6 June 2025

Anexo Group plc
('Anexo' or the 'Group')

Final Results

"Continued focus on investment and sustainable growth across all Group divisions"

Anexo Group plc (AIM: ANX), the specialist integrated credit hire and legal services provider, announces its audited final results for the year ended 31 December 2024 (the 'period' or 'FY2024).

It should be noted that, as previously reported, the results for the year ended 31 December 2023 ('FY2023') include the contribution from the agreement reached with Volkswagen AG ('VW') in relation to the Emissions Claim. The terms of the agreement (as announced on 5 June 2023) are subject to confidentiality restrictions. The agreement resulted in revenues in FY2023 outside the normal course of historic business, which should be taken into account when comparing the results of FY2023 and FY2024. The underlying business on a normalised basis grew in FY2024 compared with FY2023.

To aid comparison of the FY2024 results with FY2023 we have provided a divisional breakdown in trading performance below.

Financial Highlights

Revenues

- Credit Hire revenues increased by 22.9% to £70.4 million (2023: £57.3 million) reflecting the ongoing diversification of the book
- Legal Services revenues reduced by 16.9% to £71.5 million (2023: £86.0 million), noting the results for FY2023 include the impact of the agreement reached with VW in relation to the Emissions Claim.
- Group revenue reduced by 1.0% to £141.9 million (2023: £143.3 million, which included the impact of the agreement reached with VW in the Emissions Claim).

Profit Before Taxation

- Credit Hire reported a 50.0% improvement in profit before tax, reaching £9.9 million (2023: £6.6 million), reflecting both an increase in, and diversification of, vehicle activity in the period and continued cost control

- Legal Services profit before tax reached £7.6 million (2023: £19.5 million) as the investment in staffing continued (a 9.4% increase in headcount was reported in FY2024), whilst FY2023 included the impact of the agreement reached with VW in the Emissions Claim

- Group profit before tax was reduced by 35.7% to £14.8 million (2023: £23.0 million). This reduction reflects the impact of the agreement reached with VW in the Emissions Claim in 2023, additional costs of £0.7 million associated with the refinancing agreed in 2024 which resulted in a significant increase in the level of headroom within the Group, a decision to make continued investment in staff, marketing costs, IT and infrastructure within Legal Services for the future benefit of the business and the movement in, and diversification of, vehicle activity within the Credit Hire Division

	2024	**2023**	**Movement**
Revenues [1, 2]	**£141.9 million**	£143.3 million	-1.0%
Profit before taxation [1]	**£14.8 million**	£23.0 million	-35.7%
Cash collections	**£169.7 million**	£163.5 million	+3.8%
Net debt	**£81.6 million**	£67.9 million	+20.2%
Basic EPS [1]	**9.9 pence**	12.8 pence	-22.7%

1. The results for FY2023 include the impact of the agreement reached with VW in the Emissions Claim.

2. Note: Certain of the results and balances for FY2023 have been restated, this had the impact of reducing opening reserves by £2.3 million, but had no impact on the Statement of Total Comprehensive Income or Statement of Cash Flows for FY2023. Further details are included in Note 1 below.

KPIs	2024	2023	% movement
Group			
Total revenues (£'000s) [1 2]	141,878	143,308	-1.0%
Gross profit (£'000s) [1 2]	103,437	114,962	-10.0%
Operating profit (£000's)	25,469	39,773	-36.0%
Operating profit margin (%) [2]	18.0%	27.8%	-9.8%
Cash collections from settled cases (£'000s)	169,720	163,530	+3.8%
Credit Hire			
Revenues (£'000s) [2]	70,393	57,289	+22.9%
Vehicles on hire at the year-end (no)	1,552	2,409	-35.6%
Average vehicles on hire for the year (no)	1,877	1,904	-1.4%
Number of hire cases settled	8,767	8,967	-2.2%
New cases funded (no)	11,857	11,724	+1.1%
Legal Services			
Revenues (£'000s) [1 2]	71,485	86,019	-16.9%
Legal staff at the period end (no)	768	702	+9.4%
Average number of legal staff (no)	758	696	+8.9%
Total senior fee earners at period end (no)	303	283	+7.1%
Average senior fee earners (no)	294	257	+14.4%

1. The results for FY2023 include the impact of the agreement reached with VW in the Emissions Claim.

2. The results for FY2023 have been restated as set out above, further details are included in Note 1 below.

Overview and Financial and Operational KPIs

2024 has been a year of targeted investment in a number of strategic areas. This has focused on driving increased performance and shareholder value by continuing the development of Bond Turner's staff and infrastructure across all key divisions, including Housing Disrepair, Large Loss (Injury), class actions (which includes emissions) and credit hire. Whilst credit hire remains the most significant component of the Group, our internal focus has changed slightly to look to drive additional value from the division; firstly, from the generation of additional large loss opportunities, for which there are no significant incremental costs; and secondly, from diversification of the claim portfolio within credit hire.

It should be noted that, as previously reported, the results for 2023 include the contribution from the agreement reached with Volkswagen AG ('VW') in relation to the Emissions Claim. The terms of the agreement (as announced on 5 June 2023), which was subject to confidentiality restrictions, noted that the agreement had resulted in a net positive cash position to Anexo of £7.2 million and revenues in that year being outside the normal course of historic business. The claim should therefore be taken into account when comparing 2023 and 2024. The underlying Legal Services business on a like-for-like basis grew in 2024 compared with 2023. It should also be noted that certain comparative information has been re-stated as a result of the prior year adjustment set out in Note 1 to the financial information.

The Group's success lies in the strength of Bond Turner and is supported by ongoing investment in staff, and diversification of the credit hire book alongside expanding revenues from its two other key divisions, targeting growth but not at the expense of increasing levels of working capital and debt. Cash collections improved throughout the year, deriving from credit hire claims, housing disrepair claims and the serious injury and clinical and professional negligence large loss teams. Overall cash collections increased from £163.5 million in 2023 to £169.7 million in 2024. These figures exclude the contribution from the agreement reached in June 2023 with VW referred to above.

Revenues for Legal Services reduced from £86.0 million in 2023 to £71.5 million in 2024; these figures reflect the fact that 2023 included the impact of the agreement of the Emission Claim in the year. On a like-for-like basis, 2024's revenues were above those reported for 2023. This improvement is even more pleasing as the business continued to face disruption in the courts system post-COVID, with delays and adjournments to court dates and hearings, which have impacted turnover and hence profitability. The delays in the Civil Court system are well publicised and are currently subject to a review by the Justice Committee. The Company is playing an active and collaborative role in that review with a Director having already given evidence before the committee.

Following the agreement with VW, the Group continued its investment in claims against other manufacturers, including Mercedes Benz, Vauxhall, BMW/ Mini, Peugeot/Citroen and Nissan/Renault. During 2024, the Group invested a total of £6.5 million in marketing, staff and other costs (2023: £4.3 million) and at the end of 2024 had secured claims against Mercedes Benz (where court proceedings have been issued) from approximately 12,000 clients, and a further 24,000 claims against other manufacturers. These costs which are included within Administrative Expenses in the Income Statement, contribute significantly to the development and ultimate success of the claims. New claim acquisition and marketing has now ceased. Favourable settlement of these claims would be expected to enhance the Company's revenue, profitability and cashflows although the certainty, quantum and timing of any negotiations or settlement remains uncertain.

Staff numbers within Bond Turner continued to grow, driving improvements in performance and cash collections with an increased focus on both developing our own staff but recruiting where necessary to increase settlement capacity. This growth was particularly notable within the housing disrepair and large injury teams, where staff numbers increased from 69 and 77 respectively at the end of 2023 to 84 and 100 at the end of 2024 (an increase of 21.7% and 29.9% respectively). Staff numbers in the Legal Services division reached a total of 768 at the end of December 2024, a 9.4% rise from 2023.

In addition, the business continues to increase its footprint within the field of professional and clinical negligence and large and catastrophic personal injury case book. A new head of clinical negligence has recently been recruited, and the Group is delighted to have attracted a highly experienced, commercially minded and sought after individual which bodes well for future success. Further recruitment of senior people continues to take place across the large and personal injury departments. The Group is able to draw upon its significant marketing capability and nationwide footprint to generate claims effectively.

Opportunities for new work within the Credit Hire division continued to be buoyant. Management continued the active management of claims and sought to diversify the business, expanding the provision of vehicles on a credit hire basis to taxi drivers who had been involved in non-fault accidents. The Group, with its decades of experience, has given careful and strategic consideration to the diversification of its offering between cars, motorbikes, vans, taxis and bicycles, concentrating on those claims that generate the best value for the Group as a whole, alongside ensuring that the demands and needs of its clients are satisfied. This diversification led to overall vehicle numbers being reduced from 2,409 at the end of 2023 to 1,772 at the end of June 2024 and 1,552 at the end of 2024. This reduction in 2024 is expected to have a positive impact on settlements in 2025 and beyond. The readjustment is intended to position the business well for future opportunities within each sector. The diversification is also expected and indeed has already started to open avenues for high value personal injury work where there is no associated credit hire.

Having diversified the book of business and actively managed claim numbers during the year, the strong start to 2024 in terms of vehicle activity resulted in an increase in revenues in the year, rising from £57.3 million in 2023 to £70.4 million in 2024. The focus for the majority of the year was very much on cash generation and our ability to manage claim volumes underlines the robust health of the core business. A number of factors contributed to the increase in revenue including the diversification of the credit hire book. As for many years, all claims generated are passed for recovery to the experienced legal team at Bond Turner, who have shown their strength in driving case settlements in a period where court delays and adjournment are now the norm; the impact of these external factors has seen little improvement during 2024.

2024 also saw the Group replace, or agree enhancements to, its key funding facilities. In August 2024, the Group agreed a £30.0 million, three year committed, loan facility with Callodine Commercial Finance LLC. The Group has drawn down £20.0 million of this facility, to provide further headroom and to repay the loan provided by Blazehill Capital Limited. This refinancing has significantly reduced the overall cost of capital to the Group, as has an agreement to increase the funding available under the facility provided by Secure Trust Bank PLC. Secure Trust has extended and increased the funding period, the effect of which was to provide an additional £5.0 million of funding for the Group within the £40.0 million facility limit previously agreed. Both facilities are committed through to July 2027.

In October 2024, the Group secured a £16.0 million revolving credit facility from Lloyds Bank PLC, of which £13.5 million has been drawn down to increase headroom and repay the facility formerly provided by HSBC Bank PLC (£10.0 million). This facility is also committed for a three year period with no repayments due until that date.

The Group has a number of opportunities for growth in 2025, not only from the current divisions but from wider opportunities in the legal services sector including the growth of higher value personal injury work and continued diversification of the credit hire book. The Board believes that there are significant opportunities to manage the overall Group to ensure it maximises shareholder value by continuing to seize opportunities for growth as they present themselves without the need for significant increases in debt funding. We have provided certain data and statistics below and on the following pages to give further detail around the trading and operational performance of the Group. The measures presented are those which management believes provide the best reflection of performance.

Commenting on the Final Results, Alan Sellers, Executive Chairman of Anexo Group plc, said: *"The Board is very pleased with these results, which demonstrate our continued commitment to sustainable investment across our divisions, enabling appropriate growth while managing our debt levels efficiently.*

We are immensely proud to be able to offer social justice and full legal support to our clients and members of the public. Anexo provides assistance to people who find themselves in an invidious position through no fault of their own, whether through being deprived of an essential vehicle or through living in substandard housing conditions, along with the other problems which may be exacerbated by such situations. We remain committed to providing help to those who might otherwise be unable to obtain redress. The credit hire and housing disrepair teams continue to perform with both strength and a high level of legal expertise, and carry out invaluable work for members of the public in difficult situations, who would not otherwise have access to justice.

"The Group has multiple opportunities in its existing business in areas which offer huge potential for growth. Our legal services division is involved in a number of high-profile actions which will heighten its public profile and reputation for expertise, while the credit hire division is benefitting from our recent expansion into the taxi sector. The future for the Group is both exciting and promising."

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Notes to Editors:
Anexo is a specialist integrated credit hire and legal services provider. The Group has created a unique business model by combining a direct capture Credit Hire business with a wholly owned Legal Services firm. The integrated business targets the impecunious not at fault motorist, referring to those who do not have the financial means or access to a replacement vehicle.

Through its dedicated Credit Hire sales team and network of 1,100 plus active introducers around the UK, Anexo provides customers with an end-to-end service including the provision of Credit Hire vehicles, assistance with repair and recovery, and claims management services. The Group's Legal Services division, Bond Turner, provides the legal support to maximise the recovery of costs through settlement or court action as well as the processing of any associated personal injury claim.

Bond Turner incorporates a number of other specialist legal divisions. One deals with housing disrepair claims acting for clients living in conditions where there is disrepair, damp and mould, and concentrates mainly on the social housing sector. Another focuses on large loss claims, including professional and clinical negligence and complex medical claims. Bond Turner is also involved in group actions including diesel emissions and is currently pursuing claims against Mercedes and several other major manufacturers.

The Group was admitted to trading on AIM in June 2018 with the ticker ANX. For additional information please visit: www.anexo-group.com

Chairman's Statement

On behalf of the Board, I am pleased to report a year of solid performance by the Group, with each division of the Group performing in line with the Board's expectations. As previously reported, the results for 2023 include the contribution from the agreement reached with Volkswagen AG ('VW') in relation to the Emissions Claim. The terms of the agreement (as announced on 5 June 2023) are subject to confidentiality restrictions. The agreement resulted in revenues in 2023 outside the normal course of historic business, which should be taken into account when comparing 2023 and 2024. The underlying Legal Services business on a like-for-like basis grew in 2024 compared with 2023.

The Board continues to invest in diversifying the Group's activities by taking advantage of the significant growth opportunities which are presenting themselves and believes that the Group is well positioned for further strong performance in 2025 and beyond. During 2024, investment included the continued diversification of credit hire activity into the provision of taxis to drivers involved in non-fault accidents as well as investment to increase its footprint within large and catastrophic personal injury case books and professional and clinical negligence. The Group continues to market its services to prospective customers on a nationwide basis and offers an accessible network to members of the public who require end-to-end solutions for legal advice and support.

Group Performance

Anexo Group Plc has shown solid performance during 2024 with Group revenues reported at £141.9 million (2023: £143.3 million, which included the impact of the agreement in the Emissions Claim). The underlying business on a like-for-like basis grew in 2024 compared with 2023. Gross profits reached £103.4 million in 2024 compared to £115.0 million in 2023. Operating profit reduced to £25.5 million in 2024 at a margin of 18.0% (2023: £39.8 million at a margin of 27.8%), the reduction reflecting the impact of the Emissions Claim in 2023, the continued investment in staff and marketing costs across all aspects of the Legal Services division, and continued investment into the ongoing diesel emissions claims (2024: £6.5 million; 2023: £4.3 million) and costs associated with securing additional headroom for the Group across each of the principal debt funding facilities.

An increase in revenue was reported for Credit Hire, increasing from £57.3 million in 2023 to £70.4 million in 2024. This improvement reflects the diversification of claims activity towards claims generating best value for the Group and servicing the needs of a diverse client base. This result was even more pleasing as management continued the active management of claims accepted resulting in a reduction of vehicles on the road at the year end (2023: 2,409; 2024: 1,552). Revenue from Legal Services reduced from £86.0 million in 2023 to £71.5 million in 2024. As previously stated, 2023 included the impact of the agreement in the Emissions Claim and the underlying business on a normalised basis grew in 2024 compared with 2023.

During 2024, the Group has continued its focus on developing services outside credit hire, further developing the housing disrepair and large loss teams whilst recognising that credit hire remains the mainstream profit generator for the Group. This focus has contributed to an increased level of case settlements and therefore an increase in cash collections for the Group, which rose by 3.8% to £169.7 million in 2024 (2023: £163.5 million). This figure excludes the agreement in the Emissions Claim in 2023. This improvement is even more pleasing as the business continued to face disruption in the courts system post-COVID with delays and adjournments to court dates and hearings, which have impacted turnover and hence profitability. The delays in the Civil Court system are well publicised and are currently subject to a review by the Justice Committee. The Company is playing an active and collaborative role in that review with a Director having already given evidence before the committee.

Credit Hire Division

Whilst the Group's Credit Hire division, Direct Accident Management Limited, reported a slight increase in vehicle activity in the year against 2023, new cases funded increased slightly from 11,724 in 2023 to 11,857 in 2023, revenues increased from £57.3 million to £70.4 million (an increase of 22.9%). The growth in revenues, over and above the movement in vehicle activity, reflects the decision to diversify the fleet towards those claims generating best future value for the Group.

With the strong start to the year, which began with 2,409 vehicles on the road, active management of claims activity resulted in a reduction of vehicles on the road, ending the year at 1,552. Movements in the year resulted in the average number of vehicles on hire remaining relatively consistent with that seen in 2023, reaching 1,877 in 2024 (2023: 1,904).

Legal Services Division

The Group's Legal Services division, has continued its focus on both driving cash collections across each of the three principal departments, with growth in both housing disrepair and large loss contributing to the positive result in the year, as well as continued investment in staffing and infrastructure. Large loss remains a key focus for the business including our ability to provide rehabilitation, support, legal advice and technical excellence to the most seriously injured of clients. This investment is expected to make a significant contribution to future revenues and profitability. Revenues within the Legal Services division, which strongly correlates to cash, reduced by 16.9% to £71.5 million (2023: £86.0 million, including the agreement in the Emissions Claim in June 2023). The underlying business on a normalised basis grew in 2024 compared with 2023.

With increased opportunities across all divisions the Group has sought to expand teams with strategic senior hires to support and develop their respective teams to help drive case settlements. At the end of December 2024 staff numbers within Bond Turner stood at 768, a 9.4% increase on the 2023 figure of 702. Of these, a total of 303 were senior fee earners, up 7.1% (2023: 283). The average number of staff rose from 696 in 2023 (of which 257 were senior fee earners) to 758 in 2023 (including 294 senior fee earners).

Diesel Emissions

The Group has continued its investment in claims against manufacturers including Mercedes Benz, Vauxhall, BMW/Mini, Peugeot/Citroen and Renault/Nissan. By the end of 2024, the Group had secured claims against Mercedes Benz (where court proceedings have been issued) from approximately 12,000 clients, and a further 22,000 claims against other manufacturers. New claim acquisition and marketing has now ceased. Favourable settlement of these claims would be expected to enhance the Company's revenue, profitability and cashflows although the certainty, quantum and timing of any negotiations or settlement remains uncertain.

In total, the Group invested £6.5 million in 2024 (2023: £4.3 million) in both staffing and emission claims lead generation fees, both of which are expensed in the income statement as incurred.

Housing Disrepair

The housing disrepair team has continued its expansion during 2024, with revenues rising to £14.2 million, an increase of 11.8% over that reported in 2023 (£12.7 million). At the end of the year, the Group had a portfolio of c4,500 ongoing claims (2023: c.3,900). Some £3.5 million was invested in marketing costs in 2024 (2023: £3.8 million), all of which was expensed as incurred, and with further investment planned in 2025, the housing disrepair team has proven its potential to be a significant contributor to Group earnings. We look forward to further growth in this sector.

Dividends

The Board is not recommending the payment of a final dividend (2023: total dividend 1.5p per share, £1.8 million).

Corporate Governance

Anexo values corporate governance highly and the Board believes that effective corporate governance is integral to the delivery of the Group's corporate strategy, the generation of shareholder value and the safeguarding of our shareholders' long-term interests.

As Chairman, I am responsible for the leadership of the Board and for ensuring its effectiveness in all aspects of its role. The Board is responsible for the Group's strategic development, monitoring and achievement of its business objectives, oversight of risk and maintaining a system of effective corporate governance. I will continue to draw upon my experience to help ensure that the Board delivers maximum shareholder value.

Our Employees and Stakeholders

The strong performance of the Group reflects the dedication and quality of the Group's employees. We rely on the skills, experience and commitment of our team to drive the business forward. Their enthusiasm, innovation and performance remain key assets of the Group and are vital to its future success. On behalf of the Board, I would like to thank all of our employees, clients, suppliers, business partners and shareholders for their continued support over the last year.

Current Trading and Outlook

The Group has continued to invest in its people, particularly within the Legal Services division, supporting the growth in the underlying level of cash receipts for the Group. Whilst this investment impacted our reported financial performance in 2024, the continued growth in headcount supporting ever increasing case settlements will continue to contribute to growth in 2025 and beyond.

Since the year end, trading across both Credit Hire and Legal Services has been in line with management's expectations.

Future Developments

In the previous emissions action, Bond Turner's clients were not part of the Group Litigation Order ('GLO'), which brought together a number of legal firms acting for different claimants. In the current action, Bond Turner will form part of the respective GLOs, which should facilitate a more efficient legal process to achieve a quicker resolution to the cases.

Judgment was handed down in November 2024 from the preliminary issue trial held in early October 2024, in the Mercedes Diesel Emissions Claim. The Court found in favour of the claimants and whilst this decision is not definitive for the success of the claims, it does strengthen the claimants' position and was a significant victory in the litigation at that stage. A trial is scheduled for October 2026 to address causation and loss issues. This trial will involve all manufacturers.

Annual General Meeting

The Group's AGM will be held on 2 July 2025. The notice of the meeting accompanies this Annual Report and Accounts.

Financial Review

Basis of Preparation

To provide comparability across reporting periods, the results within this Financial Review are presented on an "adjusted basis", adjusting for the £0.2 million charge recorded for share-based payments in 2024, with no such charge arising in 2023. It should also be noted that certain comparative information has been re-stated as a result of the prior year adjustment set out in Note 1 below.

A reconciliation between adjusted and reported results is provided at the end of this Financial Review.

Revenue

In 2024 Anexo reported revenues of £141.9 million, a reduction of 1.0% over the prior year (2023: £143.3 million). As previously stated, 2023 was impacted by the agreement reached in the Emissions Claim, the underlying business on a normalised basis grew in 2024 compared with 2023.

Revenues for Credit Hire increased from £57.3 million in 2023 to £70.4 million in 2024 reflecting the impact of a diversification of the credit hire book. During 2024, Direct Accident Management Limited, the Credit Hire division, provided vehicles to 11,857 individuals (2023: 11,724).

Within Legal Services, revenues reduced from £86.0 million in 2023 to £71.5 million, reflecting the fact that 2023 included revenues from the agreement reached in the Emissions Claim; the underlying business on a like for like basis grew in 2024. This improvement is even more pleasing as the business continued to face disruption in the courts system post-COVID with delays and adjournments to court dates and hearings, which have impacted turnover and hence profitability.

With investment in all areas of Bond Turner continuing into 2024, and the continued maturity of the housing disrepair and large loss departments, the Legal Services division reported revenue growth when excluding the impact of the Emissions Claim from the 2023 result, details of which are subject to confidentiality restrictions.

Gross Profits

Gross profits for the Group are reported at £103.4 million (at a margin of 72.9%) in 2024, reducing from £115.0 million in 2023 (at a margin of 80.2%). The result for 2023 included the impact within Bond Turner of the agreement of the Emissions Claim. It should be noted that staffing costs within Bond Turner are reported within Administrative Expenses.

The Credit Hire Division reported gross profits of £36.3 million (at a margin of 51.6%), increasing from £30.3 million (at a margin of 53.8%), this movement being revenue related.

Operating Costs

Administrative expenses increased slightly year-on-year, reaching £69.0 million in 2024 (2023: £65.7 million). Staffing costs for Bond Turner increased to £30.5 million (2023: £25.7 million), an increase of £4.8 million (15.7%); this increase was countered by savings in marketing and other general overhead costs. Following the establishment of our housing disrepair team in late 2020, some £3.5 million was invested in marketing costs in 2024 (2023: £3.8 million), all of which has been expensed as incurred.

Depreciation, amortisation and profit and loss on disposal totalled £8.8 million in 2024, a slight reduction from that seen in 2023 (£9.5 million).

Finance Costs

Finance costs reached £10.7 million in 2024, reducing from £16.7 million in 2023. 2024 included certain costs associated with the refinancing of each of the major funding facilities of the Group (£0.7 million), the result of which was to extend all facilities into 2027, improve headroom and reduce the overall cost of capital to the Group. Finance costs in 2023 included payment due to funders in respect of Emissions Claims.

Profit Before Tax

Profit before tax reached £14.8 million in 2024, falling from the level reported in 2023 (£23.0 million). 2023 including the impact arising from the agreement in the Emissions Claim.
Where we have provided adjusted figures, they are after the add-back of the share-based payment charge in 2024; a reconciliation of the adjusted and reported results is included below. Adjusted profit before tax reached £15.0 million in 2024, falling from the level reported in 2023 (£23.0 million) which included the impact arising from the agreement in the Emissions Claim.

EPS and Dividend

Statutory basic EPS is 9.9 pence (2023: 12.8 pence). Statutory diluted EPS is 9.9 pence (2023: 12.8 pence). The adjusted EPS is 10.0 pence (2023: 12.8 pence). The adjusted diluted EPS is 10.0 pence (2023: 12.8 pence). The adjusted figures exclude the effect of share-based payments. The detailed calculation in support of the EPS data provided above is included below.

The Board is not recommending the payment of a final dividend (2023: total dividend 1.5p per share, £1.8 million).

Group Statement of Financial Position

The Group's net assets position is dominated by the balances held within trade and other receivables. These balances include credit hire and credit repair receivables, together with disbursements paid in advance which support the portfolio of ongoing claims. Following improvements in the level of cash collected in the year, countered by increases in claim volumes and the value of individual claims generated, the carrying claim value of trade receivables and assets on the credit hire ledger totalled £173.6 million in 2024, increasing from £159.5 million in 2023. In accordance with our income recognition policies, a provision is made to reduce the carrying value to amounts that are expected to be settled giving a portfolio of claims for settlement into 2025 and beyond for which the associated acceptance costs have been written off as incurred.

In addition, the Group has a total of £76.3 million reported as accrued income (2023: £70.1 million) which represents the value attributed to those ongoing hires and claims at the year end, alongside growth in the number of ongoing claims within the housing disrepair and large loss teams where investment has increased year on year as have the ongoing number of claims, noting value is only attributed to those claims where we have secured an admission of liability.

The diversification of the credit hire book in 2024 reduced the reliance on motorcycle claims and hence the requirement for additional capital expenditure that would have ordinarily been required; total additions of property, plant, equipment and right of use assets reached £10.6 million in 2024 (2023: £11.6 million). The fleet continues to be largely externally financed.

Trade and other payables, including tax and social security increased to £16.1 million at 31 December 2024 compared to £14.5 million at 31 December 2023. The provision for costs that may be payable under an indemnity contract at 31 December 2024 was £3.6 million (2023: £3.2 million).

Net assets at 31 December 2024 reached £167.5 million (2023: £157.4 million).

Net Debt, Cash and Financing

Following a year of investment, net debt increased to £81.6 million at 31 December 2024 (31 December 2023: £67.9 million) and comprised cash balances at 31 December 2024 of £11.3 million (2023: £8.4 million), plus borrowings which increased during the year, the movement being in line with management's expectations and following the refinance of each of the Group's primary funding facilities in the year.

The total debt balance reached £92.9 million in 2024, increasing from £76.4 million at the end of 2023; these balances include lease liabilities including those recognised in line with IFRS16 (2024: £14.9 million; 2023: £14.3 million). The Group has a number of funding relationships and facilities to support its working capital and investment requirements, including an invoice discounting facility within Direct Accident Management Limited (secured on the credit hire and repair receivables) and a loan from Callodine Commercial Finance LLC, which is non amortising and committed for a three year period through to August 2027, lease facilities to support the acquisition of the fleet and a revolving credit facility within Bond Turner Limited which is due for renewal in October 2027. Further details are included below.

Having considered the Group's current trading performance, cash flows and headroom within our current debt facilities, maturity of those facilities, the Directors have concluded that it is appropriate to prepare the Group and the Company's financial statements on a going concern basis. Further details are included below.

Cash Flow

Notwithstanding the continued delays in the court system, we have continued to invest in talent and grow our settlement capacity throughout Bond Turner, across each of the Credit Hire, housing disrepair and more recently the large loss teams. As we have previously reported, increasing numbers of senior fee earners drives increased settlement and cash collections as it is mainly these staff that negotiate and settle claims on behalf of the Group. The number of senior fee earners increased from 283 to 303 during 2024 (an increase of 7%) with strategic recruitment of high-quality staff a continued focus. More recently, this investment has sought to continue to diversify the activities of the Group and headcount with the housing disrepair team, where the number of staff increased in number from 69 at 31 December 2023 to 84 at 31 December 2024 (an increase of 21.7%); and the large loss team, where the number of staff increased in number from 77 at 31 December 2023 to 100 at 31 December 2024 (an increase of 29.9%).

Cash collections for the Group (excluding settlements for our clients and the contribution from the agreement of the Emissions Claim in 2023), a key metric for the Group, increased from £163.5 million in 2023 to £169.7 million in 2024, an increase of 3.8%.

These improvements, countered by an investment in a record number of new claims, resulted in a net cash outflow from operating activities of £4.9 million in 2024 (2023: net cash inflow: £17.4 million), the primary difference being the level of funds invested in trade and other receivables which increased to an investment of £21.3 million in 2024 (2023: cash outflow: £12.1 million) reflecting the growth in claim numbers in the year as well as the increase in average value as we have diversified the book to the most valuable claims for the Group where there is plentiful need and demand. It should also be noted that 2023 was impacted by the agreement reached in the Emissions Claim.

The refinancing of the three primary facilities of the Group, providing investment capital and additional headroom to the Group resulted in net debt reaching £81.6 million at 31 December 2024 (31 December 2023: £67.9 million).

Reconciliation of Adjusted and Reported IFRS Results

In establishing the adjusted operating profit, the adjusted results for 2024 include a charge of £0.2 million related to share-based payments awards made in the current year which will vest in future periods.

A reconciliation between adjusted and reported results is provided below:

	Year to 31 December 2024		
	Adjusted £'000s	Share-based payment £'000s	Reported £'000s
Revenue	141,878	-	141,878
Gross profit	103,437	-	103,437
Other operating costs (net)	(77,792)	(176)	(77,968)
Operating profit	25,645	(176)	25,469
Finance costs (net)	(10,676)	-	(10,676)
Profit before tax	14,969	(176)	14,793
Profit after tax	11,875	(176)	11,699

	Year to 31 December 2023 (Restated)		
	Adjusted £'000s	Share-based payment £'000s	Reported £'000s
Revenue	143,308	-	143,308
Gross profit	114,962	-	114,962
Other operating costs (net)	(75,189)	-	(75,189)
Operating profit	39,773	-	39,773
Finance costs (net)	(16,733)	-	(16,733)
Profit before tax	23,040	-	23,040
Profit after tax	15,121	-	15,121

Consolidated Statement of Total Comprehensive Income
for year ended 31 December 2024

	Note	2024 £'000s	Restated 2023 £'000s
Revenue		141,878	143,308
Insurance service cost		(1,569)	(1,098)
Other cost of sales		(36,872)	(27,248)
Total cost of sales		(38,441)	(28,346)
Gross profit		103,437	114,962
Depreciation & profit / loss on disposal of property, plant and equipment	4	(8,727)	(9,439)
Amortisation	4	(57)	(69)
Share based payment charge		(176)	-
Increase in provision for impairment of trade receivables		(311)	(1,079)
Other administrative expenses		(68,697)	(64,602)
Total administrative expenses		(77,968)	(75,189)
Operating profit	4	25,469	39,773
Finance costs		(10,676)	(16,733)
Profit before tax		14,793	23,040
Taxation		(3,094)	(7,919)
Profit and total comprehensive income for the year attributable to the owners of the company		11,699	15,121
Earnings per share			
Basic earnings per share (pence)	5	9.9	12.8
Diluted earnings per share (pence)	5	9.9	12.8

The above results were derived from continuing operations.

Consolidated Statement of Financial Position
as at 31 December 2024

Assets	Note	2024 £'000s	Restated 2023 £'000s
Non-current assets			
Property, plant and equipment	6	1,378	1,813
Right of use assets	6	14,152	13,886
Intangible assets		312	34
Deferred tax assets		112	112
		15,954	15,845
Current assets			
Trade and other receivables	7	255,670	234,409
Cash and cash equivalents		11,274	8,443
		266,944	242,852
Total assets		282,898	258,697
Equity and liabilities			
Equity			
Share capital		59	59
Share premium		16,161	16,161
Share based payments reserve		176	-
Retained earnings		151,085	141,156
Equity attributable to the owners of the Company		167,481	157,376
Non-current liabilities			
Other interest-bearing loans and borrowings	8	32,089	15,000
Lease liabilities	8	7,552	7,968
Insurance contract liability	9	2,684	2,456
Deferred tax liabilities		-	32
		42,325	25,456
Current liabilities			
Other interest-bearing loans and borrowings	8	45,894	47,070
Lease liabilities	8	7,382	6,347
Insurance contract liability	9	893	766
Trade and other payables		16,065	14,457
Corporation tax liability		2,858	7,225
		73,092	75,865
Total liabilities		115,417	101,321
Total equity and liabilities		282,898	258,697

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

	Share Capital £'000s	Share Premium £'000s	Share Based Payments Reserve £'000s	Retained Earnings £'000s	Total £'000s
At 1 January 2023	59	16,161	-	130,127	146,347
Prior period adjustment (note 1)	-	-	-	(2,323)	(2,323)
At 1 January 2023 (restated)	59	16,161	-	127,804	144,024
Profit for the year and total comprehensive income	-	-	-	15,121	15,121
Dividends	-	-	-	(1,769)	(1,769)
At 31 December 2023 (restated)	59	16,161	-	141,156	157,376
Profit for the year and total comprehensive income	-	-	-	11,699	11,699
Share based payment charge	-	-	176	-	176
Dividends	-	-	-	(1,770)	(1,770)
At 31 December 2024	59	16,161	176	151,085	167,481

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

	Note	2024 £'000s	2023 £'000s
Cash flows from operating activities			
Profit for the year		11,699	15,121
Adjustments for:			
Depreciation and profit / loss on disposal	4,6	8,727	9,439
Amortisation		57	69
Finance cost		10,676	16,733
Share based payment charge		176	-
Taxation		3,094	7,919
		34,429	49,281
Working capital adjustments			
Increase in trade and other receivables		(21,260)	(12,138)
Increase in trade and other payables		1,963	1,586
Cash generated from operations		15,132	38,729
Finance costs paid		(12,571)	(16,733)
Tax paid		(7,493)	(4,605)
Net cash (used in) / from operating activities		(4,932)	17,391
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		2,038	757
Acquisition of property, plant and equipment		(586)	(1,277)
Investment in intangible fixed assets		(335)	(32)
Net cash from / (used in) investing activities		1,117	(552)
Cash flows from financing activities			
Proceeds from new loans		60,937	20,409
Repayment of borrowings		(43,128)	(26,932)
Capital element of lease payments		(9,393)	(9,153)
Dividends paid		(1,770)	(1,769)
Net cash generated from / (used in) financing activities		6,646	(17,445)
Net increase / (decrease) in cash and cash equivalents		2,831	(606)
Cash and cash equivalents at 1 January		8,443	9,049
Cash and cash equivalents at 31 December		11,274	8,443

Notes to the Financial Information
for the year ended 31 December 2024

1. Basis of Preparation and Principal Activities

The financial information set out herein does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The financial information for the year ended 31 December 2023 has been extracted from the Company's audited financial statements which were approved by the Board of Directors on 30 April 2024 and which, if adopted, will be delivered to the Registrar of Companies for England and Wales.

Statutory accounts for the years ended 31 December 2024 and 31 December 2023 have been reported on by the auditor. Their reports for both years (i) were unqualified; (ii) did not include a reference to any matters which the auditor drew attention by way of emphasis without qualifying their audit report and (iii) did not contain a statement under section 498(2) or 498 (3) of the Companies Act 2006.

The information in this preliminary statement has been extracted from the audited financial statements for the year ended 31 December 2024 and as such does not contain all the information required to be disclosed in the financial statements prepared in accordance with UK adopted International Accounting Standards ('IAS').

The Company is a public limited company incorporated and domiciled in England and whose shares are quoted on AIM, a market operated by The London Stock Exchange.

The address of its registered office is 5th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ.

Restatement of comparatives

In preparing the financial statements, the directors have reassessed the application of the Group's accounting policies relating to the measurement and presentation of revenue as follows.

The entity makes an adjustment for the estimation of recovery of revenue and the asset on the credit hire ledger associated with credit hire services based on historic recovery performance. In the prior period, the write-down of these assets over four years old was recorded as a credit loss provision and charged to administrative expenses rather than a reduction in revenue. Correcting this error and adjusting the charge to be a reduction in revenue, rather than charge to administrative expenses for the year ended 31 December 2023, has resulted in a reduction in both revenues and administrative costs of £3.5m. As such, there is no impact on the reported operating profit, net assets or cash flows as a result of this restatement.

The Group arranges for the provision of after the event insurance contracts to its customers for which it charges a fee for administrative services. Previously, the Group reported revenues from the provision of insurance contracts as a principal, however as the Group is not considered to be the principal in the insurance contract, an adjustment of the basis of accounting to that of agent has resulted in a reduction in revenue and cost of sales for the year ended 31 December 2023 of £2.5 million. The correction of this error had no impact on the reported operating profit, net assets or cash flows as a result of this restatement.

Following a review of the Group's contractual arrangements it was identified that an indemnity provided by the Group meets the definition of an insurance contract under IFRS 17. As such, the

Group’s accounting policies have been restated in the period to apply IFRS 17 with retrospective application in line with the requirements of IAS 8. Previously, the Group accrued for known costs; in accordance with IAS 37, the Group now records an insurance contract liability for future expected cash outflows. The correction of this error has resulted in a decrease in opening reserves at 1 January 2023 of c £2.3 million to reflect an increase in the provision for associated liabilities.

The adjustments identified above have been corrected by restating each of the financial statement line items for the comparative period as follows:

Impact on Consolidated Statement of Comprehensive Income

Extract – Year ended 31 December 2023	**As previously reported £'000s**	**Adjustment to hire ledger assets £'000s**	**Adjustment to insurance administration fees £'000s**	**As restated £'000s**
Revenue	149,334	(3,489)	(2,537)	143,308
Insurance service cost	-	-	(1,098)	(1,098)
Cost of Sales	(30,883)	-	3,635	(27,248)
Administrative Costs	(78,678)	3,489	-	(75,189)
Profit before tax	23,040	-	--	23,040

Impact on Consolidated Statement of Financial Position at beginning of earliest comparative period

Extract – As at 1 January 2023	**As previously reported £'000s**	**Provision for future insurance liabilities £'000s**	**As restated £'000s**
Current liabilities			
Trade and other payables	13,225	(354)	12,871
Insurance contract liability	-	766	766
Corporation tax liability	4,456	(545)	3,911
Non-current liabilities			
Insurance contract liability	-	2,456	2,456
Total liabilities	99,886	2,323	102,209
Equity			
Retained earnings	130,127	(2,323)	127,804

Impact on Consolidated Statement of Financial Position at end of earliest comparative period

Extract – As at 31 December 2023	**As previously reported £'000s**	**Provision for future insurance liabilities £'000s**	**As restated £'000s**
Current liabilities			
Trade and other payables	14,811	(354)	14,457
Insurance contract liability	-	766	766
Corporation tax liability	7,770	(545)	7,225
Non-current liabilities			

Insurance contract liability	-	2,456	2,456
Total liabilities	98,998	2,323	101,321
Equity			
Retained earnings	143,479	(2,323)	141,156

There has been no impact on the Consolidated Statement of Cash Flows.

Going Concern

With activity levels being maintained in line with forecast in the early part of FY25 and focus upon growth in revenue and performance without the need for additional debt funding the Group is currently performing in line with management expectations.

During 2024 the Group secured funding from a number of funders, the most significant being Secure Trust Bank Plc, Lloyds Bank Plc and Callodine Commercial Finance LLC. At the end of 2024, the Group's facilities included a revolving credit facility of £16.0 million with Lloyds Bank Plc (due for repayment in October 2027), an invoice discounting facility of £40.0 million with Secure Trust Bank Plc (due for renewal in August 2027) and a loan facility of £30.0 million from Callodine Commercial Finance LLC (due for renewal in August 2027).

Each of the Group's banking arrangements are subject to monitoring through financial performance measures or covenants. The performance measures incorporated within the Secure Trust facility are there for monitoring purposes and act as a guide for the Group to engage on a regular basis around general financial performance and headroom, both from a cash and operational perspective. All covenants within each of the three principal facilities were met during 2024 and to date in 2025. Further details are set out below.

The continued management of claims activity against claim settlements, alongside the additional headroom created from the recent refinancings set out above, means that the Board remains confident that the Group is in a strong financial position and is well placed to trade into 2025.

The Directors have prepared trading and cash flow forecasts for the period ended 31 December 2027, against which the impact of various sensitivities have been considered covering the level of cash receipts (we have sensitised cash collections by 5% and 10% with and without management intervention which included a reduction in the volume of work taken on). We note the forecasts do not include any recovery from the ongoing emissions claims as there is no certainty that a settlement in favour of Bond Turner's clients will be reached in any of the emissions class actions currently ongoing, nor is there any guarantee that such a settlement would include financial compensation. The timeline for progress towards conclusion of the litigation is also unclear and no assumptions as to revenue have been included in the Board's internal forecasts.

Working capital management is considered to be the most critical aspect of the Group's assessment.

The Group has the ability to improve cash flow and headroom through a number of factors that are within the direct control of management, examples of which could be by limiting the level of new business within Direct Accident Management Limited or by managing the level of investment in people within Bond Turner. These factors allow management to balance any potential shortfall in cash receipts and headroom against forecast levels, something the Directors have been doing for many years, with the result that the Group maintains adequate headroom within its facilities. It is in

that context that the Directors have a reasonable expectation that the Group will have adequate cash headroom.
The Group continues to trade profitably and early indications for growth in the current year are positive. Accordingly, the Directors continue to adopt the going concern basis in preparing the consolidated and the company financial statements.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of revision and prior periods if the revision affects both current and prior periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Credit Hire

Due to the nature of the business, there are high levels of assets on the credit hire ledger and accrued income where the balances reported at the year-end are at risk of change.

Revenue is accrued on a daily basis, after adjustment on a portfolio basis for an estimation of the settlement of credit hire charges based on historical settlement rates. While historical settlement rates form the basis, these are then considered in light of expected settlement activity. This policy also assumes that claims which have settled historically are representative of the assets on the credit hire ledger and accrued income in the balance sheet. This assumption represents a significant judgement. The overall settlement adjustment is made to ensure that revenue is only recognised to the extent that it is highly probable that a significant reversal of revenue will not occur upon settlement of a customer’s claim. Revenue recognised is updated at each reporting date and on settlement once the amount of the claim recovered is known.

Based on historical settlement data, the directors consider the risk of credit loss due to default by an insurer in respect of an agreed amount to be immaterial.

Due the factors described above, determining the settlement adjustment to revenue, accrued income and assets on the credit hire ledger involves a high degree of estimation uncertainty which could result in a range of values of adjustment which vary by multiples of materiality. The settlement percentages are sensitive to these estimates. If the settlement percentages applied in calculating revenue were reduced by 1% it would reduce credit hire revenue and assets on the credit hire ledger (£70.4 million and £139.9 million respectively) by £3.0 million. (2023: by £2.6 million, credit hire revenue being £57.3 million and assets on the credit hire ledger £128.6 million). The Board consider that these estimates are subject to variation which may vary from between 1% and 6% (at 6% credit hire revenue and assets on the credit hire ledger would reduce by £17.7 million (2023: £15.8 million)). A 6% reduction is an approximation that is consistent with the period over the pandemic where settlements were lower due to courts being closed. This is considered to be a cautious downside based on more recent settlement experience and operational changes to the business to facilitate improvements in settlement rates and period.

Legal Services

The Group carries an element of accrued income for legal costs, the valuation of which reflects the estimated level of recovery on successful settlement by reference to the lowest level of fees payable by reference to the stage of completion of those credit hire cases. Where we have not had an admission of liability no value is attributed to those case files.

Accrued income is also recognised in respect of serious injury and housing disrepair claims, only where we have an admission of liability and by reference to the work undertaken in pursuing a settlement for our clients, taking into account the risk associated with the individual claim and expected future value of fees from those claims on a claim-by-claim basis.

For both credit hire and legal services, the historical settlement rates used in determining the carrying value may differ from the rates at which claims ultimately settle. This represents an area of key estimation uncertainty for the Group.

Embedded Derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately. Certain loan instruments include embedded derivatives relating to the future settlement of emissions claims. The directors estimate the fair value of the derivatives at 31 December 2024 to be immaterial due to the significant uncertainty in the proceeds from a successful outcome to those claims.

Insurance Contract Liability

The Group enters an indemnity which transfers insurance risk in respect of some after the event insurance contracts back to the Group. In certain circumstances, this indemnity, may require payment to a third party. The Group has used the residual approach to estimate the stand-alone selling price for the indemnity service. The residual approach estimates the stand-alone selling price as the remainder of the transaction price after deducting the sum of the stand-alone selling prices of the other services in the contract. In this context, the residual value of the indemnity provided and therefore the premium received (insurance revenue) is assumed to be immaterial. As a consequence, no contractual service margin is assumed and the contract is onerous from an IFRS 17 perspective.

The Group holds a liability for remaining coverage in respect of the loss component for this contract which represents the estimated cost of current in-force cases which are expected to settle unfavourably and thus result in payment to a third party. The provision is based on a best estimate view of the fulfilment cash flows with no risk adjustment as the economic burden of the non-financial risk borne by the Group is considered to be immaterial. The best estimate of the fulfilment cash flows is estimated using historic experience of losses as this is assumed to be representative of the cases that will be settled in the future. The rate of loss is c1%, (ie 1% of claims result in a cash outflow);a 10% increase in that rate of expected losses would increase the provision and the insurance service cost by approximately £553,000.

The liability for remaining coverage is not discounted as the effect of discounting would be immaterial to the Group's results. The insurance liability also includes provision for known claims at the balance sheet date. The related expense to this insurance contract liability (i.e. the insurance service expense) has been presented on the face of the Statement of Total Comprehensive Income as part of cost of sales.

3. Segmental Reporting

The Group's reportable segments are as follows:

- the provision of credit hire vehicles to individuals who have had a non-fault accident, and

- associated legal services in the support of the individual provided with a vehicle by the Group and other legal service activities, which includes the large loss department and any balance or trading associated with emissions.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Year ended 31 December 2024

	Credit Hire £'000s	**Other Legal Services * £'000s**	**Housing Disrepair * £'000s**	**Group & Central Costs £'000s**	**Consolidated £'000s**
Revenues					
Third party	70,393	57,308	14,177	-	141,878
Total revenues	70,393	57,308	14,177	-	141,878
Staff costs	10,892	27,214	4,342	1,399	43,847
Profit before taxation	9,903	3,996	3,620	(2,726)	14,793
Net cash (used in) / generated from operations	875	(2,119)	933	(2,726)	(3,037)
Depreciation, amortisation and gain on disposal of property, plant and equipment	7,196	1,590	-	-	8,786
Non current assets	10,782	5,172	-	-	15,954
Segment assets	188,930	78,141	15,091	736	282,898

Capital expenditure	1,284	187	-	-	1,471
Segment liabilities	58,050	52,105	-	5,262	115,417

	Year ended 31 December 2023 - Restated				
	Credit Hire £'000s	**Other Legal Services * £'000s**	**Housing Disrepair * £'000s**	**Group & Central Costs £'000s**	**Consolidated £'000s**
Revenues					
Third party	57,289	73,338	12,681	-	143,308
Total revenues	57,289	73,338	12,681	-	143,308
Staff costs	12,670	24,335	2,468	1,051	40,524
Profit before taxation	6,580	13,048	6,416	(3,004)	23,040
Net cash from operations	11,434	5,642	3,067	(2,752)	17,391
Depreciation, amortisation and gain on disposal of property, plant and equipment	8,076	1,432	-	-	9,508
Non current assets	10,595	5,250	-	-	15,845
Segment assets	177,346	68,131	12,454	766	258,697
Capital expenditure	872	405	-	-	1,277
Segment liabilities	58,223	40,584	-	2,514	101,321

* Other Legal Services, housing disrepair and large loss, are subsets of Legal Services. We have however, distinguished the performance of housing disrepair from within Legal Services as this department of the Legal Services segment is an area where the Group is investing heavily, is a focus for the Group at present and into the future and allows readers of the financial statements to understand the contribution housing disrepair has to the overall Group performance. The housing disrepair division continues to grow and as the results become more significant to the overall Group performance this division may well become a reportable segment, in accordance with IFRS 8, in its own right, this could be reported in the 2025 financial statements.

4. Operating Profit

Operating profit is arrived at after charging:

	2024 £'000s	2023 £'000s
Depreciation on owned assets	699	810
Depreciation on right of use assets	7,978	7,915
Amortisation	57	69
Increase in provision for impairment of trade receivables	1,327	1,079
Share based payment charge	176	-
Short term lease expenses	1,102	854
Loss on disposal of property, plant and equipment	50	714

There were no non-recurring costs in the year ended 31 December 2024 or 2023.

5. Earnings Per Share

Number of shares:	2024 No.	2023 No.
Weighted number of ordinary shares outstanding	117,990,294	117,990,294
Effect of dilutive options	-	-
Weighted number of ordinary shares outstanding – diluted	117,990,294	117,990,294

Share options awarded in 2024 are not dilutive as they would not have been exercisable if the performance period had ended on 31 December 2024.

Earnings:	£'000s	£'000s
Profit basic and diluted	11,699	15,121
Profit adjusted and diluted	11,875	15,121

Earnings per share:	Pence	Pence
Basic earnings per share	9.9	12.8
Adjusted earnings per share	10.0	12.8
Diluted earnings per share	9.9	12.8
Adjusted diluted earnings per share	10.0	12.8

The Directors believe that the adjusted profit after tax and the adjusted earnings per share measures provide additional useful information for shareholders on the underlying performance of the business. The results for 2024 have been adjusted for the £0.2 million charge recorded for share-based payments in 2024, with no such charge arising in 2023. These measures are consistent with how underlying business performance is measured internally. The adjusted profit after tax measure is not a recognised profit measure under IFRS and may not be directly comparable with adjusted profit measures used by other companies. A reconciliation between adjusted and reported results is provided above.

6. Property, Plant and Equipment

	Right of use assets £'000s	Property improvements £'000s	Fixtures, fittings & Equipment £'000s	Office equipment £'000s	Total £'000s
Cost					
At 1 January 2023	27,986	637	3,444	918	32,985
Additions	10,920	-	401	273	11,594
Disposals	(12,148)	(409)	(160)	(408)	(13,125)
At 31 December 2023	26,758	228	3,685	783	31,454
Additions	10,332	53	187	24	10,596
Disposals	(11,731)	-	(751)	-	(12,482)
At 31 December 2024	25,359	281	3,121	807	29,568
Depreciation					
At 1 January 2023	15,329	357	2,014	556	18,256
Charge for year	7,915	36	634	140	8,725
Eliminated on disposal	(10,372)	(333)	(121)	(400)	(11,226)
At 31 December 2023	12,872	60	2,527	296	15,755
Charge for the year	7,978	22	529	148	8,677
Eliminated on disposal	(9,643)	-	(751)	-	(10,394)
At 31 December 2024	11,207	82	2,305	444	14,038
Carrying amount					
At 31 December 2024	14,152	199	816	363	15,530
At 31 December 2023	13,886	168	1,158	487	15,699

Motor Vehicles are all financed and as such are included in the right of use assets column above.

Property, plant and equipment includes right-of-use assets with carrying amounts as follows:

	Land and Buildings £000	Motor Vehicles £000	Total £000
Right-of-use assets			
At 1 January 2023	3,330	9,327	12,657
Depreciation charge for the year	(1,095)	(6,820)	(7,915)
Additions to right-of use assets	-	10,920	10,920
Disposals of right-of-use assets	-	(1,776)	(1,776)
At 31 December 2023	2,235	11,651	13,886
Depreciation charge for the year	(1,377)	(6,601)	(7,978)
Additions to right-of-use assets	2,177	8,155	10,332
Disposals of right-of-use assets	-	(2,088)	(2,088)
At 31 December 2024	3,035	11,117	14,152

7. Trade and Other Receivables

	2024 £'000s	2023 £'000s
Assets on the credit hire ledger before expected credit loss	139,852	128,592
Trade receivables	35,982	33,203
Provision for impairment of trade receivables and assets on the credit hire ledger	(2,160)	(2,258)
Net trade receivables and assets on the credit hire ledger	173,674	159,537
Accrued income	76,279	70,091
Prepayments	2,177	1,407
Tax and social security	-	449
Other receivables	3,540	2,925
	255,670	234,409

When measuring revenue, an adjustment is made to the value of a claim to reflect the expected settlement which is supported by historical data. Revenue recognised is updated at each reporting date and on settlement once the amount of the claim recovered is known or the claim has been written off.

Whilst credit risk is considered to be low, the market risks inherent in the business pertaining to the nature of legal and court cases and ageing thereof is a significant factor in the initial measurement of assets on the credit hire ledger. A provision for impairment is recorded in respect of disbursements when there is no reasonable expectation of recovery.

Accrued income, which is stated net of allowances for credit loss, includes the value of hires that have not yet been invoiced, legal fees in respect of hires that have not yet reached a conclusion and fees in respect of other client cases where liability has been admitted and collection of revenue is considered probable. The increase in the year reflects the increase in claim volumes accepted in respect of credit hire, housing disrepair and large loss.

Average gross debtor days calculated on a count back basis were 447 at 31 December 2024 and 475 at 31 December 2023.

Age of net trade receivables and assets on the credit hire ledger

	2024 £'000s	2023 £'000s
Within 1 year	96,542	84,652
1 to 2 years	44,084	42,406
2 to 3 years	21,899	19,258
3 to 4 years	8,806	9,976
Over 4 years	2,343	3,245
	173,674	159,537
Average age (days)	447	475

The provision for impairment of trade receivables is the difference between the carrying value and the present value of the expected proceeds taking into account the credit risk associated with non-collection. The Directors consider that the fair value of trade and other receivables is not materially different from the carrying value.

Movement in provision for impairment of trade receivables

	2024 £'000s	2023 £'000s
Opening balance	2,258	1,389
Increase in provision	1,327	1,079
Utilised in the year	(1,425)	(210)
Closing Balance	2,160	2,258

8. Borrowings

	2024 £'000s	2023 £'000s
Non-current loans and borrowings		
Lease liabilities	7,552	7,968
Revolving credit facility	13,229	-
Other borrowings	18,860	15,000
	39,641	22,968
Current loans and borrowings		
Lease liabilities	7,382	6,347
Invoice discounting facility	33,077	27,858
Revolving credit facility	-	10,000
Other borrowings	12,817	9,212
	53,276	53,417
Total borrowings	**92,917**	**76,385**

Direct Accident Management Limited uses an invoice discounting facility which is secured on the trade receivables of that company. During 2024 Secure Trust has extended and increased the funding period from 12 to 18 months, adding £5.0 million to availability, within the £40.0 million facility limit previously agreed, the facility is committed through to July 2027. Security held in relation to the facility includes a debenture over all assets of Direct Accident Management Limited dated 11 October 2016, extended to cover the assets of Anexo Group Plc and Edge Vehicles Rentals Group Limited from 20 June 2018 and 28 June 2018 respectively, as well as a cross corporate guarantee with Professional and Legal Services Limited dated 21 February 2018. At the end of December 2024, Direct Accident Management Limited has availability within the invoice discounting facility of £3.9 million (2023: £2.3 million).

Direct Accident Management Limited is also party to a number of leases which are secured over the respective assets funded.

During the year, Bond Turner Limited replaced the revolving credit facility provided by HSBC Bank Plc with a £16.0 million revolving credit facility provided by Lloyds Bank Plc. The revolving credit facility is secured by way of a fixed charge dated 3 October 2024, over all present and future property, assets and rights (including uncalled capital) of Bond Turner Limited, with a cross company guarantee provided by Anexo Group Plc. The loan is structured as a revolving credit facility which is committed for a three-year period, until 2 October 2027, with no associated repayments due before that date. Interest is charged at 2.5% over the official Base Rate of the Bank of England. £13.5 million of the Lloyds facility was drawn as at 31 December 2024, £10.0 million of the HSBC facility was drawn down as at 31 December 2023.

In November 2021 a £3.0 million loan was sourced from certain of the principal shareholders and directors of the Group to support the investment in 2023 of the Mercedes Benz emissions claim. The terms of the loan are that interest accrues at the rate of 10% per annum, with maturity two years from the date of receipt of funding. In addition to the interest charges the loan attracts a share of the proceeds to be determined by reference to the level of fees generated for the Group. Having reached an agreement in the Emissions Claim, the loan, interest and share of proceeds was repaid in the period to 31 December 2023, a final amount will be payable upon successful conclusion of the Mercedes Benz emissions claim. This represents an embedded derivative liability, the fair value of which is £Nil due to the significant uncertainty inherent in the ongoing claim.

In March 2022 the Group secured a loan of £7.5 million from Blazehill Capital Finance Limited, with an additional £7.5 million drawn in September 2022, the total balance drawn at 31 December 2023 was £15.0 million. In August 2024, the Blazehill loan was repaid in full from funds drawn from a £30.0 million facility secured from Callodine Commercial Finance LLC. The Callodine facility is non amortising and committed for a three-year period to August 2027. The facility is secured by way of a fixed charge dated 14 August 2024, over all present and future property, assets and rights (including uncalled capital) of Direct Accident Management Limited, extended to cover Anexo Group Plc on 14 August 2024. At 31 December 2024, £20.0 million of the Callodine facility had been drawn down.
In June 2023 a loan of £2.8 million was sourced from a specialist funder and certain of the principal shareholders and directors of the Group to support the ongoing investment in 2023 in emissions opportunities, a further £0.7 million of funding was provided in January 2024. The terms of the loan are that interest accrues at the rate of 10% per annum, with maturity two years from the date of receipt of funding. In addition to the interest charges the loan attracts a share of the proceeds generated for the Group. The total balance outstanding at 31 December 2024 was £3.5 million (2023: £2.8 million). The fair value of the embedded derivative liability relating to the proceeds from the future settlement of emissions claims is immaterial due to the significant uncertainty inherent in ongoing claims.

In August 2023, the Group secured a loan of £4.6 million from Premium Credit, the loan is unsecured and amortising over a 12-month period. The loan was fully repaid during 2024, at 31 December 2023 the amount outstanding was £2.8 million.

In July 2024, the Group secured a loan of £7.8 million from Premium Credit, the loan is unsecured and amortising over a 12-month period. At 31 December 2024 the amount outstanding was £4.8 million.

The Group's banking arrangements provided by Secure Trust Bank Plc, Lloyds Bank Plc and Callodine Commercial Finance LLC are subject to monitoring through financial performance measures or covenants.

The Secure Trust facility include the following covenants, all of which are tested monthly:

- A number of individual measures focussed on the relationship between cash collections and funding levels

- Settlement rates
- Hire periods
- Disbursement spending
- Vehicle numbers and utilisation
- Minimum Group liquidity to exceed £5.0 million at any time
- Group EBITDA to be not less than 80% of forecast

The Callodine facility includes a covenant between the carrying value of the Direct Accident management Limited hire ledger aged within 18 months and the gross value, the ratio to exceed 35.0%.

The Lloyds facility includes the following covenants, which are tested quarterly for a rolling 12-month period on the results for Bond Turner Limited:

- Net worth to exceed 100% of the target
- Net borrowings to be below £19.0 million
- Gearing (being the relationship between net debt and net worth) to be below 50%
- Interest cover (the relationship between EBITDA and finance charges) to exceed 400%
- Leverage (being the relationship between EBITDA and net debt) to be below 200%
- Debt cover (being the relationship between net debt and disbursements and WIP) to be below 60%

During 2024 there were no breaches within any of the Blazehill, HSBC, Secure Trust, Callodine or Lloyds facilities, all such covenants being met during the year.

	Changes in liabilities arising from financing activities			
	Invoice discounting facility £'000s	**Lease liabilities £'000s**	**Other borrowings £'000s**	**Total borrowings £'000s**
Balance at 1 January 2023	30,562	13,579	38,032	82,173
Cash flows				
Proceeds from new loans	-	-	20,409	20,409
Repayment of borrowings	(2,704)	-	(24,228)	(26,932)
Capital element of lease payments	-	(9,153)	-	(9,153)
Non-cash changes *	-	9,888	-	9,888
Balance at 31 December 2023	27,858	14,314	34,213	76,385
Cash flows				
Proceeds from new loans	5,892	-	55,045	60,937
Finance costs	(588)	-	(1,651)	(2,239)
Repayment of borrowings	(188)	-	(42,940)	(43,128)
Capital element of lease payments	-	(9,392)	-	(9,392)
Non-cash changes *	103	10,012	239	10,354
Balance at 31 December 2024	**33,077**	**14,934**	**44,906**	**92,917**

***** This balance includes £10.0 million (2023: £9.9 million) of new vehicle leases entered into during the year and included in debt under IFRS 16.

9. Insurance Contract Liability

	2024 £'000s	Restated 2023 £'000s
Opening balance	3,222	3,222
Increase in provision	1,568	1,089
Utilised in the year	(1,213)	(1,089)
Closing Balance	3,577	3,222
Split as to:		
Current liabilities	893	766
Non-current liabilities	2,684	2,456
	3,577	3,222

The provision at 31 December 2024 includes £455,000 in respect of known liabilities (31 December 2023: £354,000).

The increase in the provision of £1.6 million (2023: £1.1 million) represents the loss component for new cases added during the year. This movement has been included within insurance service expense and has been recognised in the statement of total comprehensive income as part of cost of sales. The utilisation in the year of £1.2 million (2023: £1.1 million) represents the actual incurred claims in the year i.e. the actual cases finalised and settled in the year.