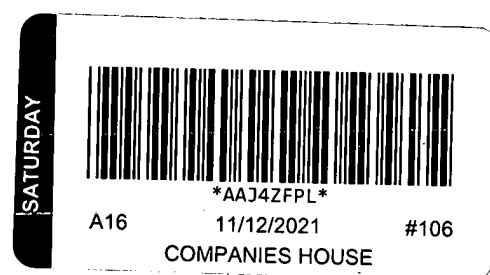


Company Registration No. 08212827 (England and Wales)

P2G.COM WORLDWIDE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021



P2G.COM WORLDWIDE LIMITED

COMPANY INFORMATION

Directors	RHP Adams-Mercer	(Resigned 15 July 2021)
	JB Greenbury	
	SA Shaw	(Appointed 20 August 2021)
Company number	08212827	
Registered office	The Cube Coe Street Bolton Lancashire BL3 6BU	
Independent Auditor	Grant Thornton UK LLP Landmark St Peters Square 1 Oxford Road Manchester M1 4PB	

P2G.COM WORLDWIDE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Review of the business and key performance indicators

Parcel2Go, the UK's leading parcel delivery comparison website and provider of parcel delivery technology to over 2.4 million customers, is pleased to announce its full year results, covering the twelve months to 31 March 2021.

Year ending 31 March	2020/21 £'000	2019/20 £'000	Percentage change
Gross revenue*	174,569	103,288	69.0%
Statutory revenue	148,160	92,974	59.4%
Gross profit	24,655	14,537	69.6%
EBITDA before exceptional items	8,847	4,352	103.3%
EBITDA% before exceptional items	6.0%	4.7%	1.3%
Net cash in bank	16,850	8,734	92.9%

**An element of our Gross Revenue is not reflected in our Statutory Revenue due to the nature of certain carrier agreements, however management considers increases in gross revenue to be a key performance measure.*

Gross Revenue increased by 69.0% in the year, reflecting strong growth in the online parcel delivery market and an increase in the Group's market share. The business benefitted from a significant uplift in trading activity as a result of increases in e-commerce during the Covid-19 pandemic. Gross profit increased by 69.6% in the year, benefitting from revenue growth and changes in sales mix.

The Group incurred £240k (2020: £937k) of exceptional costs during the year relating to the process leading up to the acquisition of the Group's ultimate parent company by Pack-a-Punch Bidco Limited in July 2021. Excluding these exceptional costs, EBITDA (earnings before interest, tax, depreciation and amortisation) grew by 103.3%, representing a significant improvement in the EBITDA margin compared to last year.

During the year the Group has continued to build strong cash balances, reflecting profits generated and a favourable working capital cycle which benefitted from the increased trading activity of the subsidiary companies. Group cash ended the year 92.9% higher than the previous year.

The Group has two core businesses:

- Branded websites in the UK, Ireland and Spain, providing consumers and small businesses with access to a comprehensive range of domestic and international parcel and pallet delivery services at highly competitive prices.**
 In the UK, its largest market, Parcel2Go offers a quick, easy and low-cost alternative for parcel delivery, disrupting the way consumers and micro businesses send parcels that would traditionally be sent via the Post Office.
- White label direct-to-consumer/SME websites hosted and operated on behalf of major couriers, marketplaces and other organisations in the UK and other markets.**
 Parcel2go provides its clients with access to customers and markets they are otherwise unable to reach and serve cost-effectively.

Growth in Group revenues reflects strong growth from all divisions. Our UK website www.parcel2go.com has benefitted from increased adoption of ecommerce channels among consumers and SMEs, the success of our marketing and customer retention activity, and continued investment in both Customer Service and IT. Our white label business has benefitted from increased revenues from several of its major accounts and the addition of new white label customers. We are also encouraged by continued sales growth from our Parcel2Go branded international websites and our National Pallets business.

P2G.COM WORLDWIDE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Future developments

Parcel2Go is a low-cost business model operating at significant scale and in a highly efficient way. The model can be deployed to source and service business cost-effectively for the Group's own-brand sites or for white label clients. It is well positioned to benefit from growth in e-commerce and the gradual erosion of the Post Office's market share and, through its scale advantage, to continue to offer highly competitive pricing in all its markets. Although the one-time effect on revenues of Covid-19-related lockdowns may abate, the directors anticipate the longer-term organic growth trends in the UK market will continue, alongside an increase in the number and volume of white label operations in the UK and international markets.

In July 2021, the Group's ultimate parent company was acquired by Pack-a-Punch Bidco Limited, providing the business with access to additional expertise and capital. Pack-a-Punch Bidco Limited is a wholly owned subsidiary of Pack-a-Punch Topco Limited, and the EQT Mid Market Europe fund holds a majority stake in Pack-a-Punch Topco Limited.

Principal risks and uncertainties

The directors have assessed the main risks facing the group as being:

- **Increased competition**
The business operates in a highly competitive sector, but the directors consider continued investment, a focus on service quality and scale advantages will enable the business to retain its market-leading position.
- **Brexit**
The UK formally left the European Union on 31 January 2020. The Group remained in regular dialogue with its courier partners both during and after the transition period to minimise disruption, although a temporary reduction in traffic between the UK and the EU is anticipated as shippers and carriers come to terms with additional cost and complexity now the UK is outside the EU single market.
- **Financial Risk Management**
The Company and other Group companies are party to guarantees in respect of the 3rd party borrowings of Hadlee Bidco Limited. The risks associated with these guarantees are mitigated by:
 - negotiating debt servicing terms and financial covenants with substantial headroom relative to the Group's financial forecasts;
 - routinely monitoring actual and forecast headroom against the Group's obligations under the loan facilities; and
 - where appropriate, managing interest rate risk using interest rate swaps and other hedging arrangements.

The Company and Group have limited exposure to movements in foreign currency. The directors keep financial risks under review but currently consider that exposures to price risk, credit risk, liquidity risk and cash flow risk are not material to the financial position or results of the Group or Company.
- **Liabilities to couriers**
Under its contracts with carriers, the Group is potentially liable for damages resulting from damage caused to people or property resulting from parcels incorrectly packaged or containing dangerous or illegal contents. This risk is mitigated by taking steps via the website to ensure that customers are aware of and follow the courier guidelines in relation to parcel packaging and contents, and through insurance.
- **Covid 19**
The lockdown put in place in March 2020 to deal with the Covid 19 outbreak resulted in dramatic increases in parcel volumes which, while putting strain on the courier networks and requiring a rapid adoption of home-working across the business, were of benefit to Group revenues and caused minimal operational disruption. The directors do not consider a further outbreak to represent a material risk to the Group.

P2G.COM WORLDWIDE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the Group for the benefit of its members as a whole. In doing this, section 172 requires the director to have regard to, amongst other matters:

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

In discharging their section 172 duties, the Directors have regard to all the matters set out above. Authority for day to day management of the Group is delegated to an executive leadership team. The Directors are provided with information in a variety of formats to ensure they are able to discharge his Section 172 duties and engage with the executive team regularly in:

- setting, approving and executing business strategy, plans and policies;
- reviewing business performance;
- managing risk; and
- decisions relating to material business initiatives and other matters.

The Directors and executive team operate the business in a responsible manner with the aim of ensuring that the Group maintains a reputation for high standards of business conduct and good governance. The Group has policies in place in relation to conduct and standards, anti-bribery and corruption measures, equal opportunities and diversity, and modern slavery. The Group's statement on modern slavery can be found on the Group's website (www.parcel2go.com).

The Group's key stakeholders are its employees, customers, clients, suppliers and investors and the Directors have regard to the views of all these stakeholders in their decision making. Engagement with these stakeholders occurs through various channels, including:

- **Employees:** the Group systematically provides employees with information on matters of concern to them, consulting them or their representatives on a regular basis to ensure that their views can be taken into account when making decisions that are likely to affect their interests. The Group acknowledges that achieving a common awareness on the part of all employees of the financial and economic factors affecting the Group plays a major role in maintaining its competitive advantage, and therefore provides employees with regular briefings on performance and other matters. The Group encourages employee involvement, for example by operating equity incentive schemes which allow employees of the Group who meet eligibility criteria to participate in the growth value of the business. The Group further encourages employee involvement through regular communication and meetings, and one-on-one coaching and development provided through line management.
- **Customers:** customers of the Group's price comparison sites benefit from a wide product range at highly competitive prices. Customers are encouraged to provide feedback which forms a key performance indicator for the business and informs IT development activity intended to improve user-experience.
- **Clients:** the Group maintains close relationships with its white label clients through open and transparent relationships, dedicated account management and regular meetings. Contract terms ensure that the interests of the Group and its Clients are closely aligned.
- **Suppliers:** the Group's key suppliers are the couriers offering product through its websites. The Group provides these couriers with cost effective access to segments of the market which they otherwise find difficult to reach. The Group maintains close relationships with its carriers through regular feedback and periodic meetings. Contract terms ensure that the interests of the Group and its suppliers are closely aligned.

P2G.COM WORLDWIDE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Section 172(1) Statement (Continued)

- **Investors:** the Group's ultimate holding company at the year-end is Hadlee Holdco Limited. The relationship between the Group and Hadlee Holdco Limited is governed by an investment agreement which ensures that planning, reporting and decision-making processes and mandates are clear. The Directors attend regular meetings with the directors of Hadlee Holdco Limited and Hadlee Bidco Limited to brief them on Group performance and material business initiatives.

Outside the day-to-day operation of the business, the two principal decisions taken by the board during the year ended 31 March 2021 were the payment of a dividend of £3,527k in November 2020 and the initiation of a process to sell the Group.

The decision to initiate a process to sell the business was taken to allow all shareholders, including employee shareholders, to realise a proportion of the value in their shareholdings while providing the Group with access to new investment capital and expertise aligned with its future strategy and plans.

On behalf of the board

JAMES GREENBURY

JB Greenbury

Director

Date: 9/12/2021

P2G.COM WORLDWIDE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of a holding company. The principal activity of the group was the provision of online parcel delivery services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

RHP Adams-Mercer	(Resigned 15 July 2021)
JB Greenbury	
SA Shaw	(Appointed 20 August 2021)

Results and dividends

The results for the year are set out on page 12. The directors proposed that an interim dividend of £0.03 per ordinary share was paid to the shareholders on the Register of Members on 30 November 2020. With an issued share capital of 104,638,699 ordinary shares on the date the dividends were voted, this resulted in a total dividend payment of £3,526,564. The directors propose no further dividends to be paid.

Research and development

The group incurred research and development expenditure of £772k (2020: £727k). The costs were written off in the year in which they were incurred.

Auditor

Grant Thornton UK LLP were appointed as auditors to the group and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Going concern

The Directors note the net current liabilities position of the Company at the balance sheet date and that the business is highly cash generative and has held high cash balances throughout the year. The current cash funding requirements and forecasts prepared by management have given the directors a reasonable expectation that the Group and Company will have sufficient resources available to continue in operational existence for the foreseeable future, with the continued support of its bankers. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions for the benefit of the Directors were in force during the year and at the date of approval of the financial statements.

Strategic report

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

P2G.COM WORLDWIDE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of disclosure to auditor

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

In July 2021, Pack-a-Punch Bidco Limited invested in the group, acquiring the entire share capital in the company's ultimate parent company, Hadlee Holdco Limited. Pack-a-Punch Bidco Limited is a wholly owned subsidiary of Pack-a-Punch Topco Limited, and the EQT Mid Market Europe fund holds a majority stake in Pack-a-Punch Topco Limited.

In November 2021, the company acquired 100% of the issued share capital of Parcel Monkey Holdings Limited, a company incorporated in England and Wales with company number 07480007.

Carbon reporting

The group's energy consumption primarily relates to power required for light and computer equipment in its offices in Bolton and Malton. The group uses modern, energy-efficient computer hardware. Equipment and lights are turned off when not required.

A small number of employees (4 in the year ended 31 March 2021 (2020: 7)) use their vehicles for travel required by their roles. Employees are encouraged to travel to meetings by car only when absolutely necessary and the year saw an increase in video conferencing, which reduced the prevalence of face to face meetings and the associated travel.

During the year, the group consumed 114,494kWh (2020: 198,157kWh) of energy comprising 113,550kWh (2020: 168,996kWh) from electricity and 944kWh (2020: 29,161kWh) from transport activities involving the consumption of fuel. Electricity consumption data has been extracted from the group's utility bills. Transport consumption has been derived from employee vehicle expense claims and converted into kWh using data derived from www.openenergy.org.

These measures have been converted into Carbon Dioxide equivalent (CO₂e) emissions equating to 26.9 tonnes (2020: 51.4 tonnes) of CO₂e or 1.28g (2020: 4.2g) of CO₂e per parcel using the UK Government's Greenhouse Gas reporting conversion factors for 2020.

On behalf of the board

JAMES GREENBURY

JB Greenbury

Director

Date: 9/12/2021

P2G.COM WORLDWIDE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 comply with the Companies Act 2006. They are also 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.

Independent auditor's report to the members of P2G.com Worldwide Limited

Opinion

We have audited the financial statements of P2G.com Worldwide Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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 parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Independent auditor's report to the members of P2G.com Worldwide Limited (continued)

Other information

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of P2G.com Worldwide Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Parent Company and Group and determined that the most significant are those that relate to the financial reporting framework, including Financial Reporting Standard 102, Companies Act 2006 and UK tax regulations.
- We obtained an understanding of how the Parent Company and Group was complying with those legal and regulatory frameworks by making enquiries of management. We enquired of management whether they were aware of instances of non-compliance with laws and regulations, or whether they had any knowledge of actual, suspected, or alleged fraud.
- We enquired of those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud. We corroborated the results of our enquiries to relevant supporting documentation.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. Audit procedures performed by the engagement team included evaluation of the processes and controls established to address the risks related to irregularities and fraud and testing of journal entries. In particular, these included entries relating to management estimates, large, or unusual transactions;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Parent Company and Group's operations, including the nature of revenue sources, services and its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagement of a similar size and nature through appropriate training and participation; and
 - Understanding of the legal and regulatory requirements specific to the Parent Company and Group
- We did not identify any material matters relating to non-compliance with laws and regulation or relating to fraud.

Independent auditor's report to the members of P2G.com Worldwide Limited (continued)

Use of our report

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

Grant Thornton UK LLP

Paul Bamber MA FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Manchester

9/12/2021

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P2G.COM WORLDWIDE LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £'000	2020 £'000
Turnover	3	148,160	92,974
Cost of sales		(123,505)	(78,437)
Gross profit		24,655	14,537
<i>Analysis of administrative expenses</i>			
Administrative expenses - normal		(17,350)	(11,735)
Administrative expenses - exceptional	4	(240)	(937)
Total administrative expenses		(17,590)	(12,672)
Other operating income		100	87
Operating profit	7	7,165	1,952
Interest receivable and similar income	9	286	119
Interest payable and similar expenses	10	(39)	-
Profit before taxation		7,412	2,071
Tax on profit	11	(1,373)	(508)
Profit for the financial year		6,039	1,563

Profit for the financial year is all attributable to the owners of the parent company.

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Goodwill	13		2,756		4,148
Other intangible assets	13		2		4
Total intangible assets			2,758		4,152
Tangible assets	14		91		109
			2,849		4,261
Current assets					
Debtors	17	7,926		9,143	
Cash at bank and in hand		16,850		8,734	
		24,776		17,877	
Creditors: amounts falling due within one year	18	(21,192)		(18,217)	
Net current assets/(liabilities)			3,584		(340)
Total assets less current liabilities			6,433		3,921
Provisions for liabilities	19		(12)		(12)
Net assets			6,421		3,909
Capital and reserves					
Called up share capital	23		1		1
Share premium account	25		2,105		2,105
Capital redemption reserve	25		4,880		4,880
Other reserves	25		-		-
Profit and loss reserves	25		(565)		(3,077)
Total equity			6,421		3,909

The financial statements were approved by the board of directors and authorised for issue on 9/12/2021 and are signed on its behalf by:

JAMES GREENBURY

JB Greenbury
Director

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Investments	15		15,930		15,930
Current assets					
Debtors	17	3,893		7,134	
Cash at bank and in hand		242		263	
		4,135		7,397	
Creditors: amounts falling due within one year	18	(12,385)		(15,933)	
Net current liabilities			(8,250)		(8,536)
Total assets less current liabilities			7,680		7,394
Capital and reserves					
Called up share capital	23		1		1
Share premium account	25		2,105		2,105
Capital redemption reserve	25		4,880		4,880
Other reserves	25		-		-
Profit and loss reserves	25		694		408
Total equity			7,680		7,394

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £3,813k (2020: profit of £2,072k).

9/12/2021

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:



JB Greenbury
Director

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2019		1	981	4,880	285	(2,611)	3,536
Year ended 31 March 2020:							
Profit and total comprehensive income for the year		-	-	-	-	1,563	1,563
Issue of share capital		-	315	-	-	-	315
Dividends		-	-	-	-	(2,029)	(2,029)
Share-based payment reserve	24	-	-	-	524	-	524
Transfer		-	809	-	(809)	-	-
Balance at 31 March 2020		1	2,105	4,880	-	(3,077)	3,909
Year ended 31 March 2021:							
Profit and total comprehensive income for the year		-	-	-	-	6,039	6,039
Dividends	12	-	-	-	-	(3,527)	(3,527)
Balance at 31 March 2021		1	2,105	4,880	-	(565)	6,421

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2019		1	981	4,880	285	365	6,512
Year ended 31 March 2020:							
Profit and total comprehensive income for the year		-	-	-	-	2,072	2,072
Issue of share capital		-	315	-	-	-	315
Dividends	12	-	-	-	-	(2,029)	(2,029)
Share-based payment reserve	24	-	-	-	524	-	524
Transfer		-	809	-	(809)	-	-
Balance at 31 March 2020		1	2,105	4,880	-	408	7,394
Year ended 31 March 2021:							
Profit and total comprehensive income for the year		-	-	-	-	3,813	3,813
Dividends	12	-	-	-	-	(3,527)	(3,527)
Balance at 31 March 2021		1	2,105	4,880	-	694	7,680

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Cash generated from operations	26		14,716		6,371
Interest paid			(39)		-
Income taxes paid			(1,609)		(703)
Net cash inflow from operating activities			13,068		5,668
Investing activities					
Purchase of tangible fixed assets		(29)		(53)	
Purchase of intangible fixed assets		(1)		-	
Interest received		286		119	
Net cash generated from investing activities			256		66
Financing activities					
Proceeds from issue of shares		-		315	
Loan to parent		(1,681)		(2,672)	
Dividends paid to equity shareholders		(3,527)		(2,029)	
Net cash used in financing activities			(5,208)		(4,386)
Net increase in cash and cash equivalents			8,116		1,348
Cash and cash equivalents at beginning of year			8,734		7,386
Cash and cash equivalents at end of year			16,850		8,734

The notes on pages 18 to 38 are an integral part of these financial statements.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

P2G.com Worldwide Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Cube, Coe Street, Bolton, BL3 6BU.

The group consists of P2G.com Worldwide Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest whole £'000, except where otherwise indicated.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Basis of consolidation

The consolidated financial statements incorporate those of P2G.com Worldwide Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

Going concern

As part of its going concern review the directors have followed the guidelines published by the Financial Reporting Council entitled "Guidance on the Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks". The directors have prepared detailed financial forecasts and cash flows covering a period through to 31 March 2023. In drawing up these forecasts the directors have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period. The forecasts have been sensitised for a reduction in revenue to the end of the review period with the impact on profitability and cash flow considered, net of expected variable costs savings. The forecasts have also been stress tested to assess the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements, with a focus on whether the Group is forecast to be in compliance with the leverage covenant in the Group's loan facilities. The covenant calculations derived from the forecasts indicate that the Group will have sufficient profitability to meet its covenant requirements and will retain sufficient liquidity to meet debt obligations and fund operations during the forecast period.

The Covid-19 pandemic has had a positive impact on the business with an increase in parcel volumes and has had minimal impact on operations. The directors do not consider the outbreak to have any impact on the going concern of the business.

The Directors note the net current liabilities position of the Company at the balance sheet date and that the business is highly cash generative and has held high cash balances throughout the year. The current cash funding requirements and forecasts prepared by management have given the directors a reasonable expectation that the Group and Company will have sufficient resources available to continue in operational existence for the foreseeable future, with the continued support of its bankers. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Certain carrier arrangements involve transactions where the Group acts as agent and receives a commission. For these contracts, turnover is represented by the commissions, not the gross value of the transactions.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold Improvements	25% straight line
Plant and Machinery	25% reducing balance and 25% straight line
Fixtures and Fittings	25% reducing balance and 25% straight line
Equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

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

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Basic financial assets

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

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Exceptional items

The group classifies certain one-off charges or credits that have a material impact on the group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the group.

Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Research and development

The group capitalises development expenditure as an intangible asset when it is able to demonstrate all of the following:

- a) The technical feasibility of completing the development so the intangible asset will be available for use and sale.
- b) Its intention to complete the development and to use or sell the intangible asset.
- c) Its ability to use or sell the intangible asset
- d) How the intangible asset will generate future economic benefits
- e) The availability of adequate technical, financial and other resources to complete the development and to use and sell the intangible asset.
- f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalised development expenditure is initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment loss.

The research and development expenditure of the group during the year did not meet the last of the above criteria and was therefore expensed as incurred.

RDEC tax credit

RDEC tax credits are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the conditions will be met and the tax credit will be received.

The tax credit receivable is recognised within other operating income.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Goodwill

The directors of the Group consider the policy to keep the useful life of goodwill to 10 years as a fair estimate and so there has been no change in the amortisation rate in the current year.

Share based payments

The group issues share options to certain employees. The Black-Scholes model is used to calculate the appropriate charge for these options. The use of this model to calculate a charge involves using a number of estimates and judgements to establish the appropriate inputs to be entered into the model, covering areas such as the use of an appropriate interest rate, volatility, exercise restrictions and estimated exercise date. A significant element of judgement is therefore involved in the calculation of the charge and the charge incurred during the year was £nil (2020: £524k).

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue

The turnover and loss before tax are attributable to the one principal activity of the group.

All the company's turnover is generated from its principal activity.

	2021 £'000	2020 £'000
Other revenue		
Interest income	286	119

	2021 £'000	2020 £'000
Turnover analysed by geographical market		
United Kingdom	143,865	90,446
Rest of the European Union	4,295	2,528
	<u>148,160</u>	<u>92,974</u>

4 Exceptional costs

	2021 £'000	2020 £'000
Exceptional costs	240	937

The exceptional costs incurred in the year relate to professional fees relating to the process leading up to the acquisition of the company's ultimate parent company, Hadlee Holdco Limited, by Pack-a-Punch Bidco Limited in July 2021, and have been charged to the statement of comprehensive income.

The exceptional costs in the previous year included £413k related to the acquisition of the Company by Hadlee Bidco Limited, and £524k in respect of a share based payment charge which arose on the exercise of share options in the year.

5 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Number of administrative staff - full time	136	105	-	-
Number of administrative staff - part time	148	101	-	-
Number of management staff - full time	13	8	-	-
Number of management staff - part time	2	5	-	-
	<u>299</u>	<u>219</u>	<u>-</u>	<u>-</u>

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****5 Employees (Continued)**

Their aggregate remuneration comprised:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Wages and salaries	6,619	5,245	-	-
Social security costs	573	450	-	-
Pension costs	97	74	-	-
	<u>7,289</u>	<u>5,769</u>	<u>-</u>	<u>-</u>

Included within wages and salaries is an amount of £nil (2020: £524k) relating to equity-settled share-based payments.

6 Directors' remuneration

	2021	2020
	£'000	£'000
Remuneration for qualifying services	168	270
Company pension contributions to defined contribution schemes	2	4
	<u>170</u>	<u>274</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2020
	£'000
Remuneration for qualifying services	140
Company pension contributions to defined contribution schemes	1

The aggregate directors' remuneration in the year does not exceed £200,000, and the remuneration paid to the highest paid director has therefore not been disclosed in respect of the current year.

In the previous year, there were pension contributions of £1,305 in respect of the highest paid director.

Included in other creditors at 31 March 2021 are retirement benefits accruing to directors of £382 (2020: £274).

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****7 Operating profit**

	2021	2020
	£'000	£'000
Operating profit for the year is stated after charging:		
Exchange losses	5	18
Depreciation of owned tangible fixed assets	47	67
Amortisation of intangible assets	1,395	1,396
Share-based payments	-	524
Operating lease charges	72	72
	<u> </u>	<u> </u>

The Group incurred research and development expenditure of £772k (2020: £727k). The costs were written off in the year in which they were incurred.

8 Auditor's remuneration

	2021	2020
	£'000	£'000
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	9	4
Audit of the financial statements of the company's subsidiaries	37	20
	<u> </u>	<u> </u>
	46	24
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	6	5
All other non-audit services	10	24
	<u> </u>	<u> </u>
	16	29
	<u> </u>	<u> </u>

9 Interest receivable and similar income

	2021	2020
	£'000	£'000
Interest income		
Interest on bank deposits	-	9
Interest receivable from group companies	286	110
	<u> </u>	<u> </u>
Total income	286	119
	<u> </u>	<u> </u>

10 Interest payable and similar expenses

	2021	2020
	£'000	£'000
Interest payable to group companies	37	-
Other interest payable	2	-
	<u> </u>	<u> </u>
	39	-
	<u> </u>	<u> </u>

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****11 Taxation**

	2021	2020
	£'000	£'000
Current tax		
UK corporation tax on profits for the current period	1,449	456
Adjustments in respect of prior periods	(77)	4
	<u>1,372</u>	<u>460</u>
Deferred tax		
Origination and reversal of timing differences	1	51
Changes in tax rates	-	(4)
Adjustment in respect of prior periods	-	1
	<u>1</u>	<u>48</u>
Total tax charge	<u>1,373</u>	<u>508</u>

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2021	2020
	£'000	£'000
Profit before taxation	<u>7,412</u>	<u>2,071</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,408	393
Tax effect of expenses that are not deductible in determining taxable profit	272	448
Adjustments in respect of prior years	(77)	4
Group relief	(234)	-
Other permanent differences	-	(390)
Short term timing differences	1	-
Deferred tax adjustments in respect of prior years	-	1
Other differences/deduction for R&D expenditure	3	54
Adjust deferred tax to average rate	-	(4)
Fixed asset differences	-	2
Taxation charge	<u>1,373</u>	<u>508</u>

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****11 Taxation (Continued)****Factors affecting future tax charges**

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. Accordingly, this rate is applicable in the measurement of deferred tax assets and liabilities at 31 March 2021. Deferred tax has been provided at 19% being the rate at which temporary differences are expected to reverse. In March 2021, the 2021 Budget included an announcement to increase the standard rate of corporation tax rate from 19% to 25% from 1 April 2023. This was substantively enacted on 24 May 2021. Since the rate increase was not substantively enacted at the balance sheet date, deferred tax has been provided at 19%. The maximum impact on deferred tax balances of the rate increase is estimated to be a net £3k liability.

12 Dividends

	2021	2020
	£'000	£'000
Final paid	3,527	2,029

During the year a dividend of £0.03 (2020: £0.02) per ordinary share was paid to shareholders amounting to a total dividend of £3,527k (2020: £2,029k).

13 Intangible fixed assets

Group	Goodwill	Software	Total
	£'000	£'000	£'000
Cost			
At 1 April 2020	13,926	314	14,240
Additions	-	1	1
At 31 March 2021	13,926	315	14,241
Amortisation and impairment			
At 1 April 2020	9,778	310	10,088
Amortisation charged for the year	1,392	3	1,395
At 31 March 2021	11,170	313	11,483
Carrying amount			
At 31 March 2021	2,756	2	2,758
At 31 March 2020	4,148	4	4,152

The company had no intangible fixed assets at 31 March 2021 or 31 March 2020.

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****14 Tangible fixed assets**

Group	Leasehold improvements £'000	Plant and Machinery £'000	Fixtures and Fittings £'000	Equipment £'000	Total £'000
Cost					
At 1 April 2020	460	53	105	206	824
Additions	-	-	1	28	29
At 31 March 2021	460	53	106	234	853
Depreciation and impairment					
At 1 April 2020	408	52	94	161	715
Depreciation charged in the year	19	1	5	22	47
At 31 March 2021	427	53	99	183	762
Carrying amount					
At 31 March 2021	33	-	7	51	91
At 31 March 2020	52	1	11	45	109

The company had no tangible fixed assets at 31 March 2021 or 31 March 2020.

15 Fixed asset investments

	Notes	Group 2021 £'000	2020 £'000	Company 2021 £'000	2020 £'000
Investments in subsidiaries	16	-	-	15,930	15,930

Movements in fixed asset investments
Company

	Shares in group undertakings £'000
Cost or valuation	
At 1 April 2020 and 31 March 2021	15,930
Carrying amount	
At 31 March 2021	15,930
At 31 March 2020	15,930

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****16 Subsidiaries**

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
ASB Trading Limited	The Cube, Coe Street, Bolton, BL3 6BU	Online parcel delivery services	Ordinary	100.00	-
P2G Polska Sp.z.o.o	Droga Debinska 3B, Poznan, 61 - 555 Poznan, Poland	Online parcel delivery services	Ordinary	100.00	-
Parcel2Go.com Limited	The Cube, Coe Street, Bolton, BL3 6BU	Online parcel delivery services	Ordinary	100.00	-
P2G USA Limited	The Cube, Coe Street, Bolton, Lancashire, United Kingdom, BL3 6BU	Dormant	Ordinary	100.00	-
P2G Nominees Limited	The Cube, Coe Street, Bolton, Lancashire, BL3 6BU	Activities of head offices	Ordinary	100.00	-

All the above subsidiaries are included in the consolidation.

P2G Nominees Limited (company registration number 12328805) and P2G USA Limited (company registration number 10872726) have taken the exemption in Section 479A of the Companies Act 2006 ("the Act") from the requirements in the Act for their individual accounts to be audited. The guarantee given by the company under Section 479A of the Act is disclosed in note 21.

17 Debtors

	Group		Company	
	2021	2020	2021	2020
Amounts falling due within one year:	£'000	£'000	£'000	£'000
Trade debtors	289	519	-	-
Corporation tax recoverable	334	-	-	-
Amounts owed by group undertakings	4,598	7,390	3,893	7,134
Other debtors	1,552	707	-	-
Prepayments and accrued income	1,150	524	-	-
Other taxation and social security	1	-	-	-
	<u>7,924</u>	<u>9,140</u>	<u>3,893</u>	<u>7,134</u>

Amounts owed by group undertakings are unsecured, repayable on demand and have no fixed date of repayment. Amounts owed by group undertakings of the Group carry interest of 0% on £705k and 5% on £3,893k, and of the Company carry interest of 5%.

Amounts falling due after more than one year:

Deferred tax asset (note 20)	<u>2</u>	<u>3</u>	<u>-</u>	<u>-</u>
Total debtors	<u>7,926</u>	<u>9,143</u>	<u>3,893</u>	<u>7,134</u>

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****18 Creditors: amounts falling due within one year**

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Payments received on account	1,885	1,387	-	-
Trade creditors	12,647	4,237	-	-
Amounts owed to group undertakings	245	4,718	12,385	15,912
Corporation tax payable	-	3	-	21
Other taxation and social security	101	1,144	-	-
Other creditors	36	15	-	-
Accruals and deferred income	6,278	6,713	-	-
	<u>21,192</u>	<u>18,217</u>	<u>12,385</u>	<u>15,933</u>

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

19 Provisions for liabilities

		Group		Company	
		2021	2020	2021	2020
	Notes	£'000	£'000	£'000	£'000
Deferred tax liabilities	20	<u>12</u>	<u>12</u>	<u>-</u>	<u>-</u>

20 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Liabilities	Liabilities	Assets	Assets
	2021	2020	2021	2020
Group	£'000	£'000	£'000	£'000
Share based payments	-	-	-	3
Short term timing differences	-	-	2	-
Excess of capital allowances over depreciation on fixed assets	12	12	-	-
	<u>12</u>	<u>12</u>	<u>2</u>	<u>3</u>

The company has no deferred tax assets or liabilities.

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****20 Deferred taxation (Continued)**

	Group 2021 £'000	Company 2021 £'000
Movements in the year:		
Liability at 1 April 2020	9	-
Charge to profit or loss	1	-
	<u>10</u>	<u>-</u>
Liability at 31 March 2021	<u>10</u>	<u>-</u>

The deferred tax asset of £2k set out above is expected to reverse within 12 months and relates to unpaid pension contributions.

21 Contingent liability

In order for P2G Nominees Limited and P2G USA Limited to take the audit exemption in Section 479A of the Companies Act 2006, the company has guaranteed all outstanding liabilities of these subsidiary companies at 31 March 2021 until those liabilities are satisfied in full.

22 Retirement benefit schemes

	2021 £'000	2020 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	97	74
	<u>97</u>	<u>74</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. At the year end there were outstanding pension commitments of £20,810 (2020: £14,508).

23 Share Capital

	2021 No.	2021 £	2020 No.	2020 £
Ordinary 'A' shares of £0.001p each	99,323,699	993	99,323,699	993
Ordinary 'B' shares of £0.002p each	5,315,000	106	5,315,000	106
	<u>104,638,699</u>	<u>1,099</u>	<u>104,638,699</u>	<u>1,099</u>

The 'A' and 'B' Ordinary shares have full rights in respect of voting, rights to dividend and participation in capital distributions and full rights in winding up. In addition, the 'B' Ordinary shares shall carry not less than 5% of the voting rights, provided the nominal issued share capital of the Company does not exceed £4.9m.

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Other reserves

Equity-settled share option plan.

The group previously operated two equity settled-share option plans. As there was a change in ownership of the business during the previous year, all share options were exercised during the previous year.

	2021 Options number	Weighted average exercise price	2020 Options Number	Weighted average exercise price
Outstanding 1 April	-	n/a	4,055	£14.47
Granted during year	-	n/a	1,316	£178.08
Forfeited during year	-	n/a	(275)	£65.63
Exercised during year	-	n/a	(5,096)	£62.34
Expired during the year	-	n/a	-	n/a
Outstanding 31 March	-	n/a	-	n/a

During the current year, a new equity incentive scheme was set up, a small component of which is an equity settled share option plan. The share-based payment expense recognised by the Group in the period is £nil (2020: £524k).

The weighted average fair value of options granted in the previous year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method to the relatively short contractual lives of the options and requirements to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

The assumptions within the Black-Scholes model for the fair value of share options granted are:

Risk-free interest: n/a (2020: 0.97%)
 Expected volatility: n/a (2020: 20.0%)
 Expected return: n/a (2020: 5 years)

25 Purpose of reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Other reserves

The cumulative share-based payment expense.

Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting date.

Profit and loss account

Cumulative profit and loss net of distribution to owners.

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****26 Cash generated from group operations**

	2021	2020
	£'000	£'000
Profit for the year after tax	6,039	1,563
Adjustments for:		
Taxation charged	1,373	508
Finance costs	39	-
Investment income	(286)	(119)
Amortisation and impairment of intangible assets	1,395	1,396
Depreciation and impairment of tangible fixed assets	47	67
Equity settled share based payment expense	-	524
Movements in working capital:		
Decrease/(increase) in debtors	(1,342)	548
Increase in creditors	7,451	1,884
Cash generated from operations	14,716	6,371

27 Analysis of changes in net funds - group

	1 April 2020	Cash flows 31 March 2021	
	£'000	£'000	£'000
Cash at bank and in hand	8,734	8,116	16,850

28 Financial commitments, guarantees and contingent liabilities

Several Group companies act as guarantors in respect of borrowings under a loan agreement between Hadlee Bidco Limited, the intermediate parent of the Company, and HSBC Bank plc. At the year-end, the outstanding borrowings subject to this guarantee were £13m (2020: £17.2m).

The Group and Company had no capital commitments at 31 March 2021 (2020: £nil).

29 Operating lease commitments**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Within one year	59	72	-	-
Between one and five years	66	108	-	-
In over five years	33	36	-	-
	<u>158</u>	<u>216</u>	<u>-</u>	<u>-</u>

P2G.COM WORLDWIDE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****30 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel of the group, which includes the directors, is as follows:

	2021	2020
	£'000	£'000
Aggregate compensation	<u>896</u>	<u>735</u>

Transactions with group companies

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard, with regards to the requirement of disclosing transactions with fellow group entities. Group balances are shown in note 17 and 18.

Other related parties

The company's main premises and trading company's premises, together with additional property used by the company and trading company, are rented out at normal commercial rates from entities in which RHP Adams-Mercer is a proprietor or partner.

The group has also traded in the normal course of business with a number of entities in which RHP Adams-Mercer and a close family member are directors and/or shareholders. The group has also traded in the normal course of business with two companies in which James Greenbury is a director and shareholder.

During the year the group entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Group				
Other related parties	<u>2</u>	<u>7</u>	<u>129</u>	<u>161</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021	2020
	£'000	£'000
Group		
Other related parties	<u>13</u>	<u>8</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2021	2020
	£'000	£'000
Group		
Other related parties	<u>2</u>	<u>1</u>

P2G.COM WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

31 Controlling party

The company is controlled by its immediate parent company Hadlee Bidco Limited, a company incorporated in England and Wales.

The ultimate parent company at the year-end is Hadlee Holdco Limited, a company incorporated in Guernsey.

Hadlee Holdco Limited is the largest group in which P2G.com Worldwide Limited is a member and for which consolidated financial statements are prepared. A copy of the group financial statements can be obtained from its registered office Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 1WD.

The directors consider the ultimate controlling party to be Mayfair Equity Partners LLP through its fund Mayfair Equity Partners Fund II.

32 Post balance sheet events

In July 2021, Pack-a-Punch Bidco Limited invested in the group, acquiring the entire share capital in the company's ultimate parent company, Hadlee Holdco Limited. Pack-a-Punch Bidco Limited is a wholly owned subsidiary of Pack-a-Punch Topco Limited, and the EQT Mid Market Europe fund holds a majority stake in Pack-a-Punch Topco Limited.

In November 2021, the company acquired 100% of the issued share capital of Parcel Monkey Holdings Limited, a company incorporated in England and Wales with company number 07480007.