

Fónua Limited

Directors' Report and Financial Statements

For the Year Ended 30 June 2025

Fónua Limited

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Fónua Limited

Company Information

| | |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Directors | Fergus de Búrca Josephine Tierney Daniel Maher |
| Company secretary | Josephine Tierney |
| Registered number | 267717 |
| Registered office | Cairn House South County Business Park Leopardstown Dublin 18 D18 W2T1 |
| Independent auditors | Forvis Mazars Chartered Accountants & Statutory Audit Firm Harcourt Centre Block 3 Harcourt Road Dublin 2 |
| Bankers | Allied Irish Bank plc Ballsbridge Dublin 4 AIB Commercial Finance Limited Bankcentre Ballsbridge Dublin 4 |
| Solicitors | Byrne Wallace Shields LLP 88 Harcourt Street Dublin 2 Ireland D02 DK18 |

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 company is foremost a solutions provider to the Mobile Telecommunications industry. The company supplies mobile handsets, accessories and electronic goods as well as market leading software solutions, designed specifically for the mobile industry. Its customers include major telecommunications network operations and retail chains.

Business review and key performance indicators

The Directors are pleased with the Company's resilient performance and growth despite challenging global economic conditions, including inflationary pressures and rising energy costs. Although turnover decreased by 6% to €244,487,462 (2024: €259,717,960), cost of sales fell by 7% to €229,848,787 (2024: €246,139,539), resulting in an 8% increase in gross profit to €14,638,675 (2024: €13,578,421). Administrative expenses rose to €8,622,981 (2024: €8,205,368), primarily due to increased salary and IT costs. This growth in gross profit contributed to a 12% increase in operating profit, reaching €6,015,694 (2024: €5,373,053). Furthermore, interest payable increased to €545,498 (2024: €522,424), reflecting effective loan balance increases.

A core strategic focus for the Company has been to improve working capital efficiency. This was achieved through targeted initiatives, particularly within Fónua UK. These actions demonstrate the Company's proactive efforts to streamline financial resources, enhance liquidity, and reduce dependency on external financing. The Company remains committed to further reducing borrowings in the future.

The Company's core objective is to optimise our partners' distribution requirements through innovative products and services. As a specialist in outsourced management, the Company excels in Device Supply Chain Management and Ownership, offering best-in-class processes, systems and IT solutions.

Aligned with its environmental commitment, the Company has established trade-in programmes that support both retail and enterprise customers in reducing their environmental impact, particularly by decreasing electronic waste. Through the Company's trade-in solutions, customers are able to return used devices, which are then sold under our second-hand device brand, Mint+, establishing a full circular economy.

The Company's success is underpinned by an experienced Director team, efficient support functions, and a skilled management team, ensuring operational excellence and positioning the Company for continued growth and market leadership.

The Directors express confidence in the Company's growth strategy, which includes expanding into new markets and enhancing services for current customers in Ireland and the UK. An ERP system upgrade, which was completed during the year, will support these ambitions by streamlining operations and enhancing reporting capabilities, enabling the Company to deliver high-value services and insights to its customers.

Directors' Report (continued)
For the Year Ended 30 June 2025

Results and dividends

The profit for the year, after taxation, amounted to €4,770,054 (2024 - €4,243,798).

A dividend of €5,000,000 (2024: €Nil) was paid during the year.

Directors

The directors who served during the year were:

Fergus de Búrca
Josephine Tierney
Daniel Maher

Interests of directors

The directors held no interest in the shares of the company at 30 June 2025 or 30 June 2024.

Balable Limited is wholly owned by Daniel Maher, Fergus de Búrca and their families. Josephine Tierney owns 3% of the issued share capital of the company, through her shareholding in Corstrom (Nominees) Limited.

Holding Company

The company is a wholly owned subsidiary of Corstrom Limited. Balable Limited and Corstrom (Nominees) Limited own 89% and 11% of the share capital of Corstrom Limited respectively.

Principal risks and uncertainties

The principal financial risks to which the company is exposed to are exchange rate risk, liquidity risk, credit risk and foreign currency risk.

Credit risk

The company's major customers are involved in the global telecommunications business and have very strong credit ratings. As a result the directors place reliance on the quality of such ratings with these trading partners. Outside the major partner grouping, company policy is to ensure that credit insurance is in place at the appropriate levels. It is through these processes that the company manages credit risk.

Liquidity risk

The company operates significant bank facilities which, together with its own resources, supports the working capital requirements of the business.

Foreign currency risk

The company is exposed to foreign exchange risks in the normal course of the business, principally on revenues and expenditure in sterling. The current policy on mitigating the effect of this currency exposure is to enter into forward contracts and match income and expenditure where possible.

Directors' Report (continued)
For the Year Ended 30 June 2025

Health and safety of employees

The well-being of the company's employees is safeguarded through strict adherence to health and safety standards. Health and safety legislation imposes certain requirements on employers and the company has taken the necessary action to ensure compliance with the legislation.

Environmental issues

The company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations.

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 registered office at Cairn House, South County Business Park, Leopardstown, Dublin 18.

Future developments

The company plans to continue its present activities and current trading levels.

Research and development activities

The company did not engage in any research and development in the year (2024: €Nil).

Statement on relevant audit information

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the 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.

Audit Committee

The directors are directly involved in the day to day running of the business. The overall management team consists of a number of members with relevant qualifications directly linked to the principal activity of the group and the management of same. The directors are satisfied that the management team together with significant input from external professional advisors collectively have the appropriate knowledge to fulfil the requirements of an audit committee in the short term.

Directors' Report (continued)
For the Year Ended 30 June 2025

Compliance Statement

The directors of the company acknowledge they are responsible for securing the company's compliance with its relevant obligations and confirm the following:

- (a) compliance policy statement, setting out the company's policies respecting compliance by the company with its obligations, has been drawn up;
- (b) appropriate arrangements and structures have been put in place, designed to secure material compliance with the company's relevant obligation; and
- (c) a review has been conducted, in respect of the financial year to which the Directors' Compliance Report referred relates, of any arrangements or structures referred to above that have been put in place.

Post balance sheet events

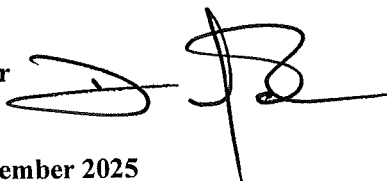
There were no significant events affecting the company since the year end.

Auditors

The auditors, Forvis Mazars, express their willingness to continue in office in accordance with section 383(2) of the Companies Act 2014.

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

Daniel Maher
Director



Fergus de Búrca
Director



Date: 12 December 2025

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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

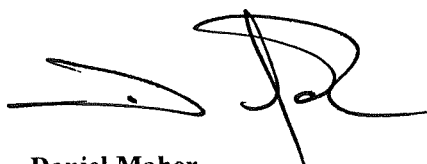
In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements 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



Daniel Maher
Director



Fergus de Búrca
Director

Date: 12 December 2025

Independent Auditors' Report to the Members of Fónua Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Fónua Limited (the 'company') for the year ended 30 June 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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 the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued in the United Kingdom by the Financial Reporting Council.

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 profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 '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.

Independent Auditors' Report to the Members of Fónua 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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.

Independent Auditors' Report to the Members of Fónua Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 6, 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: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/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.

Lorcan Colclough
For and on behalf of
Forvis Mazars
Chartered Accountants
& Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2



12 December 2025

Statement of Comprehensive Income
For the Year Ended 30 June 2025

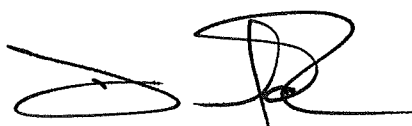
| | Note | Year ended 30 June 2025 € | Year ended 30 June 2024 € |
|---------------------------------------|------|---------------------------------|---------------------------------|
| Turnover | 4 | 244,487,462 | 259,717,960 |
| Cost of sales | | (229,848,787) | (246,139,539) |
| Gross profit | | <u>14,638,675</u> | <u>13,578,421</u> |
| Administrative expenses | | (8,622,981) | (8,205,368) |
| Operating profit | | <u>6,015,694</u> | <u>5,373,053</u> |
| Interest payable and similar expenses | 8 | (545,498) | (522,424) |
| Profit before tax | | <u>5,470,196</u> | <u>4,850,629</u> |
| Tax on profit | 9 | (700,142) | (606,831) |
| Profit for the financial year | | <u><u>4,770,054</u></u> | <u><u>4,243,798</u></u> |

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

Statement of Financial Position
As at 30 June 2025

| | Note | 30 June 2025 € | 30 June 2024 € |
|------------------------------------------------|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Intangible assets | 10 | 1,219,278 | - |
| Tangible fixed assets | 11 | 892,172 | 892,006 |
| | | <u>2,111,450</u> | <u>892,006</u> |
| Current assets | | | |
| Stocks | 13 | 22,029,413 | 17,357,950 |
| Debtors | 14 | 31,540,937 | 32,620,580 |
| Cash at bank and in hand | 15 | 2,469,705 | 2,148,156 |
| | | <u>56,040,055</u> | <u>52,126,686</u> |
| Creditors: amounts falling due within one year | 16 | <u>(31,886,360)</u> | <u>(26,523,601)</u> |
| Net current assets | | <u>24,153,695</u> | <u>25,603,085</u> |
| Net assets | | <u><u>26,265,145</u></u> | <u><u>26,495,091</u></u> |
| Capital and reserves | | | |
| Called up share capital presented as equity | 19 | 127 | 127 |
| Share premium account | 20 | 126 | 126 |
| Profit and loss account | 20 | 26,264,892 | 26,494,838 |
| Shareholders' funds | | <u><u>26,265,145</u></u> | <u><u>26,495,091</u></u> |

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


Daniel Maher
Director


Fergus de Búrca
Director

Date: 12 December 2025

Fónua Limited

Statement of Changes in Equity
For the Year Ended 30 June 2025

| | Called up share capital | Share premium account | Profit and loss account | Total equity |
|------------------------|------------------------------------|--------------------------------------|------------------------------------|---------------------|
| | € | € | € | € |
| At 30 June 2023 | 127 | 126 | 22,251,040 | 22,251,293 |
| Profit for the year | - | - | 4,243,798 | 4,243,798 |
| At 30 June 2024 | 127 | 126 | 26,494,838 | 26,495,091 |
| Profit for the year | - | - | 4,770,054 | 4,770,054 |
| Dividends paid | - | - | (5,000,000) | (5,000,000) |
| At 30 June 2025 | 127 | 126 | 26,264,892 | 26,265,145 |

Fónua Limited

Statement of Cash Flows
For the Year Ended 30 June 2025

| | 2025 € | 2024 € |
|---------------------------------------------------------------|--------------------|--------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 4,770,054 | 4,243,798 |
| Adjustments for: | | |
| Depreciation of tangible assets | 237,548 | 186,844 |
| Interest paid | 545,498 | 522,424 |
| Taxation charge | 700,142 | 606,831 |
| (Increase) in stocks | (4,671,463) | (2,285,428) |
| Decrease/(increase) in debtors | 1,857,917 | (785,506) |
| Increase/(decrease) in creditors | 2,802,227 | (30,394) |
| Corporation tax (paid) | (808,600) | (606,831) |
| Net cash generated from operating activities | <u>5,433,323</u> | <u>1,851,738</u> |
| Cash flows from investing activities | | |
| Purchase of intangible fixed assets | (1,034,307) | - |
| Purchase of tangible fixed assets | (422,685) | (466,247) |
| Sale of tangible fixed assets | - | 71,472 |
| Net cash outflow from investing activities | <u>(1,456,992)</u> | <u>(394,775)</u> |
| Cash flows from financing activities | | |
| Repayment of loans | - | (5,000,000) |
| Loans provided to group companies | (669,815) | - |
| Dividends paid | (5,000,000) | - |
| Interest paid | (545,498) | (522,424) |
| Proceeds from group company loans | 5,000,000 | 5,292,479 |
| Proceeds from discounting facility | (2,439,469) | (1,651,564) |
| Net cash used in financing activities | <u>(3,654,782)</u> | <u>(1,881,509)</u> |
| Net increase/(decrease) in cash and cash equivalents | 321,549 | (424,546) |
| Cash and cash equivalents at beginning of year | 2,148,156 | 2,572,702 |
| Cash and cash equivalents at the end of year | <u>2,469,705</u> | <u>2,148,156</u> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 2,469,705 | 2,148,156 |
| | <u>2,469,705</u> | <u>2,148,156</u> |

Notes to the Financial Statements
For the Year Ended 30 June 2025

1. General information

Fónua Limited is a private company limited by shares incorporated in the Republic of Ireland. The Registered Office is Cairn House, South County Business Park, Leopardstown, Dublin 18.

The principal activity of the company is foremost a solutions provider to the Mobile Telecommunications industry.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue comprises amounts invoiced by the company in respect of goods supplied and services delivered, exclusive of value added tax.

Revenue is recognised to the extent that it is capable of reliable measurement, that it is possible that economics benefits will flow to the entity and that the significant risks and regards of ownership have passed to the purchaser.

For certain customer contracts, revenue in the form of marketing and other support is deferred and recognised when the related units are subsequently sold and services rendered.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 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.

Notes to the Financial Statements
For the Year Ended 30 June 2025

2. Summary of significant accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|------------------------|--------------------|
| Leasehold Improvements | - 10-20% per annum |
| Plant and machinery | - 33% per annum |
| Motor vehicles | - 25% per annum |
| Fixtures and fittings | - 25% per annum |

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.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

2.6 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.

2.7 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.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements
For the Year Ended 30 June 2025

2. Summary of significant accounting policies (continued)

2.9 Financial instruments

The company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

The company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Notes to the Financial Statements
For the Year Ended 30 June 2025

2. Summary of significant accounting policies (continued)

2.9 Financial instruments (continued)

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Notes to the Financial Statements
For the Year Ended 30 June 2025

2. Summary of significant accounting policies (continued)

2.10 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.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

Notes to the Financial Statements
For the Year Ended 30 June 2025

2. Summary of significant accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting 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 reporting 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 reporting date.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Related party transactions

The company avails of the exemption contained in FRS 102 Section 33 and does not disclose transactions entered into between wholly owned members of the group, transactions with entities not wholly group owned are disclosed in accordance with the accounting standards and Companies Act 2014.

Notes to the Financial Statements
For the Year Ended 30 June 2025

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

The company makes judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources in the application of the company accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable in the circumstances. Actual results may differ from estimates. The directors are of the view that there are no critical accounting judgements in the year.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Inventory valuation method

Inventory is valued at the lower of cost and net realisable value. Management reviews the company's inventory levels in order to identify slow-moving and obsolete inventory and identifies items of inventory which have a market price, being the selling price quoted from the market of similar items that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the company's results, cash flows and financial position. The carrying amount of the company's inventory as at 30 June 2025 was €22,029,413 (2024: €17,357,950). There was an allowance of €40,833 made on inventory for the year ended 30 June 2025 (2024: €287,701) (Note 12).

4. Turnover

The company's turnover is derived from the principal activity of distribution and repair of mobile phones and mobile accessories.

| | 2025 | 2024 |
|----------|--------------------|--------------------|
| | € | € |
| Turnover | 244,487,462 | 259,717,960 |
| | <u>244,487,462</u> | <u>259,717,960</u> |

Analysis of turnover by country of destination:

| | 2025 | 2024 |
|---------------------|--------------------|--------------------|
| | € | € |
| Republic of Ireland | 233,558,317 | 246,862,004 |
| EU | 4,097,695 | 7,956,429 |
| Rest of the World | 6,831,450 | 4,899,527 |
| | <u>244,487,462</u> | <u>259,717,960</u> |

Notes to the Financial Statements
For the Year Ended 30 June 2025

5. Operating profit

The operating profit is stated after charging:

| | 2025 € | 2024 € |
|---------------------------------------|----------------|----------------|
| Depreciation of tangible fixed assets | 235,308 | 186,465 |
| Exchange differences | (328) | 13,334 |
| Defined contribution pension cost | 272,479 | 229,219 |
| Auditors remuneration | 30,000 | 28,500 |
| | <u>235,308</u> | <u>186,465</u> |

6. Employees

Staff costs, including directors' remuneration, were as follows:

| | 2025 € | 2024 € |
|-------------------------------------|-------------------|------------------|
| Wages and salaries | 9,174,420 | 8,755,145 |
| Social insurance costs | 887,320 | 858,907 |
| Cost of defined contribution scheme | 272,479 | 229,219 |
| | <u>10,334,219</u> | <u>9,843,271</u> |

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

| | 2025 No. | 2024 No. |
|----------------------------|-------------|-------------|
| Management and Supervision | 21 | 19 |
| Engineers | 25 | 29 |
| Production | 40 | 40 |
| Administration | 55 | 49 |
| | <u>141</u> | <u>137</u> |

7. Directors' remuneration

| | 2025 € | 2024 € |
|-----------------------|----------------|------------------|
| Directors' emoluments | 830,388 | 869,083 |
| Pension | 157,655 | 145,988 |
| | <u>988,043</u> | <u>1,015,071</u> |

Notes to the Financial Statements
For the Year Ended 30 June 2025

8. Interest payable and similar expenses

| | 2025 € | 2024 € |
|-----------------------------------------|-----------|-----------|
| Interest payable to credit institutions | 545,498 | 522,424 |

9. Taxation

| | 2025 € | 2024 € |
|-------------------------------------|-----------|-----------|
| Corporation tax | | |
| Current tax on profits for the year | 700,142 | 606,831 |

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 € |
|-----------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Profit on ordinary activities before tax | 5,470,196 | 4,850,629 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2024 - 12.5%) | 683,775 | 606,329 |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | (1,296) | 5,928 |
| Capital allowances for year in excess of depreciation | (14,360) | (5,426) |
| Income tax withheld | 10,370 | - |
| Deferred tax movement | 21,653 | - |
| Total tax charge for the year | 700,142 | 606,831 |

Notes to the Financial Statements
For the Year Ended 30 June 2025

10. Intangible assets

| | Software € |
|---------------------------|-----------------------------|
| Cost | |
| Additions | 1,034,307 |
| Reclassification | 184,971 |
| At 30 June 2025 | <u>1,219,278</u> |
| Net book value | |
| At 30 June 2025 | <u><u>1,219,278</u></u> |
| At 30 June 2024 | <u><u>-</u></u> |

Amortisation of the software will commence once the asset is available for use.

Fónua Limited

Notes to the Financial Statements
For the Year Ended 30 June 2025

| 11. Tangible fixed assets | Long-term leasehold property € | Plant and machinery € | Motor vehicles € | Fixtures and fittings € | IT projects € | Total € |
|---------------------------|-----------------------------------------|-----------------------------|------------------------|-------------------------------|------------------|------------|
| Cost or valuation | | | | | | |
| At 1 July 2024 | 1,203,649 | 544,841 | 191,257 | 3,122,836 | 184,971 | 5,247,554 |
| Additions | 212,347 | 2,642 | 32,480 | 172,976 | - | 420,445 |
| Reclassification | - | - | - | - | (184,971) | (184,971) |
| At 30 June 2025 | 1,415,996 | 547,483 | 223,737 | 3,295,812 | - | 5,483,028 |
| Depreciation | | | | | | |
| At 1 July 2024 | 1,125,912 | 491,814 | 13,407 | 2,724,415 | - | 4,355,548 |
| Charge for the year | 31,094 | 612 | 37,626 | 165,976 | - | 235,308 |
| At 30 June 2025 | 1,157,006 | 492,426 | 51,033 | 2,890,391 | - | 4,590,856 |
| Net book value | | | | | | |
| At 30 June 2025 | 258,990 | 55,057 | 172,704 | 405,421 | - | 892,172 |
| At 30 June 2024 | 77,737 | 53,027 | 177,850 | 398,421 | 184,971 | 892,006 |

Notes to the Financial Statements
For the Year Ended 30 June 2025

12. Dividends

| | 2025 € | 2024 € |
|----------------|-----------|-----------|
| Dividends paid | 5,000,000 | - |

13. Stocks

| | 2025 € | 2024 € |
|-------------------------------------|------------|------------|
| Finished goods and goods for resale | 22,029,413 | 17,357,950 |

Stocks are stated after provision for impairment of €40,833.

The stock expense for the year amounted to €229,570,841.

14. Debtors

| | 2025 € | 2024 € |
|------------------------------------|-------------------|-------------------|
| Trade debtors | 20,968,768 | 23,463,025 |
| Amounts owed by group undertakings | 8,133,081 | 7,463,266 |
| Prepayments and accrued income | 2,155,996 | 1,444,188 |
| Tax recoverable | 242,350 | 187,706 |
| Deferred taxation | 40,742 | 62,395 |
| | <u>31,540,937</u> | <u>32,620,580</u> |

15. Cash and cash equivalents

| | 2025 € | 2024 € |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 2,469,705 | 2,148,156 |

Notes to the Financial Statements
For the Year Ended 30 June 2025

16. Creditors: Amounts falling due within one year

| | 2025 € | 2024 € |
|-----------------------------------------|-------------------|-------------------|
| Trade creditors | 15,431,801 | 13,356,397 |
| Taxation and social insurance | 2,030,337 | 835,121 |
| Accruals | 4,149,723 | 4,618,115 |
| Invoice discounting | 5,274,499 | 7,713,968 |
| Amounts owed to group company (Note 22) | 5,000,000 | - |
| | <u>31,886,360</u> | <u>26,523,601</u> |

Trade creditors

Certain trade creditors provide for a reservation of title clause in their terms and conditions of sale.

Invoice discounting

The Company has entered a discounting agreement with its bank under which the Company receives early payment from their receivables from certain customers. The Company has not derecognised its original receivables from this agreement.

17. Financial instruments

| | 2025 € | 2024 € |
|------------------------------|-------------------|-------------------|
| Financial assets | | |
| Cash at bank and in hand | 2,469,705 | 2,148,156 |
| Trade debtors | <u>20,968,768</u> | <u>23,463,025</u> |
| Financial liabilities | | |
| Trade creditors | <u>15,431,801</u> | <u>13,356,397</u> |

18. Deferred taxation

| | 2025 € | 2024 € |
|---------------------------|---------------|---------------|
| At beginning of year | 62,395 | 62,395 |
| Charged to profit or loss | (21,653) | - |
| At end of year | <u>40,742</u> | <u>62,395</u> |

Notes to the Financial Statements
For the Year Ended 30 June 2025

18. Deferred taxation (continued)

The deferred tax asset is made up as follows:

| | 2025 € | 2024 € |
|----------------------------------------------|---------------|---------------|
| Capital allowances in excess of depreciation | 40,742 | 62,395 |
| | <u>40,742</u> | <u>62,395</u> |

19. Share capital

| | 2025 € | 2024 € |
|------------------------------------------------------------|----------------|----------------|
| Authorised | | |
| 100,000 (2024 - 100,000) Ordinary shares of €1.269738 each | <u>126,974</u> | <u>126,974</u> |
| Allotted, called up and fully paid | | |
| 100 (2024 - 100) Ordinary shares of €1.269738 each | <u>127</u> | <u>127</u> |

20. Reserves

Share premium account

This relates to the amounts paid for shares in excess of their nominal value.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

21. Pension commitments

The company operates a defined contribution pension scheme. The net assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €272,479 (2024: €229,219).

Notes to the Financial Statements
For the Year Ended 30 June 2025

22. Commitments under operating leases

At 30 June the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2025 € | 2024 € |
|----------------------------------------------|------------------|------------------|
| Not later than 1 year | 738,761 | 834,456 |
| Later than 1 year and not later than 5 years | 1,309,942 | 2,149,187 |
| Later than 5 years | - | 24,110 |
| | <u>2,048,703</u> | <u>3,007,753</u> |

23. Related party transactions

The company has availed of the exemption under FRS 102 Section 33 Related Party Disclosures from disclosing transactions with members of the same group that are wholly owned.

Remuneration of key management personnel

The directors' remuneration disclosed in Note 7 represents the total compensation paid to key management personnel.

24. Ultimate parent undertaking and controlling party

The company regards Corstrom Limited as its parent company.

The company regards Balable Limited as its ultimate holding company.

25. Analysis of net debt

| | At 1 July 2024 € | Cash flows € | At 30 June 2025 € |
|--------------------------|------------------------|------------------|-------------------------|
| Cash at bank and in hand | 2,148,156 | 321,549 | 2,469,705 |
| Debt due within 1 year | (7,713,968) | 2,439,470 | (5,274,498) |
| | <u>(5,565,812)</u> | <u>2,761,019</u> | <u>(2,804,793)</u> |

26. Events subsequent to the year end

There were no significant events affecting the company after the year end.

Fónua Limited

Notes to the Financial Statements
For the Year Ended 30 June 2025

27. Approval of financial statements

The board of directors approved these financial statements for issue on 12 December 2025