

Nova Systems & Engineering Limited
Directors' Report and Financial Statements
For the financial year ended 30 June 2025

Nova Systems & Engineering Limited

Company Information

Directors	Gareth Campbell Dyer (British) Julian Lee (British) (appointed 31 October 2025) Alan Whalley (Australian) Steven James Robinson (Australian) (appointed 14 August 2024) Dean Rosenfield (Australian) (appointed 28 August 2024)
Company secretary	Mark Longhorn
Registered number	640882
Registered office	Suite 4215 (5 and 6) 4000 Atlantic Avenue Westpark Shannon Clare
Independent auditors	BDO Dublin Statutory Audit Firm Miesian Plaza, Block 3 50-58 Baggot Street Lower Dublin 2
Bankers	Bank of Ireland 104 Ranelagh Road Dublin 6

Nova Systems & Engineering Limited

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Nova Systems & Engineering Limited

Directors' Report For the year ended 30 June 2025

The directors present their annual report and the audited financial statements for the year ended 30 June 2025.

Principal activities

The principal activities of the company is of a global civil aerospace design company providing design and certification services to help clients meet their business objectives.

Business review

Over the course of the year new commercial aircraft deliveries have been constrained and this has had a knock-on effect to the business. New deliveries not keeping pace with demand from operators have meant fewer aircraft changing operator at the end of leasing periods which has previously been a strong source of orders for re-configuration design work. Management have focussed on controlling costs so as to ensure resilience in the face of reduced demand. However, globally air passenger volume continues to increase and aircraft manufacturers are under intense pressure to overcome production constraints and increase new deliveries in the coming years. This outlook provides a strong positive indicator of future growth for the business.

Results and dividends

The loss for the year, after taxation, amounted to €353,485 (2024 - loss €79,839).

The directors do not propose the payment of a dividend (2024 - €Nil).

Directors and Secretary and their interests

In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the year ended 30 June 2025 were as follows:

	Ordinary shares of €1 each	
	30/6/25	1/7/24
Gareth Campbell Dyer	-	-
Alan Whalley	-	-
Steven James Robinson (appointed 14 August 2024)	-	-
Dean Rosenfield (appointed 28 August 2024)	-	-
	<u> </u>	<u> </u>

Alan Whalley holds a beneficial interest of 65% in the ultimate parent company Nova Aerospace Pty Ltd.

The secretary of the company is Mark Longhorn. He holds no beneficial interest.

Principal risks and uncertainties

The company is actively managing its risk register and principal risks. The directors consider the principal risks and uncertainties facing the company to be:

Underperformance of resources

Project or resource utilisation underperformance. Nova Systems Group expends significant management effort overseeing and governing operations and project delivery, supported by Nova Systems & Engineering Limited, and continues to develop staff and project managers in the skills necessary to deliver projects to acceptable levels of quality and to costs and schedule budgets. Early development stage non-recurring engineering risk is mitigated by strict protocols concerning IP management and resale.

Loss of key staff

Loss of key staff who are critical to the business. Nova Systems Group has a proactive employee focused culture and invests in an employee value proposition at or above market expectations. Close management of staff from a professional development and wellbeing perspective provides ample lead time to address issues and ensure continuing staff satisfaction.

Nova Systems & Engineering Limited

Directors' Report (continued) For the year ended 30 June 2025

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's trading address at Office Suite 4215 (5&6), Building 4000, Atlantic Avenue, Westpark Innovation Campus, Shannon, Clare.

Events since the end of the financial period

There have been no significant events affecting the company since the financial year end.

Future developments

The directors do not anticipate any changes in the nature of the business.

Statement on relevant audit information

In the case of each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, BDO Dublin, continue in office in accordance with section 383(2) of the Companies Act 2014.

The report of the directors has been prepared taking advantage of the small companies' regime.

This report was approved by the board and signed on its behalf.



Gareth Dyer
Director

24 February 2026



Julian Lee
Director

24 February 2026

Nova Systems & Engineering Limited

Directors' Responsibilities Statement For the year ended 30 June 2025

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

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 assets, liabilities and financial position of the company for the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board 19 February 2026



Gareth Dyer
Director



Julian Lee
Director



Nova Systems & Engineering Limited

Independent Auditors' Report to the Members of Nova Systems & Engineering Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Nova Systems & Engineering Limited (the 'company') for the year ended 30 June 2025, which comprise Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 101 'Reduced Disclosure Framework' the Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 June 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with and Financial Reporting Standard 101 'Reduced Disclosure Framework' the Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



Nova Systems & Engineering Limited

Independent Auditors' Report to the Members of Nova Systems & Engineering Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

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.

Opinion on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.



Nova Systems & Engineering Limited

Independent Auditors' Report to the Members of Nova Systems & Engineering Limited (continued)

Respective responsibilities

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 IAASA's website at: https://iaasa.ie/wp-content/uploads/2022/10/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 Auditors' 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.

Gavin Smyth
for and on behalf of BDO

Statutory Audit Firm

Block 3, Miesian Plaza,
50-58 Baggot Street Lower,
Dublin 2, D02 Y754

24 February 2026

Nova Systems & Engineering Limited

**Statement of Comprehensive Income
For the year ended 30 June 2025**

	Note	2025 €	2024 €
Turnover		476,258	465,524
Cost of sales		(510,585)	(365,105)
Gross (loss)/profit		(34,327)	100,419
Administrative expenses		(284,905)	(143,120)
Operating loss		(319,232)	(42,701)
Other interest receivable and similar income		18,262	361
Interest payable and similar charges		(52,515)	(37,499)
Loss before taxation		(353,485)	(79,839)
Loss for the financial year		(353,485)	(79,839)

There were no recognised gains and losses for 2025 or 2024 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2025 (2024:€NIL).

Signed on behalf of the board:



Gareth Dyer

Director

24 February 2026



Julian Lee

Director

24 February 2026

The notes on pages 10 to 24 form part of these financial statements.

Nova Systems & Engineering Limited

Balance Sheet As at 30 June 2025

	Note	2025 €	2024 €
Fixed assets			
Tangible fixed assets		47,724	43,476
		47,724	43,476
Current assets			
Debtors: amounts falling due within one year	8	38,276	84,518
Cash at bank and in hand	9	118,228	142,598
		156,504	227,116
Creditors: amounts falling due within one year	10	(1,015,477)	(720,362)
Net current liabilities		(858,973)	(493,246)
Total assets less current liabilities		(811,249)	(449,770)
Creditors: amounts falling due after more than one year	11	(22,122)	(30,116)
		(833,371)	(479,886)
		(833,371)	(479,886)
Net liabilities		(833,371)	(479,886)
Capital and reserves			
Called up share capital presented as equity	14	100	100
Profit and loss account	15	(833,471)	(479,986)
Shareholders' funds		(833,371)	(479,886)

The financial statements were approved and authorised for issue by the board:



Gareth Dyer
Director



Julian Lee
Director

24 February 2026

The notes on pages 10 to 24 form part of these financial statements.

Nova Systems & Engineering Limited

**Statement of Changes in Equity
For the year ended 30 June 2025**

	Called up share capital	Profit and loss account	Total equity
	€	€	€
At 1 July 2023	100	(400,147)	(400,047)
Comprehensive income for the year			
Loss for the year	-	(79,839)	(79,839)
Total comprehensive income for the year	-	(79,839)	(79,839)
At 1 July 2024	100	(479,986)	(479,886)
Comprehensive income for the year			
Loss for the year	-	(353,485)	(353,485)
Total comprehensive income for the year	-	(353,485)	(353,485)
At 30 June 2025	100	(833,471)	(833,371)

The notes on pages 10 to 24 form part of these financial statements.

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

1. General information

These financial statements comprising the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes constitute the individual financial statements of Nova Systems & Engineering Limited for the financial period ended 30 June 2025.

Nova Systems & Engineering Limited is a private company limited by shares, (registered under part 2 of the Companies Act 2014), incorporated in the Republic of Ireland with a registered number of 640882. The principal place of business of the company is at Office Suite 4215 (5&6), Building 4000, Atlantic Avenue, Westpark Innovation Campus, Shannon, Clare, Ireland. The company's principal activities are set out in the Directors' Report.

2. Accounting policies

2.1 Going concern

At 30 June 2025, the company's net current liabilities are €858,973 (2024 - €493,246). The ability of the company to continue as a going concern is dependent upon the continuing financial support of its key related party, Nova Aerospace Pty Ltd. Nova Aerospace Pty Ltd have confirmed that it will continue to provide all necessary financial support to enable the company to meet its financial obligations as they fall due for a period of no less than 12 months from the date of approval of these financial statements. Based on the above the directors are satisfied that it is appropriate to prepare financial statements on a going concern basis.

2.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.3 Financial Reporting Standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Nova Aerospace Pty Ltd as at 30 June 2025 and these financial statements may be obtained from company head office.

**Notes to the Financial Statements
For the year ended 30 June 2025**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue from providing services is recognised on an over time basis in the period which the services are provided.

On partially complete engagements, the company recognises revenue based on stage of completion of the engagement which is estimated by comparing the number of hours actually spent on the engagement with the total number of hours expected to complete the engagement (i.e. an input based method). This is considered a faithful depiction of the transfer of services as the contracts are initially priced on the basis of anticipated hours to complete the engagements and therefore also represents the amount to which the company would be entitled based on its performance to date.

2.6 Leases

The company as a lessee

The company assesses whether a contract is or contains a lease, at inception of a contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

2. Accounting policies (continued)

2.6 Leases (continued)

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Balance Sheet.

The company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.10.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The company has used this practical expedient.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Right-of-use assets	-	20%
Office equipment	-	33%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

2. Accounting policies (continued)

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the company's financial assets other than those which meet the criteria to be measured at amortised cost are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL

Notes to the Financial Statements
For the year ended 30 June 2025

2. Accounting policies (continued)

2.14 Financial instruments (continued)

represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Useful lives of tangible fixed assets

Long-lived assets comprise improvements to leasehold property and plant and machinery. The annual depreciation charge depends primarily on the estimated lives of assets and, in certain circumstances, estimate of residual value. The directors regularly review these useful lives and amend them where necessary, to reflect current consumption, physical condition and expected economic utilisation of the assets. Changes in useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the financial year end date was €47,724 (2024 - €43,476).

Impairment of trade debtors

Trade and other receivables are assessed for impairment according to the simplified approach under IFRS 9. The calculation of impairment under the simplified approach requires recognition of lifetime expected credit loss.

In applying IFRS 9, the company's determination of provision for bad debts includes estimates of expected default and loss factors, taking account of historical experience and other factors, in addition to provisions taken against specific accounts based on known risks.

Accrued income

Accrued income balances relating to contracts are based on management's best estimates of costs incurred and time spent where amounts are unknown or disputed. The directors are of the view that the possibility of accrued income being recovered at less than cost has been incorporated into the value stated at the balance sheet date.

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

4. Turnover

An analysis of turnover by geographic location is as follows:

	2025 €	2024 €
Europe	100,493	201,047
Asia	207,030	137,417
Australia	-	62,385
North America	168,735	64,675
	<u>476,258</u>	<u>465,524</u>

5. Employees

Staff costs were as follows:

	2025 €	2024 €
Wages and salaries	217,036	142,913
Social insurance costs	22,690	15,241
	<u>239,726</u>	<u>158,154</u>

None of the directors received any remuneration from the company during the financial year (2024: €NIL).

The average monthly number of employees during the year was as follows:

	2025 No.	2024 No.
Administration	<u>3</u>	<u>3</u>

Capitalised employee costs during the financial year amount to €NIL (2024: €NIL).

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

6. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is higher than (*2024 - higher than*) the standard rate of corporation tax in Ireland of 12.5% (*2024 - 12.5%*). The differences are explained below:

	2025 €	2024 €
Loss on ordinary activities before tax	<u>(353,485)</u>	<u>(79,839)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (<i>2024 - 12.5%</i>)	(44,186)	(9,980)
Effects of:		
Brought forward tax losses	44,186	9,980
Total tax charge for the year	<u><u>-</u></u>	<u><u>-</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Nova Systems & Engineering Limited

Notes to the Financial Statements
For the year ended 30 June 2025

7. Tangible fixed assets

	Right-of-use assets €	Computer equipment €	Total €
Cost or valuation			
At 1 July 2024	68,645	7,897	76,542
Additions	27,206	-	27,206
At 30 June 2025	<u>95,851</u>	<u>7,897</u>	<u>103,748</u>
Depreciation			
At 1 July 2024	25,169	7,897	33,066
Charge for the year on owned assets	22,958	-	22,958
At 30 June 2025	<u>48,127</u>	<u>7,897</u>	<u>56,024</u>
Net book value			
At 30 June 2025	<u>47,724</u>	-	<u>47,724</u>
At 30 June 2024	<u>43,476</u>	-	<u>43,476</u>

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

7. Tangible fixed assets (continued)

The net book value of owned and leased assets included as "Tangible fixed assets" in the Balance Sheet is as follows:

	2025 €	2024 €
Tangible fixed assets owned	-	-
Right-of-use tangible fixed assets	47,724	43,476
	47,724	43,476
	47,724	43,476

Information about right-of-use assets is summarised below:

Net book value

2024
€

Depreciation charge for the year ended

	2025 €	2024 €
Right-of-use assets	22,958	13,729
	22,958	13,729
	22,958	13,729

Additions to right-of-use assets

	2025 €
Additions to right-of-use assets	27,206
	27,206
	27,206

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

8. Debtors

	2025 €	2024 €
Trade debtors	13,343	17,778
Other debtors	3,892	2,862
Prepayments	11,070	11,018
Accrued income	7,860	51,764
VAT recoverable	2,111	1,096
	<u>38,276</u>	<u>84,518</u>

Trade debtors are stated after expected credit losses of €NIL (2024: €NIL). In applying IFRS 9, the company's determination of expected credit losses includes estimates of expected default and loss factors, taking account of historical experience and other factors, in addition to provisions taken against specific accounts based on known risks.

The company provides for expected credit losses by assessing recoverability and a possible need for provisioning on an individual customer basis within trade receivables.

Amounts owed by related parties are unsecured, interest free and repayable on demand.

9. Cash and cash equivalents

	2025 €	2024 €
Cash at bank and in hand	<u>118,228</u>	<u>142,598</u>

Nova Systems & Engineering Limited

**Notes to the Financial Statements
For the year ended 30 June 2025**

10. Creditors: Amounts falling due within one year

	2025	2024
	€	€
Trade creditors	5,073	185
Amounts owed to group undertakings	951,216	689,979
Taxation and social insurance	7,688	5,674
Lease liabilities	27,540	13,686
Accruals	17,234	10,838
Deferred income	6,726	-
	1,015,477	720,362
	1,015,477	720,362

Amounts owed to related parties are repayable on demand and carried interest rate at 5.5% per annum as at year end.

Tax and social insurance are subject to the terms of the relevant legislation. The terms of accruals are based on the underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

11. Creditors: Amounts falling due after more than one year

	2025	2024
	€	€
Lease liabilities	22,122	30,116
	22,122	30,116
	22,122	30,116

Nova Systems & Engineering Limited

**Notes to the Financial Statements
For the year ended 30 June 2025**

12. Leases

Company as a lessee

Lease liabilities are due as follows:

	2025	2024
	€	€
Not later than one year	27,540	13,686
Between one year and five years	22,122	30,116
	<u>49,662</u>	<u>43,802</u>

Contractual undiscounted cash flows are due as follows:

	2025	2024
	€	€
Not later than one year	24,500	13,686
Between one year and five years	28,583	30,117
	<u>53,083</u>	<u>43,803</u>

The following amounts in respect of leases, where the company is a lessee, have been recognised in profit or loss:

	2025	2024
	€	€
Interest expense on lease liabilities	<u>3,152</u>	<u>906</u>

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

13. Financial instruments

	2025 €	2024 €
Financial assets		
Financial assets measured at amortised cost	118,228	142,598
Financial assets that are debt instruments measured at amortised cost	13,343	17,778
	131,571	160,376
Financial liabilities		
Financial liabilities measured at amortised cost	54,735	43,987

Financial assets measured at amortised cost comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade debtors and lease liabilities.

14. Share capital

	2025 €	2024 €
Authorised		
1,000,000 (2024 - 1,000,000) Ordinary shares of €1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
100 (2024 - 100) Ordinary shares of €1 each	100	100

15. Reserves

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net of transfers to/from other reserves and dividends.

16. Capital commitments

The company had no capital commitments at the financial period end (2024: €NIL).

17. Related party transactions

The company is availing exemptions from disclosure of transactions and balances with fellow wholly owned group companies in accordance with FRS101 ("Related Party Disclosures").

Nova Systems & Engineering Limited

Notes to the Financial Statements For the year ended 30 June 2025

18. Events since the end of the financial year

There have been no significant events affecting the company since the financial year end.

19. Controlling party

Nova Aerospace Pty Ltd company incorporated in Australia, is the ultimate controlling party of the group.

The company is a subsidiary of Nova Group Europe Ltd, a company incorporated in the United Kingdom. Their registered office address is Unit 1 Brabazon Office Park, Golf Course Lane, Filton, Bristol, England, BS34 7PZ.

20. Approval of financial statements

The board of directors approved these financial statements for issue on 24 February 2026.