

NATIONAL EXPRESS HOLDINGS LIMITED

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 December 2024.

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal activities and future developments

The Company acts as an intermediate holding company for certain entities in the Mobico Group PLC. The Directors expect the principal activities of the Company to remain the same for the foreseeable future.

The Directors consider the results for the year and the future prospects of the Company to be satisfactory.

Results for the year

Operating loss was £276,883,000 (2023: loss of £37,858,000) and the loss on ordinary activities before taxation for the year was £275,920,000 (2023: loss of £35,149,000). A loss after taxation of £276,161,000 (2023: loss of £36,551,000) was transferred to reserves.

The operating loss for the year was driven by the fact that during the year, intercompany loans of £222,160,000 were fully impaired and investments in subsidiaries were fully impaired by £54,723,000; as a result of the annual impairment assessment identifying that the recoverable amount was below the carrying value of the loan and investments respectively.

Net liabilities at 31 December 2024 were £196,395,000 (2023: net assets of £79,766,000).

S172 statement

This statement is made in accordance with section 414CZA Companies Act 2006 (as amended).

In accordance with their duties under section 172(1) Companies Act 2006, the Company's Directors have collectively, and individually, acted in a way that they consider, in good faith, promotes the success of the Company for the benefit of its members as a whole.

In doing so they have had regard for all of the factors specified in s.172(1)(a) to (f) Companies Act 2006 and given due attention and prominence to each of these factors, as demonstrated below:

(a) The likely consequences of any decision in the long term

As a wholly owned subsidiary and in line with the duty to promote the success of the Company for the benefit of its shareholder, the Company must also have regard to the overall strategy and direction of the Group. Any decisions are considered from the perspective of the Company, ensuring that decisions are beneficial to its stakeholders as well as having regard to the long-term sustainable success of the Group as a whole. This is particularly relevant to the Company when making decisions on supporting subsidiary companies through making liquidity available to them or subscribing to new shares, when the appropriateness of the structure over the longer term must be considered.

(b) The interests of the Company's employees

The Company does not have any employees, with the Company's ultimate parent, Mobico Group PLC managing the Group-wide Human Resources (HR) function. The Group's Chief People Officer leads on the Group's HR strategy across the Group's divisions, including the wholly owned subsidiaries of the Company. A key facet of the Group's strategy is to be the employer of choice, and the UK's trading subsidiaries are an accredited National Living Wage employer.

(c) The need to foster the Company's business relationships with suppliers, customers and others

As an intermediate holding company, the Company's main customers are other members of the Mobico Group PLC. The Company works closely with its subsidiaries regarding liquidity requirements and ensuring their capital structure and funding levels remain appropriate.

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STRATEGIC REPORT (CONTINUED)

(d) The impact of the Company's operations on the community and the environment

The Group's strategy is to be the world's greenest mass transit operator, and our environmental strategy and associated targets and metrics are determined and monitored by the Company's ultimate parent. Information on the Group's environmental strategy can be found on the Mobico Group PLC website or the 2024 annual report. Some of the Company's directors are members of the Global Sustainability Steering Group who will collectively lead on driving the environmental agenda forward across the Group, including the wholly owned subsidiaries of the Company.

(e) The desirability of the Company maintaining a reputation for high standards of business conduct

Organisational values, culture and ethical standards are driven the Company's ultimate parent and followed across the Group. Examples from 2024 in this area can be found on the Mobico Group PLC website or the 2024 annual report.

(f) The need to act fairly as between members of the company

During the current year the Company maintained the liquidity facilities provided to subsidiary companies, as part of the Group's continued support of its trading companies. In this way the Company ensures that its sub-group of subsidiaries is financed in the most appropriate way and has sufficient liquidity to support its operations.

Key performance indicators ("KPIs")

The Company is an intermediate holding company for Mobico Group PLC. For this reason, the Company's Directors believe that analysis using KPIs for the Company is not necessary or appropriate.

Principal risks and uncertainties

As the Company only acts as a holding company, its risks are derived from its subsidiary companies, as described below:

The Company's subsidiaries' operations are financed principally by group loans and, to a lesser extent, by a mixture of share capital. In addition, various financial instruments, for example debtors, prepayments and accruals, arise directly from the Company's subsidiaries' operations. It is, and has been throughout the year under review, the Company's subsidiaries policy that no trading in financial instruments shall be undertaken.

The principal risks arising from the Company's subsidiaries financial instruments are credit risk, liquidity risk and interest rate risk. The board of the ultimate parent undertaking reviews and agrees policies for all of the Company's subsidiaries managing each of these risks. These policies have remained unchanged throughout the year and since the year end.

Approved for issue by the board of directors



I Binner
Director
8 September 2025