Investment in associates – Note 19

Associates are entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 1(e).

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Classification and measurement

Financial assets are classified based on the business model of the Group and characteristic of contractual cash flows. Under IFRS 9, the financial assets are classified into the following categories: financial assets subsequently measured at amortised cost ("AC"), financial assets at fair value through other comprehensive income ("FVOCI") and financial assets at fair value through profit or loss ("FVTPL").

The Group classifies financial assets into following categories:

i. Financial assets subsequently measured at amortised cost – classified if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (referred to as SPPI test).

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(p) Financial instruments continued

Financial assets continued

Classification and measurement continued

Expected credit losses, foreign exchange rate differences, and interest revenues are recognised in the consolidated income statement. On derecognition, losses/gains are recognised in the consolidated income statement.

ii. Financial assets at fair value through other comprehensive income:

- Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in finance income/(costs). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in finance income/(costs), and impairment expenses are presented as separate line item in the consolidated income statement.
- Equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

iii. Financial assets at fair value through profit or loss:

- This category includes the financial assets held with strategy of active trading with financial assets. Contractual cash flow collection is not the primary objective of the business model.
- Expected credit losses are not calculated and recognised. Changes in the fair value and foreign exchange rate differences are recognised in the consolidated income statement. Changes in the fair values are included in finance income/(costs).

Trade and other receivables that do not contain a significant financing component, or for which the Group has applied the practical expedient, are measured at the transaction price determined under IFRS 15.

The Group's financial assets include cash, trade and other receivables with no significant financing component meeting criteria for classification as AC and derivatives meeting criteria for classification as FVTPL and FVOCI.

Trade and other receivables

Trade and other receivables are carried at original invoice amount less an allowance for impairment of these receivables.

See next section for a description of Group's impairment policies and Note 21 for further information on Trade and other receivables.

Impairment of financial assets carried at amortised cost

As the Group financial statements include financial assets representing trade and other receivables, which do not include a significant financing component, the Group applies a simplified approach in calculating the expected credit loss ("ECL"). The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in the consolidated income statement.

The simplified approach used by the Group uses elements from general approach, however, no staging of financial assets is used.

ECL measurement is based on three components used by the Group: Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD"):

- PD is an estimate of the likelihood of default to occur over a given time period. It is calculated from combination of customers' financial position and performance, transactional data, volumes, and payment performance. Scorecards are applied to customers depending on their resident country.
- EAD is an estimate of exposure at a future default date, taking into account expected changes in exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed credit limits.
- LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD.

Impaired debts are derecognised when they are assessed as uncollectible.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on a trade date, being the date on which the Group commits to purchase or sell the asset.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

1. Principal accounting policies continued

(p) Financial instruments continued

Recognition and derecognition continued

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Financial liabilities are classified into two main categories (a) at amortised cost and (b) at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated income statement.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 27.

Trade and other payables

Trade payables are recognised at their nominal value, which is deemed to be materially the same as the fair value.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated income statement.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedged item affects profit or loss.

Derivatives embedded in financial liabilities are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related. A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

The embedded derivatives are separately valued upon inception and at each balance sheet date using an appropriate valuation model, with the changes in fair value recognised in profit or loss.

For the purpose of hedge accounting, in accordance with IAS39, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting, the risk management objective and the strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedges.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(p) Financial instruments continued

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated income statement.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs. Ineffectiveness of forward currency contracts may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty.

Hedge ineffectiveness for interest rate swaps may occur due to the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan or due to differences in critical terms between the interest rate swaps and loans.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(q) Inventories – Note 20

Inventories are valued at the lower of cost and net realisable value.

Costs are assigned to individual items on the basis of “first in, first out” (“FIFO”) method (the initial price in the measurement of inventory additions is used as the initial price in the measurement of inventory disposals). Costs of purchased inventory include acquisition-related costs (freight, customs, commission, etc.).

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(r) Trade, contract and other receivables – Note 21

Trade receivables are stated net of impairment and for the purpose of impairment testing include non-financial contract assets (amounts recoverable on contracts) and accrued revenue. These assets are assets for impairment using the simplified approach to the expected credit loss (ECL) model (see Note 1(p)).

Trade receivables and contract assets are provided in full and subsequently written off where there is no reasonable expectation of recovery. Indicators that there may be no reasonable expectation of recovery could include, among others, evidence that the customer has entered administration or liquidation proceedings, or the persistent failure of a customer to enter into or adhere to a repayment plan. The general approach is applied to the impairment of other financial assets, the amount of which is based on whether there has been a significant deterioration in the risk of a financial asset.

(s) Fair value measurement – Note 22

The Group measures financial instruments such as derivatives at fair value at each balance sheet date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates, and assumptions (Note 22);
- Quantitative disclosures of fair value measurement hierarchy (Note 22); and
- Financial instruments carried at fair value (Note 23).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1. Principal accounting policies continued

(s) Fair value measurement – Note 22 continued

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(t) Cash and cash equivalents – Note 24

Cash and short-term deposits in the statement of financial position comprise cash in hand and cash at banks.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(u) Trade, other payables and other liabilities – Note 25

Trade payables are non-interest bearing and are stated at their nominal value.

(v) Provisions – Note 26

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, 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. The expense relating to a provision is presented in the consolidated income statement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(w) Recent accounting developments

Adopted by the Group

The following standards, interpretations and amendments to existing standards became effective for periods commencing on or after 1 January 2024 and were adopted by the Group from this date:

Issued IFRS	Impact on the Group	Effective date (period commencing)	Endorsed by UK
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	Limited	1 January 2024	Yes
Amendments to IAS 1 Presentation of Financial Statements › Non-current liabilities with covenants › Deferral of effective date amendments Classification of liabilities as current or non-current	Limited, unless covenant breach arises	1 January 2024	Yes
Internation Tax Reform – Pillar Two Model Rules (Amendment to IAS 12)	Limited	1 January 2024	Yes
Lease liability in a sale and leaseback (Amendments to IFRS 16)	Limited	1 January 2024	Yes

These amendments did not have a significant impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

1. Principal accounting policies continued

(w) Recent accounting developments continued

Issued standards, amendments and interpretations not yet effective

The following standards, interpretations and amendments to existing standards have been issued but were not yet mandatory for the Group for the accounting period commencing on 1 January 2024.

Issued IFRS	Impact on the Group	Effective date (period commencing)	Endorsed by UK
Lack of exchangeability (Amendments to IAS 21)	Limited	1 January 2025	Yes
IFRS 18 Presentation and Disclosure in Financial Statements › Structure of the statement of profit or loss › Required disclosure in the financial statements for certain profit or loss performance measures defined by management that are reported to external parties in documents other than the entity's financial statements › Enhanced principals on aggregation and disaggregation which apply to the primary financial statements and notes in general	Significant as system and process changes may be required.	1 January 2027	Yes

2. Alternative performance measures ("APMs")

Throughout the consolidated financial statements, which are prepared and presented in accordance with IFRS, the Group presents various alternative performance measures (APMs) in addition to those reported under IFRS. The APMs are reviewed by the Chief Operating Decision Maker ("CODM") together with the main Board and analysts who follow the performance of the Group in assessing the performance of the business.

The Group uses APMs to provide additional information to investors and to enhance their understanding of its results. The APMs should be viewed as complementary to, rather than a substitute for, the figures determined according to IFRS. Moreover, these metrics may be defined or calculated differently by other companies, and, as a result, they may not be comparable to similar metrics calculated by the Group's peers.

Explanations of how they are calculated and how they are reconciled to an IFRS statutory measure are set out below:

EBITDA

EBITDA is defined as operating profit before depreciation and amortisation.

The Group presents EBITDA because it is widely used by analysts, investors, and other interested parties to evaluate the profitability of companies. EBITDA eliminates potential differences in performance caused by variations in capital structures (affecting net finance costs), tax positions (such as the availability of net operating losses, against which to relieve taxable profits), the cost and age of tangible assets (affecting relative depreciation expense), the extent to which intangible assets are identifiable (affecting relative amortisation expense) and share of loss of associates.

Adjusted EBITDA

Adjusted EBITDA is defined as EBITDA before Adjusting items (see note 8 for a detailed description of Adjusting items):

Adjusting item	Definition	Exclusion justification
M&A-related expenses	Fees and other costs relating to the Group's acquisition activity	M&A-related expenses vary according to non-recurring acquisition activity of the Group. Exclusion of these costs enhances comparability of the Group's results over time.

2. Alternative performance measures ("APMs")

Adjusted EBITDA continued

ERP implementation and integration costs	Costs related to transformation of key IT systems.	Transformational expenditure represents investments intended to create a new product or service, or significantly enhance an existing one, in order to increase the Group's revenue potential, including systems and process improvements relating to customer services. Transformational expenses, which cannot be capitalised as they mainly relate to research, were excluded as the Group is executing its strategic transformation programme and these costs represent a significant investment in technology. The SAP implementation programme is expected to complete by the end of 2026. **Integration costs of Inelo** Significant, non-recurring costs relating to transformation and integration of business combinations have been excluded to enhance comparability of the Group's results.
Strategic transformation expenses	Costs relating to broadening the skill bases of the Group's employees including in respect of executive search and recruiting costs.	**Broadening the skill base** IPO and IT strategic transformation requires a different skill base of the Group employees than those required in the ordinary course of the Group's business and are classified as Adjusting items.
Share-based compensation	Equity-settled and cash-settled compensation provided to the Group's management before IPO	Share options and cash-settled compensation provided to management and certain employees in connection with the IPO have been represented as adjusting costs because they are non-recurring. Total share-based payment charges to be excluded in period from 2021 to 2024 amount to €20.7 million, €19.4 million of which is amortised over three years. Share awards provided post-IPO were not excluded as they represent the non-cash element of the annual remuneration of executives and others remaining in the business. (See Note 14 for further information.)
Impairment losses of non-financial assets	Goodwill impairment	The Group recognised a significant goodwill impairment of the Fleet management solutions CGU in the prior year. Exclusion of these costs enhances the comparability of the Group's results.
Restructuring costs	Termination benefits of a significant restructuring programme	Following the acquisition of Inelo, the Group completed a major restructuring programme in 2023 to ensure the right size of the Group for the future. The programme incurred significant termination costs, which are considered non-recurring due to their size. The Group did not incur similar related costs in 2024.

Management believes that Adjusted EBITDA is a useful measure for investors because it is a measure closely monitored to evaluate the Group's operating performance and to make financial, strategic, and operating decisions. It may help investors to understand and evaluate, in the same manner as management, the underlying trends in the Group's operational performance on a comparable basis, period on period.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

2. Alternative performance measures ("APMs") continued

Adjusted EBITDA reconciliation

	2024 €000	2023 €000
Profit before tax	**11,696**	(39,307)
Intangible assets amortisation	**50,013**	43,398
Tangible assets depreciation	**9,604**	8,851
Right of use depreciation	**5,853**	5,280
Depreciation and amortisation	**65,470**	57,529
Net finance cost and share of net loss of associates	**29,734**	11,616
EBITDA	**106,900**	29,838
M&A-related expenses	**6,324**	4,423
Impairment of goodwill	**—**	56,663
Strategic transformation expenses*	**—**	1,789
ERP implementation and integration costs	**6,297**	5,277
Restructuring	**—**	4,172
Share-based compensations	**2,207**	6,538
Adjusting items (Note 8)	**14,828**	78,862
Adjusted EBITDA	**121,728**	108,700

* ERP implementation costs previously included in strategic transformation costs have been disclosed separately as the strategic transformation activities of the Group concluded in the prior year.

Adjusted EBITDA margin

Adjusted EBITDA margin represents Adjusted EBITDA for the period divided by net revenue.

Adjusted Cash EBITDA

Adjusted Cash EBITDA is Adjusted EBITDA less capitalised research and development costs plus share based payment.

	2024 €000	2023 €000
Adjusted EBITDA	**121,728**	108,700
Capitalised research and development costs (Note 16)	**(34,973)**	(37,967)
Share based payments (Note 14)	**1,975**	1,262
Adjusted Cash EBITDA	**88,730**	71,995

Adjusted earnings (net profit)

Adjusted earnings are defined as profit from the financial year from continuing operations before Adjusting items:

Adjusting item	Definition	Exclusion justification
Amortisation of acquired intangibles	Amortisation of assets recognised at the time of an acquisition (primarily ADS, Sygic, a.s., Webeye and Inelo)	The Group acquired a number of companies in the past and plans further acquisitions in the future. The item is prone to volatility from period to period depending on the level of M&A.
Adjusting items affecting Adjusted EBITDA	Items recognised in the preceding table, which reconciles EBITDA to Adjusted EBITDA	Justifications for each item are listed in the preceding table.
Tax effect	Decrease in tax expense as a result of Adjusting items	Tax effect of above adjustments is excluded to adjust the impact on after tax profit.

The Group believes this measure is relevant to an understanding of its financial performance absent the impact of abnormally high levels of amortisation resulting from acquisitions and from technology transformation programmes.

Adjusted earnings reconciliation

	2024 €000	2023 €000
Profit for the year from continuing operations	**2,856**	(43,548)
Amortisation of acquired intangibles	**19,760**	17,166
Adjusting items	**14,828**	78,862
Tax effect of Adjusting items	**(5,196)**	(5,747)
Adjusted earnings (net profit)	**32,248**	46,733

Adjusted basic earnings per share

Adjusted basic earnings per share is calculated by dividing the Adjusted net profit for the period attributable to equity holders by the weighted average number of ordinary shares outstanding during the period. See Note 13 for further information.

Adjusted effective tax rate

Adjusted effective tax rate is calculated by dividing the Adjusted tax expense by the Adjusted profit before tax, representing the rate of tax that would have been incurred on profit before Adjusting items. See Note 12 for further information.

2. Alternative performance measures ("APMs") continued

Net debt/cash

Net debt/cash represents cash and cash equivalents less interest-bearing loans and borrowings (See Note 27 for definition of net debt).

Transformational capital expenditure

Transformational capital expenditure represents investments intended to create a new product or service, or significantly enhance an existing one, to increase the Group's revenue potential and includes system and process improvements to enhance services provided to customers.

3. Revenue

Accounting policy Note 1(d)

Net revenue – geographical location

The geographical analysis set out below is derived from the base location of responsible sales teams, rather than reflecting the geographical location of the actual transaction.

	2024 €000	2023 €000
Czech Republic	**40,826**	38,157
Poland	**81,499**	61,664
Central Cluster (excluding CZ and PL)	**28,840**	28,803
Portugal	**13,361**	12,800
Western Cluster (excluding PT)	**12,660**	10,693
Romania	**37,860**	35,043
Southern Cluster (excluding RO)	**69,036**	60,991
Other	**8,456**	8,379
Total	**292,538**	256,530

Segment revenue from contracts with customers - geographical location

	2024 €000	2023 €000
Czech Republic ("CZ")	**521,469**	428,272
Poland ("PL")	**399,506**	372,527
Central Cluster (excluding CZ and PL)	**270,095**	255,652
Portugal ("PT")	**168,575**	228,598
Western Cluster (excluding PT)	**141,507**	105,440
Romania ("RO")	**270,359**	293,708
Southern Cluster (excluding RO)	**454,471**	393,727
Other	**10,591**	10,183
Total	**2,236,573**	2,088,107

There were no individually significant customers, which would represent 10% or more of revenue.

Timing of revenue recognition

	2024 €000	2023 €000
Payment solutions		
Goods and services transferred at a point in time	**2,054,536**	1,947,937
Services transferred over time	**56,466**	30,635
	2,111,002	1,978,572
Mobility solutions		
Goods and services transferred at a point in time	**25,432**	21,442
Services transferred over time	**100,139**	88,093
	125,571	109,535
Total segment revenue	**2,236,573**	2,088,107

4. Operating profit/(loss)

Accounting policy Note 1(l, m)

Operating profit/(loss) for the year ended 31 December contains the following material items:

	2024 €000	2023 €000
Amortisation of intangible assets (Note 16)	**50,013**	43,398
Depreciation of property, plant and equipment (Note 17, 18)	**15,457**	14,131
Owned assets	**9,604**	8,851
Leased assets	**5,853**	5,280
Cost of acquisition of subsidiaries	**6,324**	4,423
Expensed research and development costs	**3,226**	3,246
Loss on sale of a subsidiary	**—**	489

Adjusting items in operating profit amounted to €34,588,000 in 2024 (2023: €96,028,000), consisting mainly of amortisation of acquired intangibles and in 2023 of impairment losses of non-financial assets.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

5. Financial performance by segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Group considers the Executive Committee to be the CODM. The CODM reviews Net revenue to evaluate segment performance and allocate resources to the overall business.

For management purposes and based on internal reporting information, the Group is organised in two operating segments; Payment solutions and Mobility solutions. Payment solutions represent Group's revenues, which are based on recurring and frequent transactional payments. The segment includes Energy and Toll payments, which are a typical first choice of a new customer. Mobility solutions represent a number of services, which are either subscription based or subsequently sold to customers using Payment solutions products. The segment includes Tax refund, Fleet management solutions, Navigation, and other service offerings.

EBITDA and Adjusted EBITDA are non-GAAP measures, as detailed in Note 2.

For the year ended 31 December 2024

	Payment solutions €000	**Mobility solutions €000**	**Central €000**	**Total €000**
Segment revenue	**2,111,002**	**125,571**	**—**	**2,236,573**
Net revenue	**166,967**	**125,571**	**—**	**292,538**
Operating profit/loss	**136,874**	**85,563**	**(181,753)**	**40,684**
Net finance cost	**—**	**—**	**(28,988)**	**(28,988)**
Profit/(loss) before tax	**136,874**	**85,563**	**(210,741)**	**11,696**

For the year ended 31 December 2023

	Payment solutions €000	Mobility solutions €000	Central €000	Total €000
Segment revenue	1,978,572	109,535	—	2,088,107
Net revenue	146,995	109,535	—	256,530
Operating profit/loss*	124,131	76,467	(228,793)	(28,195)
Net finance cost	—	—	(11,112)	(11,112)
Profit/(loss) before tax	124,131	76,467	(239,905)	(39,307)

* Operating profit/(loss) has been represented to include €504,000 previously disclosed within finance costs; see note 35.

The following table presents the Group's non-current assets, net of accumulated depreciation and amortisation, by country. Non-current assets for this purpose consist of property and equipment, right-of-use assets, intangible assets, investments in associates, financial assets and other non-current assets (excluding deferred tax assets and derivative assets).

The Group's non-current assets are not internally reported to the CODM at a segment level.

Non-current assets

	2024 €000	2023 €000
Czech Republic	**180,460**	168,582
Spain	**48,138**	56,356
Poland	**228,345**	230,784
Other	**153,333**	171,232
Total	**610,276**	626,954

6. Other operating income

Other operating income for the respective periods was as follows:

	2024 €000	2023 €000
Gains from revaluation of foreign currency forwards	**—**	7,970
Other	**4,777**	2,119
Total	**4,777**	10,089

In 2023, there was a gain from revaluation of foreign currency forwards in Other operating income while in 2024, this is recorded in Cost of sales as a result of hedge accounting applied to foreign currency forwards from 2024. In 2024, the balance primarily relates to a legal settlement of a dispute following an acquisition of €3,000,000.

7. Employee expenses

Employee expenses for the respective periods consist of the following:

	2024 €000		2023 €000	
	Total personnel	**Key management***	Total personnel	Key management*
Wages and salaries	**89,185**	**6,927**	85,440	6,715
Social security costs	**19,583**	**1,062**	17,890	1,000
Option plans (Note 14)	**4,182**	**3,762**	7,800	7,538
Total employee expense before capitalisation	**112,950**	**11,751**	111,130	15,253
Own work capitalised	**(17,251)**	**—**	(14,337)	—
Total employee expense	**95,699**	**11,751**	96,793	15,253

* Includes the members of the Board and Executive Committee of W.A.G payment solutions PLC.

7. Employee expenses continued

Termination benefits provided to key management within wages and salaries amounted to €nil in 2024 (2023: €772,000). Adjusting items in employee expenses amounted to €3,416,000 in 2024 (2023: €11,658,000).

Information regarding the highest paid director is included in the Directors' Remuneration Report on pages 96 to 110.

The monthly average number of employees by category during the period was as follows:

	2024 Number of employees	2023 Number of employees
Sales and marketing	**399**	315
General and administrative	**322**	306
Technology, product and operative*	**1,195**	1,160
Total average number of employees	**1,916**	1,781

* Technology, product and operative category represents employees directly and indirectly related to product business units

8. Adjusting items

Accounting policy Note 1(f)

The Group incurred costs of €34.6 million (FY 2023: €96.0 million), which were considered to be Adjusting items and have therefore been excluded when calculating Adjusted EBITDA and Adjusted profit before tax.

These are summarised below:

	2024 €000	2023 €000 *represented
M&A-related expenses	**6,324**	4,423
Amortisation of acquired intangibles	**19,760**	17,166
Strategic transformation expenses	**—**	1,789
ERP implementation and integration costs	**6,297**	5,277
Share-based compensation (Note 14)	**2,207**	6,538
Impairment losses of non-financial assets (Note 16)	**—**	56,663
Restructuring costs	**—**	4,172
Adjusting items	**34,588**	96,028

* ERP implementation costs previously included in strategic transformation costs have been disclosed separately as the strategic transformation activities of the Group concluded in the prior year.

The Group has incurred acquisition related costs which are primarily professional fees of €6.3 million (2023: €4.4 million) in relation to M&A activities, consisting of various activities to explore further opportunities for growth, including a €2 million settlement agreement with the shareholders of Inelo. Prior year expenses related to the acquisition of Inelo.

Strategic transformation expenses of €1.8 million in 2023 are costs relating to the integration of the Inelo group of companies.

ERP implementation and integration costs of €6.3 million (2023: €5.3 million) are related to the implementation of our ERP system, which went live in January 2024, with €8.0 million to €10.0 million anticipated cost to be incurred up to the year ended 31 December 2026.

Share-based compensation primarily relates to compensation provided to previous management, prior to the IPO. These legacy incentives comprise a combination of cash and share-based payments and will vest during this year. No further share-based compensation adjusting expenses are expected in the future and post-IPO share-based payment charges are not treated as Adjusting items.

Amortisation charges of €19.8 million relate to the amortisation of acquired intangibles in 2024 (2023: €17.1 million) comprised mainly of the acquisition of Inelo. Prior year impairment losses of non-financial assets related to the FMS CGU.

No further impairment charges relating to goodwill occurred during the current year.

9. Finance income

Finance income for the respective periods was as follows:

	2024 €000	2023 €000
Gains from revaluation of interest rate swaps	**—**	545
Foreign exchange gain	**1,836**	12,225
Gain from the revaluation of securities	**98**	1,646
Interest income	**720**	219
Other	**25**	47
Total	**2,679**	14,682

2023 foreign exchange gain includes significant impact of the change of functional currency of W.A.G. payment solutions, a.s.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

10. Finance costs

Finance costs for the respective periods were as follows:

	2024 €000	2023 €000
Bank guarantees fee	**1,860**	1,533
Interest expense	**23,963**	19,787
Factoring fee	**5,606**	4,451
Other	**238**	23
Total	**31,667**	25,794

11. Auditor remuneration

Information on Independent Auditors

The below fees represent amounts paid to PricewaterhouseCoopers LLP.

	2024 €000	2023 €000
The statutory audit of consolidated and Company's financial statements	**1,157**	1,072
Audit of the financial statements of the Company's subsidiaries	**726**	685
Total audit fees	**1,883**	1,757
Other assurance services	**5**	96
Total non-audit fees	**5**	96
Total	**1,888**	1,853

Other assurance services in 2023 related to work as a reporting accountant due to the Grupa Inelo S.A. ("Inelo") acquisition (Note 15).

12. Income tax expense

Accounting policy Note 1(g)

Corporate income tax

Corporate income tax for companies in the Czech Republic and United Kingdom for the year 2024 was 21% and 25%, respectively (2023: 19% and 23.4%).

WAG Iberia and WAG payment solutions Spain, together with all the Alava tax resident companies of ADS sub-group (Arraia Oil and Liserteco 24h), formed a consolidation tax group for CIT purposes beginning on 1 April 2019. Spanish corporate income tax is 24% (2023: 24%).

Polish corporate income tax rate is 19% (2023: 19%).

The Group has calculated and recorded estimates of corporate income tax liabilities for the year ended 31 December 2024 and related deferred taxes in the consolidated IFRS financial statements. Based on preliminary calculations of OECD Pillar 2 impacts, the Group is expected to benefit from De minimis and/or Simplified Effective Tax Rate safe harbours in most countries. For the most significant countries with substantial profitability (Czech Republic, Poland, Slovenia, Slovakia, Spain), the effective tax rate is anticipated to exceed the required threshold of 15%. Additional taxation is anticipated only in Bulgaria due to its low statutory tax rate (10%); however, the impact on the Group is expected to be immaterial. Management will further monitor the OECD Pillar 2 tax position of the Group and implement all necessary steps for proper reporting in individual countries. The Group applies the exemption to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Structure of the income tax for the respective periods is as follows:

	2024 €000	2023 €000
Current tax expense - UK		
Current income tax charge	**—**	—
Adjustments in respect of current income tax of prior years	**259**	—
Current tax expense - Other countries		
Current income tax charge	**11,567**	8,206
Adjustments in respect of current income tax of prior years	**(822)**	(195)
Total current tax	**11,004**	8,011
Deferred tax expense - UK		
Deferred tax	**(96)**	236
Deferred tax - impact of tax rate change	**—**	—
Deferred tax expense - Other countries		
Deferred tax	**(2,068)**	(3,756)
Deferred tax - impact of tax rate change	**—**	(250)
Total deferred tax	**(2,164)**	(3,770)
Total	**8,840**	4,241

12. Income tax expense continued

Reconciliation of tax expense and the accounting (loss)/profit multiplied by the Company's domestic tax rate for the below periods:

€000	2024 €000	2023 €000
Accounting profit before tax	**11,696**	(39,307)
At UK's statutory income tax rate of 25% (2023: 23.44%)	**2,924**	(9,214)
Adjustments in respect of current income tax of prior years	**(563)**	(195)
Change of deferred tax rate impact	**—**	(250)
Effect of different tax rates in other countries of the Group	**(179)**	(449)
Non-deductible expenses	**8,945**	5,300
Goodwill impairment	**—**	13,282
Share-based payments	**945**	1,284
Functional currency change impact	**(1,330)**	(4,172)
Tax credits	**(2,069)**	(1,511)
Effect of accumulated tax loss claimed in the current period	**(14)**	—
Effect of recognised deferred tax assets relating to tax losses of prior periods	**181**	—
Effect of unrecognised deferred tax assets relating to tax losses of current period	**—**	166
At the effective income tax rate of	**75.58%**	(10.79)%
Income tax expense reported in the consolidated income statement	**8,840**	4,241

Adjusted effective tax rate is as follows:

	2024 €000	2023 €000
Accounting profit/(loss) before tax	**11,696**	(39,307)
Adjusting items affecting Adjusted EBITDA	**14,828**	78,862
Amortisation of acquired intangibles	**19,760**	17,166
Adjusted profit before tax (A)	**46,284**	56,721
Accounting tax expense	**8,840**	4,241
Tax effect of above adjustments	**5,196**	5,747
Adjusted tax expense (B)	**14,036**	9,988
Adjusted earnings (A-B)	**32,248**	46,733
Adjusted effective tax rate (B/A)	**30.33%**	17.61%

Adjusted effective tax rate in 2023 is mainly impacted by functional currency change. Excluding this item, the 2023 Adjusted effective tax rate would have been 25.18%. In 2024, the Adjusted effective tax rate would have been 35.87% excluding functional currency change. The increase is primarily driven by higher non-deductible interest expense relating to acquisition loans, increased rates in key tax regimes where the Group operates, reduced positive impact from foreign currency changes and some additional charges relating to previous years.

Unused tax losses, for which no deferred tax asset has been recognised were as follows:

	31 December €000	31 December €000
Unused tax losses expiring by the end of:		
2024	**—**	147
2025	**—**	45
2026	**—**	—
2027 and after	**499**	1,257
No expiry date	**—**	—
Total unrecognised tax losses	**499**	1,449
Potential tax benefit	**125**	362

The unused tax losses have arisen in dormant subsidiaries that are not likely to generate taxable income in the foreseeable future.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

12. Income tax continued

Deferrred tax

Deferred tax balances and movements:

	1 January 2023 €000	Business combinations €000	Charged/ (credited) to profit or loss €000	Credited to OCI €000	Translation differences €000	31 December 2023 €000
Difference between net book value of fixed assets for accounting and tax purposes	(10,502)	(23,896)	4,735	—	(1,662)	(31,325)
Allowances to receivables	2,976	78	1,067	—	(98)	4,023
Provisions for liabilities and charges	1,585	472	355	—	(22)	2,390
Tax losses	345	—	(345)	—	—	—
Tax benefit from pre-acquisition reserves	5,943	—	(1,200)	—	—	4,743
Other	1,481	1	(842)	154	61	855
Net deferred tax asset/ (liability)	1,828	(23,345)	3,770	154	(1,721)	(19,314)
Recognised deferred tax asset	10,505	126	(1,433)	154	212	9,564
Recognised deferred tax liability	(8,677)	(23,471)	5,203	—	(1,933)	(28,878)

	1 January 2023 €000	Business combinations €000	Charged/ (credited) to profit or loss €000	Credited to OCI €000	Translation differences €000	31 December 2024 €000
Difference between net book value of fixed assets for accounting and tax purposes	(31,325)	—	2,162	—	(232)	**(29,395)**
Allowances to receivables	4,023	—	1,683	—	(192)	**5,514**
Provisions for liabilities and charges	2,390	—	147	—	(81)	**2,456**
Tax losses	—	—	342	—	(2)	**340**
Tax benefit from pre-acquisition reserves	4,743	—	(960)	—	—	**3,783**
Other	855	—	(1,210)	352	(18)	**(21)**
Net deferred tax asset/ (liability)	(19,314)	—	2,164	352	(525)	**(17,323)**
Recognised deferred tax asset	9,564	—	65	352	(816)	**9,165**
Recognised deferred tax liability	(28,878)	—	2,099	—	291	**(26,488)**

Tax benefit from pre-acquisition reserves relates to the ADS Group acquisition in 2019 and is being utilised against current period profits, similarly to tax losses.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Direct subsidiaries of the Company, W.A.G. payment solutions, a.s. and its subsidiaries, have undistributed earnings of €200,237,000 (2023: €204,801,000) which, if paid out as dividends to the Company, would be subject to 5% withholding tax. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Group is able to control the timing of distributions from this subsidiary and is not expected to distribute these profits in the foreseeable future.

13. Earnings per share

All ordinary shares have the same rights.

Basic EPS is calculated by dividing the net profit / (loss) for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit / (loss) for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares. Adjusted basic EPS is calculated by dividing the Adjusted earnings (net profit) for the period attributable to equity holders by the weighted average number of ordinary shares outstanding during the period.

Adjusted diluted EPS is calculated by dividing the Adjusted earnings (net profit) for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares.

In periods where a net loss is recognised, the impact of potentially dilutive outstanding share-based awards is excluded from the calculation of diluted loss per share as their inclusion would have an antidilutive effect.

The following reflects the income and share data used in calculating EPS:

	2024	2023
Net profit/(loss) attributable to equity holders (€000)	**2,696**	(45,637)
Basic weighted average number of shares	**689,872,865**	689,126,206
Effects of dilution from share options	**3,319,685**	—
Total number of shares used in computing dilutive earnings per share	**693,192,550**	689,126,206
Basic earnings/(loss) per share (cents/share)	**0.39**	(6.62)
Diluted earnings/(loss) per share (cents/share)	**0.39**	(6.62)

Adjusted earnings per share measures:

	2024	2023
Net profit/(loss) attributable to equity holders (€000)	**2,696**	(45,637)
Loss after tax for the year from discontinued operations	**—**	489
Adjusting items affecting Adjusted EBITDA (Note 2)	**14,828**	78,862
Amortisation of acquired intangibles*	**19,744**	16,653
Tax impact of above adjustments*	**(5,193)**	(5,650)
Adjusted net profit attributable to equity holders (€000)	**32,075**	44,717
Basic weighted average number of shares	**689,872,865**	689,126,206
Adjusted basic earnings per share (cents/share)	**4.65**	6.49
Effects of dilution from share options	**3,319,685**	2,629,512
Diluted weighted average number of shares	**693,192,550**	691,755,718
Adjusted diluted earnings per share (cents/share)	**4.63**	6.46

* Non-controlling interests' impact was excluded.

Options

Options granted to employees under share-based payments are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share assuming the performance criteria would have been met based on the Group's performance up to the reporting date, and to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share as their performance conditions have not been met. Details relating to the options are set out in Note 14.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

14. Share-based payments

Accounting policy Note 1(h)

The Company currently operates the following share option plans:

Equity-settled share option plans

Pre-IPO option plans

In 2021 before Admission, the Group granted share options of W.A.G. payment solutions, a.s. to management, which must remain in service for a period of three years from the date of grant. Share options outstanding on Admission were converted into the performance share plan based on the same vesting value and vesting conditions following approval from the Remuneration Committee.

Performance share plan (post-IPO)

To provide discretionary share-based incentive awards to employees, the Company operates a Performance share plan ("PSP"). The operation of the plan is supervised by the Remuneration Committee. Any employee (including an Executive Director) of the Group is eligible to participate in the PSP at the discretion of the Remuneration Committee. The PSP awards granted in years 2022 - 2024 are subject to Adjusted basic earnings per share targets (60% weighting) and relative total shareholder value vs FTSE 250 index targets (40% weighting). Standard vesting period is three years and employees must remain in service during this period.

Set out below are summaries of options granted under pre-IPO option plans and PSP:

	For the year ended 31 December 2024		For the year ended 31 December 2023	
	Average exercise price per share option (€)	**Number of share options**	Average exercise price per share option (€)	Number of share options
Opening	**0.01**	**8,495,350**	0.01	7,325,684
Granted during the period	**0.01**	**8,562,178**	0.01	5,380,443
Exercised during the period	**0.01**	**(590,306)**	0.01	(560,204)
Forfeited during the period	**0.01**	**(8,674,344)**	0.01	(3,650,573)
Closing	**0.01**	**7,792,878**	0.01	8,495,350
Vested and exercisable at the end of the period	**0.01**	**330,624**	0.01	560,204

Share options outstanding at the end of the period have the following expiry dates and exercise prices:

	31 December 2024		31 December 2023	
Exercise price (€)	**Numbers of shares outstanding (€)**	**Weighted average remaining life (years) (€)**	Numbers of shares outstanding (€)	Weighted average remaining life (years) (€)
0.01	**7,792,878**	**1.36**	8,495,350	1.80
Total	**7,792,878**		8,495,350	

The fair value of the options granted are determined using the Black-Scholes model that takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share and the risk-free interest rate for the term of the option.

The model inputs for options included:

	31 December 2024			31 December 2023	
	16 May 2024 grant	**1 May 2024 grant**	**April 2024 grant**	September 2023 grant	April 2 2023 grant
Share price at grant date	**0.721 GBP**	**0.652 GBP**	**0.660 GBP**	0.915 GBP	0.945 GBP
Exercise price	**0.01**	**0.01**	**0.01**	0.01	0.01
Expected price volatility of Company's shares	**39.75%**	**39.75%**	**39.75%**	48.80%	48.80%
Risk-free interest rate	**4.37%**	**4.49%**	**4.38%**	4.25%	3.88%

Cash-settled share option plans (pre-IPO)

In 2021, a shadow share plan was introduced to provide long-term incentives for certain managers to deliver long-term shareholder returns. Shadow shares were granted for no consideration and carry no voting rights. Participants in the plan are entitled to equivalent dividend in case dividends are approved by Shareholders of the Company. The fair value of shadow share options granted were estimated at the date of grant on the basis of estimated EBITDA growth in the next three years and remeasured at each reporting date.

14. Share-based payments continued

The Group recognised the following liability in relation to the cash-settled option plan:

	2024 €000	2023 €000
Cash-settled plans liability	**—**	795

Expenses arising from share-based payment transactions

	2024 €000	2023 €000
Equity-settled plans (pre-IPO option plans)	**2,379**	6,342
Paid social security and health insurance on equity-settled plans (pre-IPO)	**33**	—
Cash-settled plans (pre-IPO)	**(205)**	196
Total pre-IPO expenses	**2,207**	6,538
Equity-settled plans (PSP)	**1,975**	1,262
Total	**4,182**	7,800

For the year ended 31 December 2024, expenses related to equity-settled plans recognised in equity amount to €4,354,000 (FY 2023: €7,604,000). Cash-settled amounts are recognised directly in the consolidated income statement.

15. Business combinations

Accounting policy Note 1(i)

There were no new acquisitions in 2024.

Investments in subsidiaries and associates

Pay-out of deferred consideration

On 2 January 2024, the Group paid deferred acquisition consideration of €5,000,000 related to the acquisition of WebEye.

On 22 January 2024, the Group paid deferred acquisition consideration of €700,000 related to the Aldobec acquisition.

On 2 August 2024, the Group paid deferred acquisition consideration of €4,128,000 related to the acquisition of WebEye.

Total deferred consideration pay-out of €9,828,000 is presented in consolidated statement of cash flows under Payments for acquisition of subsidiaries, net of cash acquired.

Acquisition of non-controlling interests

On 7 February 2024, the Group acquired the remaining 4.19% interest in CVS for a consideration of €760,000.

On 25 April 2024, the Group restructured an option to accelerate the acquisition of its remaining shareholding in FireTMS. The maximum option price and final option timing remains the same, however the payment dates and terms were amended. The Group agreed to acquire a further 7.6% of the equity shareholding for approximately €3,400,000 (PLN14,800,000), paid in two equal instalments in April (€1,711,000) and July 2024 (€1,728,000). The final 11.4% equity shareholding remains subject to an option mechanism exercisable in H1 2026 and the price is subject to certain financial and KPI targets met by FireTMS.

On 3 July 2024, the Group acquired remaining 30% interest in Sygic, a.s. for a consideration of €15,574,000 (purchase price of €14,420,000 + €1,154,000 of interest and deferred payment fee).

On 9 October 2024, the Group acquired €8,876,000 Non-Controlling Interest ('NCI') related to KomTes which is no longer presented as NCI from that date.

Total acquisition of non-controlling interests pay-out of €27,495,000 is presented in consolidated statement of cash flows under Acquisition of non-controlling interests.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

15. Business combinations continued

Investments in subsidiaries and associates continued

Inelo contingent consideration

On 4 July 2024, the Group signed a settlement agreement with former shareholders of Grupa Inelo S.A. The final contingent consideration was agreed at €2,000,000 and is payable by 30 June 2025. The contingent acquisition consideration estimate was revised as at 30 June 2024, the charge was recognised within other operating expenses and considered as an Adjusting item (M&A-related expenses).

Table below summarises cash outflows and their presentation in consolidated statement of cash flows.

	2024 €000	2023 €000
Deferred consideration paid	**9,828**	233,871
Repayment of acquiree's debt	**—**	53,677
Net outflow of cash – investing activities	**9,828**	284,277
Cash consideration paid to acquire NCI	**27,495**	6,976
Net outflow of cash – financing activities	**27,495**	6,976

For overview of acquisition costs refer to Adjusting items Note 8.

The following acquisitions took place in 2023:

Acquisition of Grupa Inelo S.A. (“Inelo”)

The acquisition of Inelo was completed on 15 March 2023.

The Group paid €215,300,000 in cash upon the acquisition of 100% of the share capital of Grupa Inelo, S.A. and repaid Inelo’s bank borrowings of €53,677,000 on 16 March 2023. In addition, on 31 August 2023 the Group paid additional consideration of €8,400,000 related to the final price adjustment to Inelo’s acquisition of FIRETMS.COM subsidiary. Finally, on 3 October 2023, the Group paid €2,000,000 related to other purchase price adjustments identified at completion.

There is also a contingent consideration, based on Inelo’s EBITDA performance for the year to 31 December 2022, capped at €12,500,000. The Group has assessed the performance conditions based on 2022 EBITDA and concluded it to be below required target level. As at 31 December 2023, the Group estimates the contingent consideration to be nil (Note 6).

The acquisition included FIRETMS.COM put option redemption liability (Note 29) and forward contract to acquire NCI in Napredna telematika d.o.o. in the future (disclosed below).

The determined fair values of identifiable assets and liabilities of subsidiaries of Inelo as at the date of acquisition were:

	Fair value recognised on acquisition of Inelo €000
Assets	
Property, plant and equipment	11,932
Identifiable intangible assets	129,215
Right-of-use assets	3,060
Other non-current assets	786
Trade receivables	8,543
Inventories	1,674
Income tax receivables	943
Cash and cash equivalents	3,271
Total assets	**159,424**
Liabilities	
Interest-bearing loans and borrowings	59,152
Trade payables	13,142
Lease liabilities	3,146
Other non-current liabilities	1,203
Provisions	1,324
Income tax liabilities	625
Deferred tax	23,345
Total liabilities	**101,937**
Total identifiable net assets at fair value	**57,487**
Non-controlling interest measured at % of net assets	**(3,683)**
Goodwill arising on acquisition	**171,815**
Purchase consideration:	
Cash paid	225,619
Deferred and contingent consideration	—
Total purchase consideration	**225,619**

The goodwill is attributable to expected synergies from combining operations, workforce and other unrecognisable intangible assets. It will not be deductible for tax purposes.

15. Business combinations continued

Acquisition of Grupa Inelo S.A. ("Inelo") continued

The gross contractual receivables acquired amounted to €9,931,000. At acquisition date, there were €1,272,000 of contractual cash flows not expected to be collected.

From the date of acquisition until 31 December 2023, Inelo's subsidiaries contributed €37,680,000 of revenue and €7,883,000 profit after tax.

If the acquisition had occurred on 1 January 2023, consolidated revenue and consolidated profit after tax of Inelo's entities for the year ended 31 December 2023 would have been €47,260,000 and €9,846,000 respectively. Excluding amortisation of acquired intangibles and Adjusting items the adjusted profit after tax would have been €18,785,000.

As deferred considerations paid were of short-term nature, no discounting has been applied to the amount payable.

Pay-out of deferred consideration

On 27 April 2023, the Group paid first part of deferred and contingent consideration of €2,064,000 related to the acquisition of WebEye.

On 17 May 2023, the Group paid second part of deferred consideration of €5,500,000 related to the acquisition of WebEye.

On 11 August 2023, the Group paid third part of deferred consideration of €688,000 related to the acquisition of WebEye.

JITpay GmbH ("JITpay") call option

As per the original agreement, the Group had a call option to acquire an additional 18.01% share, which was exercised on 4 July 2023 and was subject to approval by German Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), expected to complete in the first half of 2024. The Group entered a strategic partnership with JITpay on 27 September 2022, when it acquired a 9.99% stake for an initial consideration of €14,300,000, of which €3,500,000 was used as primary capital. The investment was classified as a financial asset at fair value through other comprehensive income, see Notes 9 and 23 for further information. The investment is considered to be a strategic investment and is not held for trading.

On 20 February 2024, the Group terminated the call option on account of certain financial status conditions relating to JITpay not having been satisfied, which had been experienced before 31 December 2023. All other contractual commitments in relation to the original acquisition were also considered to be terminated at this point. The Group continues discussions with the other stakeholders of JITpay and will evaluate opportunities for future cooperation regarding JITpay and within the sector.

Acquisition of 10.7% interest in Napredna telematika d.o.o.

As a result of the Inelo acquisition, the Group owned 89.3% interest in Napredna telematika d.o.o. and had a forward contract to acquire the remaining interest. On 7 September 2023, the Group acquired remaining 10.7% share in Napredna telematika d.o.o. for €6,976,000. The impact of the acquisition on equity is disclosed in Note 29.

Acquisition of 49% interest in KomTeS Chrudim s.r.o.

On 15 December 2023, the Group signed a share purchase agreement to acquire the remaining 49% interest in subsidiary KomTes Chrudim s.r.o., which had 100% interest in KomTes SK, s.r.o ("KomTes Group"). The Group acquired 100% ownership of the subsidiaries on 1 January 2024. The acquisition price is based on original put option calculation and is payable in 2024 following preparation and audit of 2023 financial statements of the subsidiaries. The Group recognised deferred acquisition consideration of €8,688,000 as at 31 December 2023 (2022: €4,435,000 as put option redemption liability). The liability increase relates to 2021-2023 dividends being included in the expected acquisition price, previously the Group expected distribution prior to 100% interest acquisition.

Sale of subsidiary Tripomatic s.r.o.

On 15 December 2023, the Group sold its subsidiary Tripomatic s.r.o. for €150,000 to non-controlling shareholders. Tripomatic s.r.o. was a subsidiary of Sygic, a.s., which represented a non-core investment of the Group, with its business based on consumer travel planning application.
The result from the transaction is presented as net loss after tax from discontinued operations.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

16. Intangible assets

Accounting policy Note 1(l)

Cost of intangible assets subject to amortisation:

	Goodwill €000	Client relationships €000	Internal software development €000	Patents and rights €000	External software €000	Other intangible assets €000	Assets in progress €000	Total €000
1 January 2023	**137,215**	**50,223**	**108,038**	**5,570**	**27,186**	**31**	**14,352**	**342,615**
Additions	—	—	22,422	52	2,293	—	13,200	37,967
Acquisition of a subsidiary	171,815	94,676	26,893	2,255	755	2	4,634	301,030
Transfer	—	—	11,018	—	—	—	(11,018)	—
Disposals	(1,018)	—	(7)	(2,674)	(3,294)	(6)	(87)	(7,086)
Translation differences	14,712	7,355	5,357	376	(79)	—	804	28,525
31 December 2023	**322,724**	**152,254**	**173,721**	**5,579**	**26,861**	**27**	**21,885**	**703,051**
Additions	—	—	16,511	30	256	—	18,176	34,973
Transfer	—	—	22,120	—	(616)	—	(21,504)	—
Disposals	—	—	(1,927)	—	(183)	—	(30)	(2,140)
Translation differences	1,122	4,935	581	18	(390)	—	(256)	6,010
31 December 2024	**323,846**	**157,189**	**211,006**	**5,627**	**25,928**	**27**	**18,271**	**741,894**

Accumulated amortisation and impairment of intangible assets:

	Goodwill €000	Client relationships €000	Internal software development €000	Patents and rights €000	External software €000	Other intangible assets €000	Assets in progress €000	Total €000
1 January 2023	**—**	**(15,711)**	**(39,384)**	**(2,767)**	**(16,554)**	**(28)**	**—**	**(74,444)**
Amortisation	—	(10,081)	(27,947)	(1,389)	(3,979)	(2)	—	(43,398)
Disposals	—	—	7	2,643	3,294	5	—	5,949
Impairment	(56,663)	—	—	—	—	—	—	(56,663)
Translation differences	—	(174)	(1,732)	(253)	68	—	—	(2,091)
31 December 2023	**(56,663)**	**(25,966)**	**(69,056)**	**(1,766)**	**(17,171)**	**(25)**	**—**	**(170,647)**
Amortisation	—	(11,991)	(32,841)	(1,699)	(3,482)	(1)	—	(50,014)
Disposals	—	—	1,927	—	114	—	—	2,041
Transfer	—	—	(329)	—	329	—	—	—
Translation differences	(568)	(4,434)	2,328	(13)	(3,080)	—	—	(5,767)
31 December 2024	**(57,231)**	**(42,391)**	**(97,971)**	**(3,478)**	**(23,290)**	**(26)**	**—**	**(224,387)**

16. Intangible assets continued

Net book value:

	Goodwill €000	Client relationships €000	Internal software development €000	Patents and rights €000	External software €000	Other intangible assets €000	Assets in progress €000	Total €000
Net book value at 31 December 2023	266,061	126,288	104,665	3,813	9,690	2	21,885	532,404
Net book value at 31 December 2024	**266,615**	**114,798**	**113,035**	**2,149**	**2,638**	**1**	**18,271**	**517,507**

Internal assets in progress consist of assets where the development phase has not yet been completed.

The table below presents carrying amount and remaining amortisation period of individual intangible assets that are considered material to the Group's consolidated financial statements:

	2024		2023	
Individual asset description	**Net book value (in €000)**	**Remaining useful life (in months)**	Net book value (in €000)	Remaining useful life (in months)
Customer relationships - ADS	**4,384**	**36**	5,845	48
Customer relationships - Webeye	**15,740**	**89**	18,403	101
Customer relationships - INELO	**83,368**	**159**	95,967	171
Internal software - EETS toll platform	**15,491**	**62**	17,790	74
Internal software - SAP billing	**5,632**	**59**	6,537	71
Internal software - Webeye platform	**5,032**	**31**	6,356	43
Internal software - EW office	**8,740**	**93**	—	—
Software (GBOX) - INELO	**4,864**	**39**	6,910	51

EETS stands for European Electronic Toll Service, an initiative from the European Union to create a simpler framework for paying toll in Europe by use of single OBU for all toll systems within EU. The Group developed a platform enabling its EETS-certified OBUs to make toll payments in multiple countries.

The Group capitalised employee expenses (Note 7) together with the cost of materials and services used or consumed in generating the intangible asset.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

16. Intangible assets continued

Research and development costs that were not capitalised and are, therefore, recognised in the consolidated income statement are as follows:

	2024 €000	2023 €000
Expensed research and development costs	**3,226**	3,246

Impairment testing

Goodwill acquired through business combinations is allocated to the respective CGUs for impairment testing.

Carrying amount of the goodwill allocated to each of the CGUs:

	2024 €000	2023 €000
Energy	**95,157**	93,951
Navigation	**33,592**	33,592
Fleet management solutions	**137,866**	138,518
Total	**266,615**	266,061

The recoverable amount of CGUs has been determined based on a value-in-use calculation using cash flow projections from financial budgets and forecasts covering a five-year period.

Key assumptions used for impairment testing

Discounted cash flow model is based on the following key assumptions:

- Discount rate
- Net revenue for Energy CGU; revenues for Navigation and Fleet management solutions CGUs
- Long-term revenue growth rate

Net revenue and revenue growth were determined by management separately for each CGU. They are based on the knowledge of each particular market, taking into account the historical development of revenues, estimated macroeconomic developments in individual regions and the Group's plans regarding new products development, growth opportunities and market share expansion. Estimated net revenue and revenue growth represent the best possible assumption of the Group's management considering the future development as at the end of the period.

Discount rate reflects specific risks relating to the industry in which the Group operates. The discount rate used is based on the weighted average cost of capital ("WACC") of the Group as presumed by Capital Asset Pricing Model.

The table below shows key assumptions used in the value-in-use calculations for material CGUs:

	2024	2023
Energy CGU		
Pre-tax discount rate	**8.2%**	8.5%
Net revenue growth rate*	**5.3%**	3.8%
Long-term growth rate	**2.0%**	2.0%
Navigation CGU		
Pre-tax discount rate	**11.0%**	11.0%
Revenue growth rate*	**8.9%**	9.2%
Long-term growth rate	**2.0%**	2.0%
Fleet management solutions CGU		
Pre-tax discount rate	**9.9%**	12.0%
Revenue growth rate*	**9.0%**	9.9%
Long-term growth rate	**2.5%**	2.5%

* Average over five-year period

The decrease in the pre-tax discount rate of the Fleet management solutions CGU is driven by an annual review of companies included in the beta source calculation, with the sample refined to reflect a more suitable list of comparable companies considering the evolution of the Fleet management solutions CGU.

The Group has considered the potential impact of climate change in impairment tests of Navigation and Fleet management solutions CGUs. A combination of revenue decrease and operating and capital expenses increase was therefore included in base models. Sensitivities of discounted cash-flows described below directly include the expected climate change impact, which would either lead to breakeven or to a significant impairment.

For Energy CGU, additional sensitivities of discounted cash-flows were modelled to determine break-even increase in operating and capital expenses and a combination of revenue decrease and expense increase. Reasonably possible change in operating and capital expenses does not lead to any impairment, climate change impact on recoverable amounts and useful life of non-financial assets is thus not considered to be significant for Energy CGU.

16. Intangible assets continued

The table below shows the amount by which the recoverable amount is estimated to exceed the carrying amount:

	Energy CGU	Navigation CGU	Fleet management solutions CGU
	2024 €000	**2024 €000**	**2024 €000**
Excess of recoverable amount over carrying amount	**572,671**	**45,845**	**92,201**
	2023 €000	2023 €000	2023 €000
Excess/(shortfall) of recoverable amount over carrying amount	288,532	13,661	(52,217)

FMS CGU was impaired in the prior year by €52,217,000, moreover Tax refund CGU and Toll CGU were fully impaired (€2,385,000 and €2,061,000, respectively).

The table below shows the level of the key assumptions required for the recoverable amount to be equal to the carrying amount:

	Energy CGU	Navigation CGU	Fleet management solutions CGU
	2024	**2024**	**2024**
Discount rate	**34.3%**	**19.1%**	**12.0%**
Net revenue / Revenue average growth rate over 5-year period	**(2.9)%**	**5.9%**	**7.3%**
Long-term growth rate	**—**	**(41.9)%**	**(1.9)%**
	2023	2023	2023
Discount rate	16.1%	13.0%	12.2%
Net revenue / Revenue average growth rate over 5-year period	1.2%	8.5%	8.6%
Long-term growth rate	—	(4.3)%	1.9%

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

17. Property, plant and equipment

Accounting policy Note 1(m)

Cost of property, plant and equipment:

	Lands and buildings €000	Leasehold improvements €000	Machinery and equipment €000	Vehicles, furniture and fixtures and other tangibles €000	Tangibles in progress €000	OBU (On-board units) €000	Total €000
1 January 2023	**28,194**	**4,637**	**22,669**	**5,147**	**3,581**	**5,326**	**69,554**
Additions	1,695	789	1,632	321	1,776	6,762	12,975
Acquisition of a subsidiary	3,364	—	379	573	100	7,516	11,932
Disposals	(322)	—	(2,818)	(919)	(339)	(1,924)	(6,322)
Translation differences	960	90	418	175	(103)	857	2,397
31 December 2023	**33,891**	**5,516**	**22,280**	**5,297**	**5,015**	**18,537**	**90,536**
Additions	236	136	647	225	5,488	4,291	11,023
Transfer	1,152	641	124	187	(5,047)	2,943	—
Disposals	(11)	—	(268)	(427)	—	(2,920)	(3,626)
Translation differences	1,374	(200)	(311)	239	(1,857)	(22)	(777)
31 December 2024	**36,642**	**6,093**	**22,472**	**5,521**	**3,599**	**22,829**	**97,156**

Accumulated depreciation and impairment of property, plant and equipment:

	Lands and buildings €000	Leasehold improvements €000	Machinery and equipment €000	Vehicles, furniture and fixtures, other tangibles €000	Tangibles in progress €000	OBU (On-board units) €000	Total €000
1 January 2023	**(5,943)**	**(2,898)**	**(15,218)**	**(4,105)**	**—**	**(1,564)**	**(29,728)**
Depreciation charge	(835)	(979)	(1,964)	(765)	—	(4,308)	(8,851)
Disposals	5	—	2,797	884	—	1,007	4,693
Translation differences	(182)	(62)	(295)	44	—	(395)	(890)
31 December 2023	**(6,955)**	**(3,939)**	**(14,680)**	**(3,942)**	**—**	**(5,260)**	**(34,776)**
Depreciation charge	(879)	(487)	(820)	(915)	—	(6,504)	(9,605)
Disposals	11	1	248	357	—	1,774	2,391
Translation differences	(212)	186	535	397	—	53	959
31 December 2024	**(8,035)**	**(4,239)**	**(14,717)**	**(4,103)**	**—**	**(9,937)**	**(41,031)**

Net book value of property, plant and equipment:

€000	Lands and buildings €000	Leasehold improvements €000	Machinery and equipment €000	Vehicles, furniture and fixtures, other tangibles €000	Tangibles in progress €000	OBU (On-board units) €000	Total €000
Net book value at 31 December 2023	26,936	1,577	7,600	1,355	5,015	13,277	55,760
Net book value at 31 December 2024	**28,607**	**1,854**	**7,755**	**1,418**	**3,599**	**12,892**	**56,125**

17. Property, plant and equipment continued

Land, buildings, machinery and equipment are subject to pledge in respect of bank loans:

	2024 €000	2023 €000
Pledged property, plant and equipment	**55,955**	55,375

18. Right of use assets, lease liabilities and lease receivables

Accounting policy Note 1(n)

The Group leases assets including buildings, land and motor vehicles. The average lease term is four years. Leases comprise a larger number of various diversified lease contracts in different locations.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Right-of-use assets

	2024 €000	2023 €000
Buildings	**16,621**	18,288
Lands	**379**	416
Vehicles and machinery	**2,192**	3,522
Total	**19,192**	22,226

Depreciation charge of right-of-use assets

	2024 €000	2023 €000
Buildings	**(4,514)**	(4,183)
Lands	**(37)**	(38)
Vehicles and machinery	**(1,302)**	(1,059)
Total	**(5,853)**	(5,280)

Lease liabilities

	2024 €000	2023 €000
Long-term lease liabilities	**14,260**	17,417
Short-term lease liabilities	**5,019**	4,909
Total lease liabilities	**19,279**	22,326

Maturity of lease liabilities	2024 €000	2023 €000
Within one year	**5,019**	4,907
After one year but not more than five years	**12,219**	13,142
More than five years	**2,041**	4,277
Total lease liabilities	**19,279**	22,326

The discount rates used for new leases to calculate the liabilities was in the range 5.05%–5.62% (2023: 3.90%–5.67%).

Leases in the consolidated income statement

Leases are shown as follows in the consolidated income statement:

	2024 €000	2023 €000
Other operating income		
Terminated rent	**74**	(2)
Other operating expense		
Short-term lease expenses	**1,470**	1,354
Low-value lease expenses	**128**	144
Other lease expenses (additional costs)	**234**	274
Depreciation and impairment losses		
Depreciation of right-of-use assets	**5,853**	5,280
Net finance costs/(income)		
Interest expense on lease liabilities	**887**	306
Currency translation gains on lease liabilities	**(326)**	(120)

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

19. Investment in associates

Accounting policy Note 1(o)

Set out below are the associates of the Group:

Name	Measurement method	Registered office	Effective economic interest 2024	2023
Threeforce B.V. (Last Mile Solutions)	Equity method	The Netherlands	**27.75%**	27.75%
UAB "Tankita" (Drivitty)	Equity method	Lithuania	**20%**	20%

Both associates are private entities and their financial year ends on 31 December. No quoted prices are available. Drivitty is immaterial to the Group.

Share of net assets was as follows:

	2024 €000	2023 €000
Opening balance at 1 January	**11,719**	12,223
Share of net loss	**(746)**	(504)
Closing balance at 31 December	**10,973**	11,719

Commitments and contingent liabilities in respect of associates

The remaining shares of Last Mile Solutions are subject to a put option, which may require the Group to purchase additional 62% shares of the associate. The put option is measured as a derivative instrument and will be settled at gross margin multiple in case it is exercised. As of 31 December 2024, the fair value of the put option is €29,000 (31 December 2023: €127,000) (Note 22).

The Group had a call option to acquire the remaining shares of Drivitty, which expired in December 2023. No new option or other agreement has been concluded during 2024.

Summarised financial information

The following tables provide summarised financial information for Last Mile Solutions, which is considered material to the Group. The information disclosed reflects the amounts presented in the financial statements of the associate and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments. No significant differences in accounting policy have been identified by the Group.

Summarised balance sheet

	Threeforce B.V. (Last Mile Solutions) 2024 €000	2023 €000
Current assets	**84,573**	49,319
Current liabilities	**(90,804)**	(51,898)
Current net liabilities	**(6,231)**	(2,579)
Non-current assets	**11,878**	10,392
Non-current liabilities	**(226)**	(303)
Non-current net assets	**11,652**	10,089
Net assets	**5,421**	7,510
Reconciliation to carrying amounts:		
Opening net assets	**7,510**	9,121
Loss for the period	**(2,417)**	(1,610)
Capital payments	**326**	—
Translation	**2**	(1)
Closing net assets	**5,421**	7,510
Group's share in %	**27.75%**	27.75%
Group's share in €000	**1,504**	2,084
Goodwill	**7,442**	7,442
Carrying amount	**8,946**	9,526

Summarised statement of comprehensive income

	Threeforce B.V. (Last Mile Solutions) 2024 €000	2023 €000
Revenue	**337,063**	229,771
Loss for the period	**(2,417)**	(1,610)
Total comprehensive income	**(2,417)**	(1,610)

20. Inventories

Accounting policy Note 1(q)

	2024 €000	2023 €000
Raw materials*	**2,750**	4,378
Goods (excluding on-board units)	**9,016**	7,447
On-board units	**3,334**	2,772
Finished products	**280**	306
Total	**15,380**	14,903

* Represents primarily material for OBUs

Write-downs of inventories to net realisable value were as follows:

	2024 €000	2023 €000
Write-downs of inventories to net realisable value	**135**	8

Write-downs of inventories were recognised as an expense and were included in cost of energy sold in the consolidated income statement. Goods recognised as an expense are presented in full under cost of energy sold.

Raw materials consumed were as follows:

	2024 €000	2023 €000
Raw materials consumed (in other operating expense)	**125**	243

21. Trade and other receivables

Trade and other receivables mainly consist of amounts owed to the group by customers an amounts that the group pay two supplies in advance. The note also includes tax refund receivables go to us by tax authorities in jurisdictions where we claim tax charged at point of sale on behalf of our customers.

Trade and other receivables accounting policy Note 1(r)

Critical judgements – Impairment of financial assets Note 1(c)

Fair value measurement – note 1(s)

	2024 €000	2023 €000
Trade receivables	**262,514**	278,466
Receivables from tax authorities	**14,035**	18,716
Advances granted	**12,584**	14,346
Unbilled revenue	**7,242**	4,027
Miscellaneous receivables	**1,596**	5,879
Tax refund receivables	**61,445**	66,953
Prepaid expenses and accrued income	**7,124**	4,671
Contract assets	**4,427**	3,885
Total	**370,967**	396,943

Trade receivables are non-interest bearing and are generally payable on terms below 30 days. Trade and other receivables are non-derivative financial assets carried at amortised cost.

Tax refund receivables include receivables from foreign tax authorities and from financing of tax refunds to customers until processing of the application for tax refund by tax authorities.

Advances granted consist mainly of advances related to production of OBU units and other business-related advances.

Other non-current assets are as follows:

	2024 €000	2023 €000
Contract assets	**4,217**	2,917
Prepaid expenses	**1,999**	1,300
Long - term advances	**261**	628
Others	**2**	—
Total	**6,479**	4,845

As security to the Group's bank loans, W.A.G. payment solutions, a.s. has pledged its shares, which has the following impact on trade and other receivables:

	2024 €000	2023 €000
Pledged receivables	**369,530**	395,296
Total	**369,530**	395,296

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. The simplified approach adopted by the Group in 2020 uses elements from the general approach, the main difference is that no staging of financial assets is being used.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

21. Trade and other receivables continued

The carrying value of trade and other receivables approximates their fair value due to their short-term maturities.

On the basis described previously, the loss allowance was as follows:

31 December 2024

	Current €000	Past due 1–90 days €000	Past due more than 90 days €000	Total €000
Gross value of receivables *	**268,349**	**65,436**	**37,454**	**371,239**
Expected credit loss	**2,393**	**2,311**	**33,737**	**38,441**

31 December 2023

	Current €000	Past due 1–90 days €000	Past due more than 90 days €000	Total €000
Gross value of receivables *	281,454	74,287	26,042	381,783
Expected credit loss	235	4,292	21,932	26,459

* Gross value of receivables excludes receivables from tax authorities, advances granted, prepaid expense and accrued income, and contract assets as these are non-financial assets.

Allowances against outstanding receivables that are considered doubtful were charged to the consolidated income statement based on the analysis of their collectability.

	Amount €000
Allowances as at 1 January 2023	24,072
Acquisition of subsidiary	1,343
Charged	8,928
Utilised	(7,676)
FX differences	(208)
Allowances as at 31 December 2023	26,459
Charged	13,578
Utilised	(1,392)
FX differences	(204)
Allowances as at 31 December 2024	**38,441**

Trade receivables are written off where there is no reasonable expectation of recovery. Typically, this is when the customer fails to engage in a repayment plan with the Group, when the customer has been placed under liquidation or has entered bankruptcy proceedings.

22. Fair value measurement

Accounting policy Note 1(s)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Fair value measurement hierarchy for assets and liabilities as at 31 December 2023:

			Fair value measurement using			
	Note	**Date of valuation**	Quoted prices in active markets (Level 1) €000	Significant observable inputs (Level 2) €000	Significant unobservable inputs (Level 3) €000	**Total €000**
Financial assets measured at fair value						
Derivative financial assets	23					
Interest rate swaps		31 December 2023	—	3,425	—	3,425
Financial liabilities measured at fair value						
Derivative financial liabilities	23					
Put options		31 December 2023	—	—	127	127
Interest rate swaps		31 December 2023	—	3,201	—	3,201

22. Fair value measurement continued

Fair value measurement hierarchy for assets and liabilities as at 31 December 2024:

	Note	Date of valuation	Fair value measurement using: Quoted prices in active markets (Level 1) €000	Significant observable inputs (Level 2) €000	Significant unobservable inputs (Level 3) €000	Total €000
Assets measured at fair value						
Derivative financial assets	23					
Foreign currency forwards		31 December 2024	—	261	—	**261**
Liabilities measured at fair value						
Derivative financial liabilities	23					
Foreign currency forwards		31 December 2024	—	97	—	**97**
Put options		31 December 2024	—	—	29	**29**
Interest rate swaps		31 December 2024	—	2,521	—	**2,521**

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended 31 December 2024 and 2023.

Specific valuation techniques used to value financial instruments include:

- for interest rate swaps – the present value of the estimated future cash flows based on observable yield curves;
- for foreign currency forwards – the present value of future cash flows based on the forward exchange rates at the balance sheet date;
- for put options – option pricing models (Monte Carlo);
- FVOCI – income approach; and
- for other financial instruments – discounted cash flow analysis.

Management assessed the fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximates their carrying amounts largely due to the short-term maturities of these instruments. Interest-bearing loans and borrowings are at floating rates with margin corresponding to market margins and credit rating of the Company has not significantly changed since refinancing in June 2024.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

23. Derivatives

Fair value measurement – Note 1(s)

The fair values of derivatives in the statement of financial position:

	2024 €000	2023 €000
Derivative assets		
Foreign currency forwards – cash flow hedges	**261**	—
Interest rate swaps – cash flow hedges	**—**	3,425
Total derivative assets at fair value	**261**	3,425
Current	**261**	3,425
Non-current	**—**	—
Derivative liabilities		
Foreign currency forwards – cash flow hedges	**97**	—
Put options related to associates	**29**	127
Interest rate swaps – cash flow hedges	**2,521**	3,201
Total derivative liabilities at fair value	**2,647**	3,328
Current	**1,183**	188
Non-current	**1,464**	3,140

Put options redemption liability related to non-controlling interests is described in Note 25. Put option related to an associate, which is measured as a derivative instrument and its fair value is €29,000 as of 31 December 2024, is described in Note 19 (31 December 2023: €127,000).

Cash flow hedges

Foreign currency risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges for forecasted purchases in CZK, PLN and HUF.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, there is no hedge ineffectiveness to be recognised in the consolidated income statement.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

23. Derivatives continued

Cash flow hedges continued

Foreign currency risk continued

The Group hedges cash flows from highly probable future purchases of energy. The Group contracted FX forwards as hedging instruments. The hedge effectiveness is measured by comparing the changes in hedged cash flow in EUR (foreign currency turnover in CZK, PLN and HUF translated into EUR) and the changes in the fair value of the hedging instruments (known as a "hypothetical derivative").

Hedging parameters

- The sum of the notional amount of derivatives and the expected amount of purchases are identical, or purchases in CZK, PLN or HUF are always higher;
- The hedged item and the hedging instruments are denominated in CZK, PLN or HUF, i.e. the same currencies;
- Expected maturity of hedging instruments, respectively their impact on profit or loss and the timing of the impact of cash flows on hedged sales are identical; and
- Derivatives are negotiated at market price (i.e. without premium payment), the change in fair value corresponds to the change in cash flow from changes in the exchange rate.

Hedging of future cash flows:

Balance as at 31 December 2024	Within 1 year €000	1–5 years €000	Total €000
Currency risk exposure			
Hedging of future cash flows – future receivables	261	—	261
Hedging of future cash flows – future liabilities	(97)	—	(97)
Total	**164**	**—**	**164**

Hedging is planned as 100% effective because the amount of effect from hedging items in CZK, PLN or HUF will be equal to the amount of purchases in CZK, PLN or HUF (hedged items).

Interest rate risk

The Group obtained club financing facilities (Note 27) with floating interest rates denominated in €. The interest rate risk management strategy of the Group requires minimisation of its exposure to changes in cash flow interest rate risk.

The Group concluded interest rate swaps ("IRS"), where the Group pays interest based on a fixed interest rate and receives interest based on a floating interest rate (based on 3M EURIBOR) derived from principal amount in €. This instrument allows the Group to reduce its interest rate cash flow risk.

	2024 €000	2023 €000
Carrying amount (current and non-current asset)	**—**	3,425
Carrying amount (current and non-current liabilities)	**2,521**	3,201
Nominal amount	**227,333**	278,667
Maturity date	**2026 and 2027**	2024 and 2027
Change in fair value of outstanding hedging instruments since 1 January	**(2,745)**	(6,686)
Change in value of hedged item used to determine hedge effectiveness	**2,745**	6,686
Average fixed rate of IRS	**3,05%**	1,98%

Hedging effects to other comprehensive income in the respective periods were the following:

	2024 €000	2023 €000
Revaluation interest rate swaps (existing)	**129**	(6,686)
Revaluation interest rate swaps (terminated)	**(2,874)**	—
Revaluation foreign exchange forwards	**152**	—
Reclassification to profit or loss interest rate swaps	**—**	(554)
Translation	**(12)**	101
	(2,605)	(7,139)
Deferred tax	**351**	—
Other comprehensive income	**(2,255)**	(7,139)

24. Cash and cash equivalents

Accounting policy Note 1(t)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	2024 €000	2023 €000
Cash at banks	**107,397**	90,309
Cash on hand	**33**	34
Cash and cash equivalents presented in the statement of financial position	**107,430**	90,343
Bank overdrafts	**(2)**	(1)
Cash and cash equivalents presented in the statement of cash flows	**107,428**	90,342

24. Cash and cash equivalents continued

Pledged cash at bank subject to security of bank loans:

	2024 €000	2023 €000
Cash at banks pledged	**107,102**	89,867

The fair value of cash and cash equivalents approximates their carrying value due to their short-term maturities.

Credit quality of cash at banks and short-term deposits:

External rating scale	2024 €000	2023 €000
A	**19,199**	14,747
Baa	**80,687**	63,908
Ba	**6,863**	9,459
B	**397**	852
Caa	**0**	1,036
Unrated	**251**	307
Total	**107,397**	90,309

25. Trade, other payables and other liabilities

Accounting policy – note 1(u)

Fair value measurement – note 1(s)

Revenue – note 1(d)

	2024 €000	2023 €000
Current		
Trade payables	**316,412**	303,165
Employee related liabilities	**21,524**	15,388
Advances received	**19,315**	12,911
Miscellaneous payables	**13,753**	8,644
Payables to tax authorities	**19,456**	18,562
Contract liabilities	**9,151**	6,971
Refund liabilities	**4,696**	4,461
Deferred acquisition consideration	**2,000**	32,732
Total Trade and other payables	**406,307**	402,834
Non-current		
Put option redemption liability	**4,657**	5,825
Contract liabilities	**4,406**	3,353
Employee related liabilities	**45**	—
Other liabilities	**167**	58
Total Other non-current liabilities	**9,275**	9,236

Trade payables are non-interest bearing and are normally settled on up to 30-day terms. Trade and other payables are non-derivative financial liabilities carried at amortised cost. The fair value of current trade and other payables approximates their carrying value due to their short-term maturities.

Employee-related liabilities include liabilities from social security and health insurance, liabilities payable to employees for salaries and accrued employee vacation to be taken or compensated for in the following accounting period and cash-settled share-based payments.

Advances received include mainly customer deposits related to OBUs and prepaid cards.

Miscellaneous payables relate primarily to payables to factoring companies (for working capital management), representing cash collected from customers in respect of sold receivables and on behalf of factoring companies.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

25. Trade and other payables, other liabilities continued

Put option redemption liability related to non-controlling interests represents present value of expected future settlement to acquire shares of non-controlling interest in subsidiaries at a future date.

Contract liabilities predominantly represent revenue deferred in line with navigation revenue recognition policy (Note 1(d)). The movements of contract deferred revenue during the years are as follows:

	2024 €000	2023 €000
Opening balance	**10,324**	6,715
Additions	**8,421**	5,538
Acquisition of a subsidiary	**—**	2,497
Release	**(5,188)**	(4,426)
Closing balance	**13,557**	10,324
Short-term	**9,151**	6,971
Long-term	**4,406**	3,353
Total	**13,557**	10,324

The total amount of deferred revenue is expected to be released in the consolidated income statement with the following pattern:

Release to income statement	1 year €000	2 years €000	3–5 years €000	Total €000
31 December 2024	**9,151**	**2,455**	**1,951**	**13,557**
31 December 2023	6,972	2,187	1,165	10,324

Present value of deferred acquisition consideration relates to the following acquisitions:

	2024 €000	2023 €000
Sygic, a.s.	**—**	14,216
Webeye Group	**—**	9,128
KomTes Group	**—**	8,688
Aldobec technologies, s.r.o.	**—**	700
Inelo Group	**2,000**	—
Total	**2,000**	32,732

For explanations on the Group's liquidity risk management processes, refer to Note 30.

26. Provisions

Accounting policy Note 1(v)

	Other provisions €000
1 January 2023	2,124
Additions	405
Utilized	(14)
Acquisition of subsidiary	1,324
FX difference	14
31 December 2023	3,853
Unused amounts reversed	(933)
31 December 2024	**2,920**

	Other provisions €000
Current at 1 January 2023	2,124
Non-current at 1 January 2023	—
Current at 31 December 2023	2,529
Non-current at 31 December 2023	1,324
Current at 31 December 2024	2,126
Non-current at 31 December 2024	794

The provisions mostly relate to unutilised customer credit limits disclosed in Note 34.

27. Interest-bearing loans and borrowings

Fair value measurement – note 1(s)

				31 December 2024			31 December 2023		
	Currency	Maturity	Interest rate	Total limit in currency	Amount in original currency	Total	Total limit in currency	Amount in original currency	Total
Bank loans									
Multicurrency term and revolving facilities agreement									
	EUR	2029/03	3M EURIBOR + margin	**45,000**	**32,537**	**32,537**	45,000	37,865	37,865
	EUR	2029/03	3M EURIBOR + margin	**68,000**	**40,904**	**40,904**	68,000	52,642	52,642
	EUR	2029/03	3M EURIBOR + margin	**37,000**	**33,194**	**33,194**	37,000	34,303	34,303
	EUR	2029/03	3M EURIBOR + margin	**120,000**	**84,683**	**84,683**	120,000	99,364	99,364
	EUR	2029/03	3M EURIBOR + margin	**60,000**	**42,341**	**42,341**	60,000	49,683	49,683
	EUR	2029/03	3M EURIBOR + margin	**50,000**	**37,969**	**37,969**	50,000	44,739	44,739
	EUR	2029/03	3M EURIBOR + margin	**33,500**	**30,836**	**30,836**	33,500	32,850	32,850
Other loans	CZK		fixed rate	**—**	**—**	**—**	96	96	5
Other loans	EUR		fixed rate	**5**	**5**	**5**	25	25	25
Financial liabilities to telecoms	PLN	36 months from the REPO transaction	Fixed rate – 6.29–16.86%	**1,939**	**1,939**	**454**	10,825	10,825	2,495
Other non-bank loans	PLN		3M WIBOR + 2%	**725**	**14**	**3**	642	642	147
Revolving facilities and overdrafts	—	—	—	**85,000**	**80,001**	**80,001**	85,000	53,001	53,001
Total	EUR			**—**	**—**	**382,927**	—	—	407,119
Current	EUR			**—**	**—**	**115,380**	—	—	113,297
Non-current	EUR			**—**	**—**	**267,547**	—	—	293,822

The Club Finance facility consists of four tranches:

- €150 million committed facility A for the refinancing of all existing term loan indebtedness;
- €180 million committed facility B for permitted acquisitions and capital expenditure;
- €235 million committed auxiliary credit facility, of which €85 million may be utilised by way of revolving loans, and €150 million may be utilised by way of ancillary facilities in the form of bank guarantees, letters of credit, or an overdraft up to €25 million; and
- €150 million uncommitted incremental facility for permitted acquisitions, capital expenditure, and auxiliary credit facilities up to €50 million of which not more than €25 million can be utilised as revolving loans.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

27. Interest-bearing loans and borrowings continued

The applicable interest rate base margin for the club financing facilities are determined according to the following margin grid and according to the ESG adjustment detailed below:

Net leverage	Interest rate
> 3.25	2.30% p.a.
≤ 3.25 ≥ 2.50	2.10% p.a.
< 2.50	1.90% p.a.

On 17 May 2023, the Group signed an amendment to the Club Finance facility which incorporates ESG key performance indicators into margin calculation (ESG adjustment) since 31 December 2023 with overall impact on margin in the range of (0.05 p.p.)-0.05 p.p. If all three sustainability KPI targets are met, the base margin is reduced by 0.05 percentage points. If none of the KPIs are met, the base margin is increased by 0.05 p.p. If one KPIs is not met, the base margin is reduced by 0.025 p.p. If two KPIs are not met, the base margin is increased by 0.025 p.p.

The interest expense relating to bank loans and borrowings is presented in Note 10.

Interest-bearing loans and borrowings are non-derivative financial liabilities carried at amortised cost.

On 10 March 2023, the Group received €180 million through facility B of the Club Finance facility. The new loan was used to finance the Inelo acquisition (Note 15). Interest rate risk was managed by concluding new interest rate swaps.

On 26 May 2023, the Group received €50 million through Incremental Facility I of the Club Finance facility. The purpose of the new drawdown was financing of the capital expenditures incurred or to be incurred. No interest rate swaps were concluded to cover the related interest rate risk. For more information refer to Note 30.

On 15 November 2023, the Group received €33.5 million through Incremental Facility II of the Club Finance facility. The purpose of the new drawdown was financing of the acquisition related payments incurred or to be incurred. No interest rate swaps were concluded to cover the related interest rate risk. For more information refer to Note 30.

On 14 March 2024, the Group signed an amendment to the Club Finance facility, which increased share of revolving loans within uncommitted incremental facility up to €40 million (previously up to €25 million). Total amount of uncommitted incremental facility remains unchanged. The amendment also removed the interest cover covenant for the six months ended 30 June 2024.

On 6 June 2024, the Group signed another amendment to the Club Finance facility, which changed maturity date to 31 March 2029 and decreased quarterly instalments.

On 20 June 2024, the Group received €50 million through Incremental Facility III of the Club Finance facility (Revolving Facility Loans). The purpose of the newly enabled limit was financing of the working capital needs and issuing new bank guarantees.

On 9 December 2024, the Group signed a waiver and consent request letter to the Club Finance facility which incorporates permanent reduction of the Interest Cover from not less than 4.00:1 to not less than 3.50:1.

As at 31 December 2024 and 2023, the following pledges have been made as a security for aforementioned loans:

- pledge of shares (mainly W.A.G payment solution, a.s.);
- pledge of receivables (Note 21);
- pledge of bank accounts (Note 24);
- pledge of trademarks.

The Group complied with all financial covenants under the Club Finance facility as of 31 December 2024 and 31 December 2023, and forecasts compliance for the going concern period based on the revised terms as described above.

Financial covenant terms of the Club Finance facility were as follows:

Covenant	Calculation	Target	**Actual 31 December 2024**	Actual 31 December 2023
Interest cover	the ratio of adjusted EBITDA to finance charges	Min 3.50	**4.24**	4.82
Net leverage	the ratio of total net debt to adjusted EBITDA	Max 3.75*	**2.34**	2.90
Adjusted net leverage	the ratio of the adjusted total net debt to adjusted EBITDA	Max 6.50	**3.77**	4.22

* the covenant shall not exceed 3.50 in 2025 and onwards

For covenants calculations, alternative performance measures are defined differently by the Club Finance facility:

- Adjusted EBITDA represents full year adjusted EBITDA of companies acquired during the period;
- Net debt includes lease liabilities and derivative liabilities; and
- Adjusted net debt includes face amount of guarantees, bonds, standby or documentary letters of credit or any other instrument issued by a bank or financial institution in respect of any liability of the Group.

28. Reconciliation of liabilities arising from financing activities

The table below sets out an analysis of liabilities from financing activities and the movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those reported as financing in the statement of cash flows:

	Liabilities from financing activities		
	Borrowings €000	Lease liabilities €000	Total €000
Liabilities from financing activities at 1 January 2023	143,156	13,427	156,583
Cash inflows	356,886	—	356,886
Cash outflows	(97,283)	(5,352)	(102,635)
Business combinations	5,477	3,146	8,623
New leases	—	11,239	11,239
Foreign exchange adjustments	(2,816)	7	(2,809)
Other movements*	1,699	(141)	1,558
Liabilities from financing activities at 31 December 2023	407,119	22,326	429,445
Cash inflows	**55,000**	**—**	**55,000**
Cash outflows	**(78,471)**	**(5,181)**	**(83,652)**
New leases	**—**	**3,730**	**3,730**
Foreign exchange adjustments	**80**	**(326)**	**(246)**
Other movements*	**(801)**	**(1,270)**	**(2,071)**
Liabilities from financing activities at 31 December 2024	**382,927**	**19,279**	**402,206**

* "Other movements" in Borrowings represent effective interest rate adjustment from transaction costs and fair value impact of Inelo bank borrowings at acquisition. The Group classifies interest paid as cash flows from operating activities. The "Other movements" in Lease liabilities represent cancellation of lease liability in connection with premature termination of a lease.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

29. Equity

Shares authorised, issued and fully paid:

	Ordinary shares		Class B share			
	Number of shares	Share capital €000	Number of shares	Share capital €000	Share premium €000	Merger reserve €000
At 1 January 2023	688,911,333	8,107	—	—	2,958	(25,963)
Share options exercised[1]	560,204	6	—	—	—	—
At 31 December 2023	689,471,537	8,113	—	—	2,958	(25,963)
Share options exercised[2]	590,306	7	—	—	—	—
At 31 December 2024	**690,061,843**	**8,120**	**—**	**—**	**2,958**	**(25,963)**

1 On 15 August 2023, 560 204 new ordinary shares of the Company were issued in relation to exercised option plan. The nominal value of the shares was GBP 0.01 per share resulting in EUR 6,000 share capital increase.

2 During 2024, several allotments of new ordinary shares of the Company occurred in relation to exercised option plans - 560 204 shares on 17 April 2024, 7 722 shares on 1 November 2024, 11 839 shares on 22 November 2024, and 10 541 shares on 17 December 2024. The nominal value of the shares was GBP 0.01 per share resulting in EUR 7,000 share capital increase.

Share-based payments

The Group has a share option scheme under which options to subscribe for the Group's shares have been granted to management. Refer to Note 14 for further details on these plans.

Other reserves

	Note	Financial assets at FVOCI €000	Foreign currency translation reserve €000	Reserve funds €000	Cash-flow hedge reserve €000	Total €000
1 January 2023		—	2,958	54	7,330	10,342
Change in fair value of cash flow hedge recognised in equity	23	—	—	—	(7,139)	(7,139)
Revaluation - gross		(15,475)	—	—	—	(15,475)
Deferred tax		—	—	—	154	154
Exchange differences on translation of foreign operations (excluding NCI)		—	16,545	—	—	16,545
Other comprehensive (expense)/income for the period		(15,475)	16,545	—	(6,985)	(5,915)
At 31 December 2023		(15,475)	19,503	54	345	4,427
Change in fair value of cash flow hedge recognised in equity	23	—	—	—	(2,605)	(2,605)
Deferred tax		—	—	—	351	351
Exchange differences on translation of foreign operations (excluding NCI)		—	(2,059)	—	—	(2,059)
Other comprehensive (expense)/income for the period		—	(2,059)	—	(2,254)	(4,313)
At 31 December 2024		**(15,475)**	**17,444**	**54**	**(1,909)**	**114**

Minor balances of reserve funds relate to selected subsidiaries, where the Group is obliged to make annual contributions from local profits.

29. Equity continued

Put option reserve

The put option reserve reflects corresponding charges related to the present value of put options redemption amount. Once the put option is exercised and the liability is settled the equivalent amount is transferred from the put option reserve to retained earnings. Refer to non-controlling interests section below for further details.

Non-controlling interests ("NCI")

The following transactions with non-controlling interest parties occurred during the year:

	For the year ended 31 December 2024					
	2024					
€000	Sygic	KomTes	FireTMS	CVS	Total	2023 Total
Recognition of put option liability on acquisition of controlling interests in subsidiaries	—	—	—	—	—	10,401
Acquisition of non-controlling interests[1,2,3]	**(7,946)**	**(8,688)**	**(2,330)**	**—**	**(18,964)**	(4,461)
Put options held by non-controlling interests[3]	**—**	**—**	**1,161**	**—**	**1,161**	3,994
Recognised in put option reserve	**(7,946)**	**(8,688)**	**(1,169)**	**—**	**(17,803)**	9,934
Payment for NCI in excess of NCI value recognised[1,2,3,4]	**8,151**	**3,883**	**3,264**	**(239)**	**15,059**	1,949
Recognised in retained earnings	**8,151**	**3,883**	**3,264**	**(239)**	**15,059**	1,949
Total attributable to equity holders of the parent	**205**	**(4,805)**	**2,095**	**(239)**	**(2,744)**	11,883
Recognise NCI on acquisition of subsidiaries	—	—	—	—	—	(3,683)
Derecognise NCI on sale of controlling interest of subsidiaries	—	—	—	—	—	525
Derecognise NCI on acquisition of non-controlling interests of subsidiaries[2,3,4]	**—**	**4,993**	**175**	**999**	**6,167**	2,512
Dividends paid	—	—	—	—	—	142
Recognised as non-controlling interest	**—**	**4,993**	**175**	**999**	**6,167**	(504)
Total	**205**	**188**	**2,270**	**760**	**3,423**	11,379

1 Following the amendment to the original share purchase agreement with Sygic, a.s. non-controlling shareholders from March 2024, the Group paid the agreed purchase price of €15,574,000 (Note 15) for the remaining 30% interest in Sygic a.s. Following the payment, related put option reserve of €7,946,000 was released to retained earnings.

2 In 2023, the Group signed an agreement to acquire the NCI of KomTes in 2024 (Note 15). The final purchase price (CZK 225m ~ €8,876,000) was agreed on 1 October 2024 and paid to non-controlling shareholders on 9 October 2024. Following the agreement, related put option reserve of €8,688,000 was released to retained earnings together with the value of NCI as of the date of the transaction amounting to €4,993,000 (31 December 2023: €4,993,000).

3 In 2024, the Group restructured an option to acquire its remaining shareholding in FireTMS (Note 15) resulting in additional €1,161,000 recognised in put option reserve. Subsequently, the Group acquired additional 7.6% interest in FireTMS for a purchase price amounting to €3,439,000. Following the payment, the value of NCI as of the date of the transaction amounting to €175,000 (31 December 2023: €335,000).

4 In 2024, the Group acquired the remaining 4.19% interest in CVS for a consideration of €760,000 (Note 15). Following the payment, the value of NCI as of the date of the transaction amounting to €999,000 (31 December 2023: €1,002,000) was transferred to retained earnings.

Remaining subsidiaries that have non-controlling interests are not material to the Group.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

30. Financial risk management

The Group's classes of financial instruments correspond with the line items presented in the Consolidated Statement of Financial Position.

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, leases and trade and other payables. These financial liabilities relate to the financing of the Group's operations and investments. The Group's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. Management of the Group identifies financial risks that may have an adverse impact on the business objectives and, through active risk management, reduces these risks to an acceptable level.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

The sensitivity analyses in the following sections relate to the position as at 31 December 2024 and 31 December 2023.

Sensitivity analyses have been prepared on the basis that net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analyses exclude the impact of movements in market variables on provisions, and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2024 and 31 December 2023.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank loans and borrowings with floating interest rates.

The Group manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 December 2024, after taking into account the effect of interest rate swaps, Group's borrowings of €82,548,000 (FY 2023: €79,200,000) were at variable interest rate (excluding revolving facilities and overdrafts). Sensitivity to interest rate changes is disclosed in the table below. Average fixed rate of interest rate swaps is 3.05% at 31 December 2024 (31 December 2023: 1.98%) (Note 23).

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Group's (loss)/profit before tax is affected through the impact on floating rate borrowings, as follows:

	2024 €000	2023 €000
Increase by 50 basis points	**(413)**	(396)
Decrease by 50 basis points	**413**	396

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group invoices mainly in EUR. However, there are transactional currency exposures that arise from sales and purchases also in other currencies, in particular CZK, PLN, and HUF.

Financial assets and liabilities include cash and cash equivalents, trade and other receivables and interest-bearing loans and borrowings and trade and other payables. All remaining assets and liabilities in foreign currencies are immaterial or not subject to exchange rate exposure (such as property, plant and equipment).

The table below presents the sensitivity of the (loss)/profit before tax to a hypothetical change in EUR, CZK, PLN, and other currencies and the impact on financial assets and liabilities of the Group. The sensitivity analysis is prepared under the assumption all the other variables are constant.

Effect of the change in exchange rates between functional currency of each entity and EUR, CZK, PLN and other currencies on (loss)/profit before tax:

	% change in rate	**2024 €000**	2023 €000
EUR	+/- 10%	**+/- 15,092**	+/- 17,341
PLN	+/- 10%	**+/- 4,587**	+/- 261
CZK	+/- 10%	**+/- 2,710**	+/- 8,361
Others	+/- 10%	**+/- 5,538**	+/- 164

The increase in exposure to other currencies mainly relates to HUF which the Group manages through hedging (see Note 23).

The Group manages its foreign currency risk by using foreign currency forwards, the impact of which is disclosed in Note 6 and 23. Above effect on (loss)/profit before tax is not adjusted for the impact of derivatives.

30. Financial risk management continued

Credit risk

Credit risk is the risk a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). The risk is managed on a Group basis and individual customer credit risk limits are set based on internal ratings. Refer to Note 34 for unutilised customer credit limits.

The outstanding balances of trade receivables and compliance with credit limits are monitored on a regular basis. Group management seeks to minimise exposure of credit risk to single counterparty or group of similar counterparties when possible. As at 31 December 2024 and 31 December 2023, there was no significant concentration of credit risk as there were no individually significant customers.

The Group insures eligible receivables and accepts bank guarantees and collateral pledges to mitigate credit risk.

The Group does not use credit derivatives to mitigate credit risk.

The ageing of receivables is regularly monitored by the Group management.

Refer to Note 21 for further details.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. The Group performs regular monitoring of its liquidity position to keep sufficient financial resources to settle its liabilities and commitments.

The Group's current ratio (current assets divided by current liabilities) was:

	2024	2023
Current ratio	**0.93**	0.97

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (€000):

31 December 2024	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Non-derivatives						
Interest-bearing loans and borrowings	**—**	**93,798**	**39,715**	**300,382**	**—**	**433,895**
Lease liabilities	**—**	**1,514**	**4,383**	**12,482**	**3,654**	**22,033**
Trade and other payables*	**—**	**351,403**	**5,003**	**6,848**	**—**	**363,254**
Total non-derivatives	**—**	**446,715**	**49,101**	**319,712**	**3,654**	**819,182**

31 December 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Non-derivatives						
Interest-bearing loans and borrowings	—	75,360	67,962	315,652	—	458,974
Lease liabilities	—	1,325	4,397	14,614	5,118	25,454
Trade and other payables*	—	337,145	27,244	5,883	—	370,272
Total non-derivatives	—	413,830	99,603	336,149	5,118	854,700

* Trade and other payables exclude tax payables, advances received and contract liabilities as these are non-financial liabilities.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

31. Capital management

The primary objective of the Group's capital management is to ensure it has the capital required to operate and grow the business at a reasonable cost of capital without incurring undue financial risks. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. In addition, the Board considers the management of debt to be an important element in controlling the capital structure of the Group. The Group utilises long-term debt to fund investments and acquisitions and has arranged debt facilities to allow for fluctuations in working capital requirements.

The primary objective of the Group's capital management is to maximise the shareholder value. The Group's capital allocation principles include:

- Investment in technology and capabilities for organic growth;
- Investment in value accretive strategic acquisitions; and
- Prioritising growth over dividends with no intention to declare dividends in the near term.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using the gearing ratio:

	2024 €000	2023 €000
Interest-bearing loans	**382,927**	407,119
Cash and cash equivalents	**(107,430)**	(90,343)
Net indebtedness	**275,497**	316,776
Total equity attributable to Company	**261,943**	256,455
Gearing ratio	**105.17%**	123.52%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Group has secured an allowed net leverage spike of half a turn of total net debt to adjusted EBITDA for two consecutive reporting periods 2023 and 2024 in the Club Finance facility. Further details are disclosed in Note 27.

No changes were made in the objectives, policies or processes for managing capital during the above period.

32. Related party disclosures

Company

The Company controlling the Group is disclosed in Note 1.

Subsidiaries

Interests in subsidiaries are set out in Note 33.

Key management personnel compensation

Key management personnel compensation is disclosed in Note 7.

Ultimate controlling party

The Company is the ultimate parent entity of the Group and it is considered that there is no ultimate controlling party. Decision making is made collectively by the board of directors or by board sub-committees on behalf of the board. The board is the first to approve many of the items brought to vote at the annual general meeting (e.g. directors appointment and resignation, authority to allot shares, annual financial statements approval, appointment of auditors). Mr. Vohánka does not control either the Board of directors or its sub-committees.

Paid dividends

Paid dividends are disclosed in Consolidated Statement of Changes in Shareholders' Equity.

Transactions with other related parties

	2024 €000	2023 €000
Sale of goods to key management personnel	**—**	1
Sale of property to key management personnel	**37**	3
Sale of various goods and services to entities controlled by key management personnel	**3**	—
Purchases of various goods and services from entities controlled by key management personnel*	**1,604**	1,730
Purchases of various goods and services from associates	**14**	6
Sale of W.A.G Payment solutions PLC Shares to key management personnel	**7**	6

* The Group acquired the following goods and services from entities that are controlled by members of the Group's key management personnel: software development, marketing research, consultancy, taxi services.

32. Related party disclosures continued

Outstanding balances arising from sales/purchases of goods and services

	2024 €000	2023 €000
Trade payables to entities controlled by key management personnel	**147**	138
Trade payables to associates	**1**	—

In December 2023, an agreement for purchasing of the remaining 49% interest in KomTes Chrudim, s.r.o. was entered into with two minority shareholders Jiří Daněk and Daniel Říha. As they were both Directors of KomTes Group subsidiaries during 2023, the transaction is considered a related party transaction. Under UK Listing rules, the two combined KomTes subsidiaries were classified as insignificant subsidiary undertaking. After signing of the agreement, they were replaced in their positions of KomTes's Group Directors as of 1 January 2024. For more information on the transaction, please refer to Note 15.

As at 31 December 2024 and 2023, the Group had no outstanding loans, credit, security or other benefits in either monetary or in-kind form to persons who are the governing body or to members of governing or other management and supervisory bodies, including former officers and members of those bodies.

Selected employees benefit from the private use of the Group cars.

Terms and conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Goods were sold during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

33. Related undertakings of the group

The Group is organised in two operating segments:

- Payment solutions represent Group's revenues, which are based on recurring and frequent transactional payments. The segment includes Energy and Toll payments, which are typical first choice of a new customer.
- Mobility solutions represent a number of services, which are either subscription based or subsequently sold to customers using Payment solutions products. The segment includes Tax refund, Fleet management services, Navigation, and other service offerings.

The consolidated financial statements of the Group include:

				Effective economic interest	
Name	**Principal activities**	**Country of incorporation**	**Registered address**	**2024**	2023
W.A.G. PAYMENT SOLUTIONS PLC ∞	Holding company	United Kingdom	Third Floor (East), Albemarle House, 1 Albemarle Street, London W1S 4HA	**Company**	Company
W.A.G. payment solutions AT GmbH	Payment solutions	Austria	Kammer 44, 4981 Reichersberg, Austria	**100%**	100%
W.A.G. payment solutions BE BVBA	Payment solutions	Belgium	Place Marcel Broodthaersplein 8, 1060 Sint-Gillis, Brussel, Belgium	**100%**	100%
CVS Mobile d.o.o.	Mobility solutions	Bosnia and Herzegovina	203. brigade 34, Matuzići, Doboj Jug, Bosnia-Herzegovina	**100%**	96%
W.A.G. payment solutions BG EOOD	Payment solutions	Bulgaria	18 Todor Aleksandrov blvd. 1000 Sofia, Bulgaria	**100%**	100%
WEBEYE BULGARIA LTD	Mobility solutions	Bulgaria	Iskar district, 41 "Nedelcho Bonchev" Str., floor 3, apt. 16.,1528 Sofia, Bulgaria	**100%**	100%
W.A.G. payment solutions – Branch Bulgaria	Payment solutions	Bulgaria	18 Todor Aleksandrov blvd. 1000 Sofia, Bulgaria	**100%**	100%
W.A.G. payment solutions HR d.o.o.	Payment solutions	Croatia	Grand Centar, Hektorovićeva ulica 2, 10000 Zagreb, Croatia	**100%**	100%
WEBEYE Hrvatska d.o.o.	Mobility solutions	Croatia	Buzinski prilaz 10, Zagreb, Croatia	**100%**	100%
CVS Mobile d.o.o.	Mobility solutions	Croatia	Jankomir 25, 10090 Zagreb, Croatia	**100%**	96%
W.A.G. payment solutions, a.s.*	Payment solutions and mobility solutions	Czech Republic	Na Vítězné pláni 1719/4, 14000 Prague 4, Czech Republic	**100%**	100%
W.A.G. Issuing Services, a.s.	Payment solutions	Czech Republic	Na Vítězné pláni 1719/4, 14000 Prague 4, Czech Republic	**100%**	100%
W.A.G. payment solutions CZ, s.r.o.	Payment solutions	Czech Republic	Na Vítězné pláni 1719/4, 14000 Prague 4, Czech Republic	**100%**	100%
Reamon Tax, a.s.	Mobility solutions	Czech Republic	Göthova 149, Dačice I, 38001 Dačice, Czech Republic	**100%**	100%
Princip a.s.	Mobility solutions	Czech Republic	Na Vítězné pláni 1719/4, 14000 Prague 4, Czech Republic	**100%**	100%
KomTeS Chrudim s.r.o. (merged with Princip a.s.)	Mobility solutions	Czech Republic	Malecká 273, Chrudim IV, 53705 Chrudim, Czech Republic	**—**	51%
W.A.G. payment solutions DK ApS	Payment solutions	Denmark	Frederiksborggade 15, 2nd and 3rd floor, 1360 Copenhagen, Denmark	**100%**	100%
W.A.G. payment solutions EE OÜ	Payment solutions	Estonia	Akadeemia tee 21/4-301, 12618 Tallinn Harjumaa, Estonia	**100%**	100%
W.A.G. payment solutions FI Oy	Payment solutions	Finland	Aalto University Campus, Metallimiehenkuja 10, 02150 Espoo, Finland	**100%**	100%
W.A.G. payment solutions FR SARL	Payment solutions	France	Montpellier Optimum, 450 Rue Baden Powell, 34000 Montpellier. France	**100%**	100%
W.A.G. payment solutions DE GmbH	Payment solutions	Germany	Dr.-Gessler-Straße 20, 93051 Regensburg, Germany	**100%**	100%

33. Related undertakings of the group continued

Name	Principal activities	Country of incorporation	Registered address	Effective economic interest 2024	2023
WebEye Deutschland GmbH	Mobility solutions	Germany	Schatzbogen 33, 81829 München, Germany	**100%**	100%
JITPay GmbH	Payment solutions	Germany	Willy-Brandt-Platz 19, 38102 Braunschweig, Germany	**9,99%**	9,99%
FireTMS.com GmbH	Mobility solutions	Germany	Stresemannstraße 123, 10963 Berlin, Germany	**89%**	81%
CVS Mobile GmbH	Mobility solutions	Germany	Dr.-Gessler-Str. 20, 93051 Regensburg	**100%**	96%
W.A.G. payment solutions EL SP LTD	Payment solutions	Greece	12A Eleftheriou Venizelou Str., GR - 151 27 Melissia, Athens, Greece	**100%**	100%
W.A.G. payment solutions HU, Kft.	Payment solutions	Hungary	1138 Budapest, Népfürdő utca 22. B. ép. 13. em., Hungary	**100%**	100%
W.A.G. HU, Kft. (liquidation)	Payment solutions	Hungary	1138 Budapest, Népfürdő utca 22. B. ép. 13. em., Hungary	**—**	100%
E-Toll Services Hungary, Kft.	Mobility solutions	Hungary	2151 Fót, Akácos, East Gate Business park 0221/12 hrsz. D2. ép, Hungary	**100%**	100%
RoadOn Magyarország Kereskedelmi és Szolgáltató, Kft. (liquidation)	Mobility solutions	Hungary	2151 Fót, Akácos, East Gate Business park 0221/12 hrsz. D2. ép, Hungary	**—**	100%
WebEye Magyarország Kereskedelmi és Szolgáltató, Kft.	Mobility solutions	Hungary	2151 Fót, Akácos, East Gate Business park 0221/12 hrsz. D2. ép, Hungary	**100%**	100%
CONSORZIO EUROWAG S.C. A R.L	Payment solutions	Italy	Via Giovanni Giolitti 55, 10123 Torino, Italy	**100%**	100%
W.A.G. payment solutions IT S.R.L. UNIPERSONALE	Payment solutions	Italy	Via Savonarola 217, 35137 Padova, Italy	**100%**	100%
CVS Mobile s.r.l.	Mobility solutions	Italy	Via Battisti 2, 34125 Trieste, Italy	**100%**	96%
SIA W.A.G. payment solutions LV	Payment solutions	Latvia	Bauskas street 58A, Riga, LV-1004, Latvia	**100%**	100%
W.A.G. payment solutions LT, UAB	Payment solutions	Lithuania	Lvivo g. 2509320 Vilnius, Lithuania	**100%**	100%
UAB „Tankita“	Payment solutions	Lithuania	Žalgirio str. 96-103, Vilnius, Lithuania	**20%**	20%
W.A.G. payment solutions LU S.à r.l.	Payment solutions	Luxembourg	19, rue de Bitbourg, L-1273 Luxembourg	**100%**	100%
CVS Mobile MK dooel	Mobility solutions	North Macedonia	16-ta Makedonska brigada 13b, 1000 Skopje, North Macedonia	**100%**	96%
W.A.G. payment solutions NO AS	Payment solutions	Norway	C.J. Hambros Plass 2 C, 0164, Oslo, Norway	**100%**	100%
W.A.G. payment solutions PL, Sp. Zoo	Payment solutions	Poland	ul. Prosta 69, 00-838 Warsaw, Poland	**100%**	100%
W.A.G. payment solutions, a.s., - SA Oddzial w Polsce	Payment solutions	Poland	ul. Prosta 69, 00-838 Warsaw, Poland	**100%**	100%
Webeye Polska sp. z.o.o.	Mobility solutions	Poland	30-663 Kraków (Poland), 250 Wielicka Str., Poland	**100%**	100%
Grupa Inelo S.A. (merged with INELO Polska Sp. z o.o.)	Mobility solutions	Poland	43-300 Bielsko-Biała, ul. Kaprapcka 24/B13, Poland	**—**	100%
INELO Polska Sp. z o.o.	Mobility solutions	Poland	43-300 Bielsko-Biała, ul. Kaprapcka 24/U2b, Poland	**100%**	100%
Marcos Bis Sp. z o.o.	Mobility solutions	Poland	ul. Powstańców 19, 40 – 039 Katowice, Poland	**100%**	100%

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

33. Related undertakings of the group continued

Name	Principal activities	Country of incorporation	Registered address	Effective economic interest 2024	2023
FIRETMS.COM Sp. z o.o.	Mobility solutions	Poland	44-200 Rybnik, ul. 3 Maja 30, Poland	**89%**	81%
Liserteco LDA	Mobility solutions	Portugal	Rua das Industrias, n° 236, 1°, Sala 104, Trofa, 4785 – 625, Portugal	**100%**	100%
W.A.G. payment solutions PT Unnipessoal, LDA	Payment solutions	Portugal	Rua das Industrias, n° 236, 1°, Sala 104, Trofa, 4785 – 625, Portugal	**100%**	100%
MYWEBEYE IBÉRIA, LDA	Mobility solutions	Portugal	Rua Francisco Pinto Júnior n 5 2690-390 Santa Iría da Azóia, Portugal	**100%**	100%
W.A.G. payment solutions RO, s.r.l.	Payment solutions	Romania	Calea Serban Voda, no 206-218, U-Center 2, 2nd floor, postal code 040215, Sector 4, Bucharest, Romania	**100%**	100%
WebEye International s.r.l.	Mobility solutions	Romania	Oradea, str. Nufărului nr. 28E, Județul Bihor, Romania	**100%**	100%
Eurowag d.o.o. Beograd-Stari Grad	Payment solutions	Serbia	Maksima Gorkog No 8, 1st floor, 26000 Pančevo. Serbia	**100%**	100%
CVS Mobile d.o.o.	Mobility solutions	Serbia	Ulica Španskih boraca 24V, 11070 Novi Beograd, Serbia	**100%**	96%
Aldobec technologies, s.r.o. (merged with W.A.G. Payment solutions SK, s.r.o.)	Mobility solutions	Slovakia	Twin City C, Mlynské Nivy 16, 82109 Bratislava - mestská časť Ružinov, Slovakia	**—**	100%
Klub Investorov T&G SK, s.r.o. (liquidation)	Payment solutions	Slovakia	Hlavná 18, 90066 Vysoká pri Morave, Slovakia	**—**	100%
W.A.G. payment solutions SK, s.r.o.	Payment solutions	Slovakia	Kukučínova 38/A, 83103 Bratislava, Slovakia	**100%**	100%
W.A.G. payment solutions, a.s., - organizačná zložka	Payment solutions	Slovakia	Tolstého 9, Bratislava 811 06, Slovakia	**100%**	100%
Sygic, a.s.	Mobility solutions	Slovakia	Twin City C, Mlynské Nivy 16, 82109 Bratislava - mestská časť Ružinov, Slovakia	**100%**	70%
KomTeS SK s.r.o. (merged with W.A.G. Payment solutions SK, s.r.o.)	Mobility solutions	Slovakia	Dopravná 7, 92101 Piešťany, Slovakia	**—**	51%
WebEye Slovakia s.r.o (merged with W.A.G. Payment solutions SK, s.r.o.)	Mobility solutions	Slovakia	Sliačska 1E, 831 02 Bratislava, Slovakia	**—**	100%
W.A.G., plačilne rešitve SI, d.o.o.	Payment solutions	Slovenia	Trg. Republike 3, 1000 Ljubljana, Slovenia	**100%**	100%
Webeye International d.o.o (CVS Mobile d.d.)	Mobility solutions	Slovenia	Kidričeva ulica 13D, 1236 Trzin, Slovenia	**—**	100%
Napredna telematika d.o.o.	Mobility solutions	Slovenia	Ulica Gradnikove brigade 11, 1000 Ljubljana, Slovenia	**100%**	100%
CVS Mobile d.d.	Mobility solutions	Slovenia	Ulica Gradnikove brigade 11, 1000 Ljubljana, Slovenia	**100%**	96%
Infotrans d.o.o.	Mobility solutions	Slovenia	Ljubljanska cesta 24C, 4000 Kranj, Slovenia	**51,00%**	48,86%
W.A.G. payment solutions Spain SLU.	Payment solutions	Spain	Bulevar de Salburua Street, number 8, 14th floor, 01002, Vitoria (Álava)	**100%**	100%
W.A.G. mobility solutions Iberia SL	Payment solutions	Spain	Bulevar de Salburua Street, number 8, 14th floor, 01002, Vitoria (Álava)	**100%**	100%
Arraia-Oil, S.L.	Payment solutions	Spain	Bulevar de Salburua Street, number 8, 14th floor, 01002, Vitoria (Álava)	**100%**	100%
Liserteco 24 Horas, SL	Mobility solutions	Spain	Bulevar de Salburua Street, number 8, 14th floor, 01002, Vitoria (Álava)	**100%**	100%

33. Related undertakings of the group continued

Name	Principal activities	Country of incorporation	Registered address	Effective economic interest 2024	Effective economic interest 2023
Tax Refund Consulting SL	Mobility solutions	Spain	Marques de Riscal 11 5a, Madrid 28010, Spain	**100%**	100%
W.A.G. payment solutions Sweden AB	Payment solutions	Sweden	Östermalmstorg 1, 114 42 Stockholm, Sweden	**100%**	100%
W.A.G. payment solutions CH AG	Payment solutions	Switzerland	Flurstrasse 55, 8048 Zürich, Switzerland	**100%**	100%
W.A.G. payment solutions NL B.V.	Payment solutions	The Netherlands	De Cuserstraat 93, 1081 CN Amsterdam. The Netherlands	**100%**	100%
Threeforce B.V.	Mobility solutions	The Netherlands	Zeemansstraat 11, 3016 CN in Rotterdam, The Netherlands	**27,75%**	27,75%
WAG Payment Solutions Turkey Ödeme Sistemleri Ticaret Limited Şirketi	Payment solutions	Turkey	FSM Mah. Poligon Cad. No: 8B Buyaka2 Sitesi, Kule 2 Kat 6, Daire: 25, 34771 Tepeüstü- Ümraniye- İstanbul, Turkey	**100%**	100%
W.A.G. payment solutions, a.s. Merkezi CEK Cumhuriyeti Istanbul Merkez Sube Si	*Payment solutions*	*Turkey*	*FSM Mah. Poligon Cad. No: 8B Buyaka2 Sitesi, Kule 2 Kat 6, Daire: 25, 34771 Tepeüstü- Ümraniye- İstanbul, Turkey*	**100%**	*100%*
W.A.G. payment solutions UK LIMITED ∞ †	*Payment solutions*	*United Kingdom*	*Third Floor (East), Albemarle House, 1 Albemarle Street, London W1S 4HA*	**100%**	*100%*

* Wholly owned direct subsidiary of W.A.G payment solutions plc

∞ Registered in England and Wales

† These companies have claimed exemption from audit per 479A of the Companies Act 2006.

The Company's directly held subsidiary is W.A.G. payment solutions, a.s. All other subsidiaries are indirectly held. All shares are ordinary shares unless stated otherwise.

The Company, through its subsidiary W.A.G. payment solutions, a.s., has the same percentage voting rights as effective economic interest, directly or indirectly, in all listed above subsidiaries except for Infotrans d.o.o. W.A.G. payment solutions, a.s. is controlling Infotrans d.o.o. through a chain of subsidiaries where it holds majority of voting rights.

Notes to the consolidated financial statements for the year ended 31 December 2024 continued

34. Contingent assets and liabilities

In the ordinary course of business, the Group has the following possible obligations for guarantees and indemnities place with the Group's banking and other financial institutions and primarily relating to performance under contracts with customers. These possible obligations are contingent on the outcome of uncertain future events which are considered unlikely to occur. The Group is also involved in commercial disputes and litigation with some customers, which is also in the normal course of business. Whilst the result of such disputes cannot be predicted with certainty, the ultimate resolution of these disputes is not expected to have a material impact on the Group's financial position or results.

	2024 €000	023 €000
Unutilised customer credit limits	**461,270**	371,580
Bank guarantees	**173,470**	149,445

During the year, the Group has provided guarantees and indemnities in respect of the following obligors over certain assets of the Group as set out below:

Name of Obligor	**Transaction Security**
W.A.G Payment Solutions plc	Agreement on pledge over the following assets: › 100% shares in WAG Payment Solutions plc › Enterprise › Trademarks › 100% shares in W.A.G Issuing Services › 100% shares in Princip a.s. › 100% shares in W.A.G. Payment Solutions Spain S.L.U. › 100% shares in W.AG. Payment Solutions Iberia S.L.U.
W.A.G. Issuing Services	Agreement on pledge over enterprise and bank account receivables
W.A.G. Mobility Solutions Iberia	Agreement on pledge over 100% shares in ARRAIA OIL S.L.U.

35. Presentation of consolidated income statement

Other operating expenses and operating profit or loss

The Group reports its analysis of expenses by function of expense. In the prior year, employee expenses, technology expenses, depreciation and amortisation were reported in the primary consolidated income statement within operating expenses. In the current year these expenses have been included within operating expenses as described in note 1(a). Below is a reconciliation of other operating expenses and operating profit or loss:

	Previously reported 2023 €000	Reclassify employee expense[(1)] 2023 €000	Reclassify share of loss of associates[(2)] 2023 €000	Reclassify technology expense[(3)] 2023 €000	Reclassify other depreciation and amortiastion[(4)] 2023 €000	Represented 2023 €000
Net revenue	256,530	—	—	—	—	256,530
Other operating income	10,089	—	—	—	—	10,089
Employee expenses	(96,793)	96,793	—	—	—	—
Impairment losses of financial assets	(8,884)	—	—	—	—	(8,884)
Impairment losses of non-financial assets	(56,663)	—	—	—	—	(56,663)
Share of net loss of associates	—	—	(504)	—	—	(504)
Technology expenses	(18,931)	—	—	18,931	—	—
Other operating expenses	(55,510)	(96,793)	—	(18,931)	(57,529)	(228,763)
Depreciation and amortisation	(57,529)	—	—	—	57,529	—
Operating loss	(27,691)	—	(504)	—	—	(28,195)
Finance income	14,682	—	—	—	—	14,682
Finance costs	(25,794)	—	—	—	—	(25,794)
Share of net loss of associates accounted for using the equity method	(504)	—	504	—	—	—
Loss before income tax	(39,307)	—	—	—	—	(39,307)
Income tax expense	(4,241)					(4,241)
Loss from continuing operations	(43,548)	—	—	—	—	(43,548)
Loss after tax for the year from discontinued operations	(489)	—	—	—	—	(489)
Loss for the year	(44,037)	—	—	—	—	(44,037)

1 Employee expenses are disclosed in note 7

2 Share of loss of associates have been reclassified from financing to operating expenses as they relate to operations in the ordinary course of business and are disclosed separately in the consolidated income statement and in note 19.

3 Technology expenses are not considered to vary by the level of sales or production and form part of the operating expenses of the group.

4 Depreciation and amortisation is disclosed in note 4 "Operating profit".

36. Subsequent events

There were no subsequent events to report from the year ended 31 December 2024 to the date of signing these financial statements.

Company statement of financial position

As at 31 December

	Note	31 December 2024 €000	31 December 2023 €000
ASSETS			
Non-current assets			
Property, plant and equipment		**171**	380
Right-of-use assets		**372**	556
Investments in subsidiaries	4	**192,704**	191,270
Financial assets at amortised costs	5	**75,696**	79,814
Deferred tax assets		**96**	—
Other non-current assets		**272**	512
		269,311	272,532
Current assets			
Cash and cash equivalents	6	**328**	476
Trade and other receivables	7	**7,470**	968
		7,798	1,444
Total assets		**277,109**	273,976
LIABILITES			
Current liabilities			
Trade and other payables and Income Tax Liabilities	8	**5,461**	2,171
Lease liabilities		**193**	154
Income tax liabilities		**10**	—
		5,654	2,325
Non-current liabilities			
Lease liabilities		**182**	385
		182	385
Total liabilities		**5,836**	2,710
Net assets		**271,273**	271,266
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	9	**8,120**	8,113
Share premium	9	**2,958**	2,958
Merger reserve	9	**42,035**	42,035
Retained earnings		**218,160**	218,160
Total equity		**271,273**	271,266

As permitted by section 408 of Companies Act 2006, a separate Statement of Comprehensive Income for W.A.G payment solutions PLC has not been included in these financial statements. Total comprehensive loss for the year amounted to €2.0 million (financial year ended 31 December 2023: €2.0 million).

The notes on pages 186 to 190 are an integral part of these financial statements.

The financial statements on pages 184 to 185 were approved by the Board of Directors and authorised for issue on 25 March 2025. They were signed on its behalf by:

Oskar Zahn
Chief Financial Officer

Company No. 13544823

Company statement of changes in equity (€000)

For the year ended 31 December 2024

	Note	Share capital €000	Share premium €000	Merger reserves €000	Retained earnings €000	Total equity €000
At 1 January 2023		8,107	2,958	42,035	217,856	270,956
Loss for the period		—	—	—	(2,029)	(2,029)
Total comprehensive expense		—	—	—	(2,029)	(2,029)
Transactions with owners in their capacity as owners:						
Share options exercised	3	6	—	—	—	6
Share-based payments	3				2,333	2,333
At 31 December 2023		8,113	2,958	42,035	218,160	271,266
Loss for the period		—	—	—	(1,972)	(1,972)
Total comprehensive expense		—	—	—	(1,972)	(1,972)
Transactions with owners in their capacity as owners:						
Share options exercised	3	7	—	—	—	7
Share-based payments		—	—	—	1,972	1,972
At 31 December 2024		**8,120**	**2,958**	**42,035**	**218,160**	**271,273**

Notes to the Company financial statements

1. Summary of significant accounting policies

The accounting policies used in preparing the Company financial statements are set out below. These accounting policies have been consistently applied in all material respects to all periods presented.

(a) Investment in subsidiaries

Investments in subsidiaries are recorded at cost, which is the fair value of the consideration paid.

The cost related to the subsidiaries' employees service is treated as investment value in subsidiaries. The awards represent capital contribution to the subsidiaries as no payment is expected for the equity-settled share-based payment awarded to their employees.

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Investments that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(b) Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The financial statements are presented in € and all values are rounded to the nearest thousand (€000), except where otherwise indicated.

The Company's fiscal year begins on 1 January and ends on 31 December.

The preparation of financial statements in conformity with FRS 101 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.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (statement of cash flows information); and
  - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

Going concern

The Financial statements have been prepared on a going concern basis. Detailed disclosure on going concern is provided in Note 1(a) of the consolidated financial statements.

(c) Share-based payments

The Company operates an equity-settled share-based compensation plan ("PSP"), under which subsidiaries receive services from employees as consideration for equity instruments (options) of the Company. The cost related to the subsidiaries' employees service is treated as investment value in subsidiaries. The awards represent capital contribution to the subsidiaries as no payment (except nominal value of ordinary shares) is expected for the equity-settled share-based payment awarded to their employees.

(d) Foreign currency transactions

The functional currency of the Company is €.

Transactions in foreign currencies are initially recorded by the Company at its functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange valid at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the profit or loss account as finance income and expenses. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(f) Trade and other receivables

Trade and other receivables are carried at original invoice amount less an allowance for impairment of these receivables.

For intercompany loans repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. The borrower situation is assessed whether it has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date or, if the borrower could not repay the loan if demanded at the reporting date, the Company considers expected manner of recovery to measure expected credit losses.

Notes to the Company financial statements continued

1. Summary of significant accounting policies continued

(g) Trade and other payables

Trade payables are recognised at their nominal value, which is deemed to be materially the same as the fair value.

(h) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks.

(i) Recent Accounting Developments

Application of new IFRS – standards and interpretations effective in the reporting period

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024:

Issued IFRS	Impact on the Group	Effective date (period commencing)	Endorsed by UK
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	Limited	1 January 2024	Yes
Amendments to IAS 1 Presentation of Financial Statements › Non-current liabilities with covenants › Deferral of effective date amendments Classification of liabilities as current or non-current	Limited, unless covenant breach arises	1 January 2024	Yes
Internation Tax Reform – Pillar Two Model Rules (Amendment to IAS 12)	Limited	1 January 2024	Yes
Lease liability in a sale and leaseback (Amendments to IFRS 16)	Limited	1 January 2024	Yes

These Amendments did not have a significant impact on the Group's condensed interim financial statements.

Issued standards, amendments and interpretations not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Issued IFRS	Impact on the Group	Effective date (period commencing)	Endorsed by UK
Lack of exchangeability (Amendments to IAS 21)	Limited	1 January 2025	Yes
IFRS 18 Presentation and Disclosure in Financial Statements › Structure of the statement of profit or loss › Required disclosure in the financial statements for certain profit or loss performance measures defined by management that are reported to external parties in documents other than the entity's financial statements › Enhanced principals on aggregation and disaggregation which apply to the primary financial statements and notes in general	Significant as system and process changes may be required.	1 January 2027	Yes

2. Employee expenses

Employee expenses of the Company consist of the following:

	2024 €000	2023 €000
Wages and salaries	**5,007**	2,992
Social security and health insurance	**784**	390
Share-based payments	**539**	869
Total employee expense	**6,330**	4,251

Information regarding directors is included in the Directors Remuneration Report on pages 96 to 110.

The monthly average number of employees by category during the period was as follows:

	2024	2023
General and administrative	**10**	7
Total average number of employees	**10**	7

3. Share-based payments

Certain Group employees have been granted options over the shares in the Company. Refer to the accounting of the investment for details on the awards granted and the related accounting (Note 1).

Share options outstanding at the end of the year are the same as per the consolidated financial statements. Therefore, we refer to Note 14 to the consolidated financial statements.

4. Investments in subsidiaries

	2024 €000	2023 €000
Opening value	**191,270**	126,306
Capital contribution to W.A.G payment solutions, a.s.	**—**	63,500
Share-based payments	**1,434**	1,464
As at 31 December	**192,704**	191,270

In 2023, the Company signed an agreement on voluntary surcharge outside of register capital with its subsidiary W.A.G payment solutions, a.s. amounting to €63,500,000. The surcharge was set-off against the intercompany loan in Note 5.

The capital contribution relating to share-based payments relates to share-based payments issued to employees of subsidiary undertakings in the Group. For full details of the Group's share-based payments, refer to Note 14 to the consolidated financial statements.

5. Financial assets at amortised costs

	2024 €000	2023 €000
Intercompany loans	**75,696**	79,814
Total	**75,696**	79,814

As of 28 June 2023, the Company signed an amended intercompany loan agreement with an interest rate of 5.23% p.a. and the borrower shall repay all or any part of the loan together with accrued interest on a date to be determined by mutual agreement of both contractual parties, but no later than 30 November 2026. The balance of the loan is therefore classified as non-current asset.

6. Cash and cash equivalents

	2024 €000	2023 €000
Cash at banks	**328**	476
Cash and cash equivalents	**328**	476

The fair value of cash and cash equivalents approximates their carrying value due to their short-term maturities.

7. Trade and other receivables

	2024 €000	2023 €000
Intercompany receivables	**6,033**	—
Receivables from tax authorities	**642**	259
Advances granted	**403**	461
Prepaid expenses	**392**	248
Total	**7,470**	968

As of 3 December 2021, the Company entered into loan agreement with W.A.G. payment solutions, a.s. Under the agreement, the Company provided a loan facility up to € 190 million repayable on demand, but no later than 30 November 2026. Interest rate up to 30 June 2022 was 1.02 % p.a. On 1 July 2022 following subordination of the intercompany loan to club financing banks in the consolidated financial statements Note 27, the interest rate was amended to 12M €IBOR + margin. On 1 July 2023 the interest rate was amended to 5.23% p.a. Trade and other receivables are non-derivative financial assets carried at amortised cost. The carrying value of trade and other receivables approximates their fair value due to their short-term maturities.

8. Trade and other payables

	2024 €000	2023 €000
Current		
Trade payables	**630**	1,478
Accruals and deferred income	**1,837**	—
Employee related liabilities	**1,488**	583
Payables to tax authorities	**32**	—
Intercompany payables	**1,474**	110
Total Trade and other payables	**5,461**	2,171

Trade payables are non-interest bearing and are normally settled on 30 day terms.

Trade and other payables are non-derivative financial liabilities carried at amortised cost. The fair value of current trade and other payables approximates their carrying value due to their short-term maturities.

Notes to the Company financial statements continued

9. Equity

Shares authorised, issued and fully paid:

	Ordinary shares			
	Number of shares	Share capital €000	Share premium €000	Merger reserve €000
As at 1 January 2023	688,911,333	8,107	2,958	42,035
Share options exercised[1]	560,204	6	—	—
At 31 December 2023	689,471,537	8,113	2,958	42,035
Share options exercised[1]	590,306	7	—	—
At 31 December 2024	**690,061,843**	**8,120**	**2,958**	**42,035**

1 During 2024, several allotments of new ordinary shares of the Company occurred in relation to exercised option plans - 560 204 shares on 17 April 2024, 7 722 shares on 1 November 2024, 11 839 shares on 22 November 2024, and 10 541 shares on 17 December 2024. The nominal value of the shares was GBP 0.01 per share resulting in €7,000 increase in share capital.

Merger reserve

Merger reserve includes a reserve for the share for share exchange transaction that qualified for merger relief in accordance with section 612 of the Companies Act 2006. The difference between investment in W.A.G payment solutions, a.s. and share capital issued during Group reorganisation was recognised as a merger reserve. The merger reserve is non-distributable.

10. Contingent liabilities

Further information of contingent liabilities affecting the company have been disclosed in Note 34 of the consolidated financial statements of the Group.

11. Information included in the notes to consolidated financial statements

The following notes to the consolidated financial statements contain information relevant to the financial statements of the Company.

- Note 7 – Key management personnel
- Note 11 – Auditors' remuneration
- Note 14 – Share-based payments
- Note 32 – Related parties
- Note 33 – Subsidiaries
- Note 36 – Subsequent events

12. Corporate information

W.A.G payment solutions plc (the "Company" or the "Parent") is a public limited company incorporated and domiciled in the United Kingdom and registered under the laws of England & Wales under company number 13544823 with its registered address at Third Floor (East), Albemarle House, 1 Albemarle Street, London W1S 4HA, on 3 August 2021. The ordinary shares of the Company were admitted to the premium listing segment of the Official List of the UK Financial Conduct Authority and have traded on the London Stock Exchange plc's main market for listed securities since 13 October 2021.

Glossary

Glossary

AGM – Annual General Meeting

CDP – Carbon Disclosure Project

CEE – Central and Eastern Europe

CFD – Climate-related Financial Disclosure requirements

CGU – Cash Generating Unit

CNG – compressed natural gas

CRT – Commercial Road Transport

CSR – Corporate Social Responsibility

CSRD – Corporate Sustainability Reporting Directive

DCF – Discounted Cash Flow

DSO – Days Sales Outstanding

EETS – European Electronic Toll Service

eNPS – Employee Net Promoter Score

ERP – Enterprise Resource Planning

ESG – Environmental, Social and Governance

EVA – Enhanced Vehicle Assistant

FCA – Financial Conduct Authority

FRC – Financial Reporting Council

GDP – Gross Domestic Product

GHG – Greenhouse Gas Emissions

HVO – hydrotreated vegetable oil

LNG – liquefied natural gas

NCI – Non-Controlling Interest

NPS – Net Promoter Score

OBU – On-Board Unit

OEM – Original Equipment Manufacturer

SLA – Service-Level Agreement

SME – Small and Medium-sized Enterprise

TCFD – Task Force on Climate-related Financial Disclosures

Company information

Company information

Registered office

W.A.G payment solutions plc

Third Floor (East),
Albemarle House,
1 Albemarle Street,
London, W1S 4HA,
United Kingdom

Registered in England and Wales
No. 13544823

Registrar

Computershare Investor Services plc

The Pavilions Bridgwater Road,
Bristol,
Avon,
BS13 8AE,
United Kingdom

Company secretary

Victoria Penrice FCG

investors.eurowag.com/contact

Internal auditor

KPMG Česká republika, s.r.o.

Pobřežní 648/1a,
186 00,
Praha 8 Česká republika

External auditor

PricewaterhouseCoopers LLP

One Chamberlain Square,
Birmingham,
B3 3AX,
United Kingdom

Joint corporate brokers

Peel Hunt LLP

100 Liverpool Street,
London,
EC2M 2AT,
United Kingdom

Joh. Berenberg, Gossler & Co KG, London

60 Threadneedle St, City of London
London,
EC2R 8HP,
United Kingdom

Investor Relations

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W.A.G payment solutions plc

Third Floor (East),
Albemarle House,
1 Albemarle Street,
London, W1S 4HA
United Kingdom

Registered in England and Wales No. 13544823