

Registered number: 509993

NOVAERUS IRELAND LIMITED

ABRIDGED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOVAERUS IRELAND LIMITED

COMPANY INFORMATION

Directors	Patrick Eric Murphy John Hayes
Company secretary	Patrick Eric Murphy
Registered number	509993
Registered office	Ground Floor, Oyster Point, Temple Road Blackrock Dublin 14
Independent auditors	BDO Statutory Audit Firm Block 3 Miesian Plaza 50-58 Baggot Street Lower Dublin 2 D02Y754
Bankers	Bank of Ireland Main Street Blackrock Co. Dublin
Solicitors	Flynn O'Driscoll 1 Grant's Row Mount Street Lower Dublin 2

NOVAERUS IRELAND LIMITED

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Directors Interest in ultimate parent company

	Company	Class of Shares	2023 €	2022 €
Patrick Eric Murphy	Wellair Group Limited	Series B Ordinary	75,000	75,000
John P Hayes	Wellair Group Limited	Series C4 Convertible	1,543,686	1,543,686

NOVAERUS IRELAND LIMITED

INDEPENDENT AUDITORS' SPECIAL REPORT TO THE MEMBERS OF NOVAERUS IRELAND LIMITED PURSUANT TO SECTION 356 OF THE COMPANIES ACT 2014

On 25/2/2025 we reported as auditors of Novaerus Ireland Limited to the directors of the Company on the abridged financial statements for the year ended 31 December 2023 on pages 5 to 15 and our report was as follows:

We have examined:

- (i) the abridged financial statements for the year ended 31 December 2023 on pages 5 to 15 which the directors of Novaerus Ireland Limited propose to annex to the Annual Return of the Company; and
- (ii) the financial statements to be laid before the Annual General Meeting which form the basis for those abridged financial statements.

Respective responsibilities of Directors and Auditors

It is your responsibility to prepare the abridged financial statements which comply with the Companies Act 2014. It is our responsibility to form an independent opinion that the directors are entitled under Section 352 of the Companies Act 2014 to annex abridged financial statements to the annual return of the Company and that those abridged financial statements have been properly prepared pursuant to Section 353 of that Act (exemptions available for small companies) and to report our opinion to you.

This report is made solely to the directors in accordance with Section 356 of the Companies Act 2014. Our work was undertaken so that we might state to the directors those matters we are required to state to them in our report under Section 356 of the Companies Act 2014 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors for our work, for this report, or for the opinions we have formed.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to annex abridged financial statements to the Annual Return of the Company and that the abridged financial statements are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion on financial statements

In our opinion the directors are entitled under Section 352 of the Companies Act 2014 to annex to the Annual Return of the Company the abridged financial statements and those abridged financial statements have been properly prepared pursuant to the provisions of Section 353 of that Act (exemptions available for small sized companies).

Other information

On 25/2/2025 we reported as auditors of Novaerus Ireland Limited to the members on the Company's financial statements for the year ended 31 December 2023 to be laid before its Annual General Meeting and our report was as follows:

NOVAERUS IRELAND LIMITED

**INDEPENDENT AUDITORS' SPECIAL REPORT TO THE MEMBERS OF NOVAERUS IRELAND LIMITED
(CONTINUED)
PURSUANT TO SECTION 356 OF THE COMPANIES ACT 2014**

"We have audited the financial statements of Novaerus Ireland Limited (the 'Company') for the year ended 31 December 2023, which comprise the Statement of Financial Position, the 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 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 31 December 2023 and of its loss 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.

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

NOVAERUS IRELAND LIMITED

**INDEPENDENT AUDITORS' SPECIAL REPORT TO THE MEMBERS OF NOVAERUS IRELAND LIMITED
(CONTINUED)
PURSUANT TO SECTION 356 OF THE COMPANIES ACT 2014**

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.

Respective responsibilities and restrictions on use

Responsibilities of directors

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 have no realistic alternative but to do so.

NOVAERUS IRELAND LIMITED

**INDEPENDENT AUDITORS' SPECIAL REPORT TO THE MEMBERS OF NOVAERUS IRELAND LIMITED
(CONTINUED)
PURSUANT TO SECTION 356 OF THE COMPANIES ACT 2014**

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>. 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.



**Ronan Harbourne
For and on behalf of BDO**

Statutory Audit Firm

Block 3
Miesian Plaza
50-58 Baggot Street Lower
Dublin 2
D02Y754
Date: 25/2/2025

NOVAERUS IRELAND LIMITED

ABRIDGED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

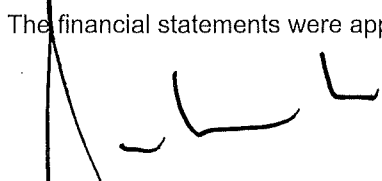
	Note	2023 €	2022 €
Fixed assets			
Tangible assets	4	11,199	26,507
		11,199	26,507
Current assets			
Stocks		847,195	1,281,726
Debtors		281,740	40
Cash at bank and in hand		330,036	199,411
		1,458,971	1,481,177
Creditors: amounts falling due within one year	5	(1,883,050)	(3,483,273)
Net current liabilities		(424,079)	(2,002,096)
Total assets less current liabilities		(412,880)	(1,975,589)
Creditors: amounts falling due after more than one year	6	(18,847,755)	(16,953,268)
Net liabilities		(19,260,635)	(18,928,857)
Capital and reserves			
Called up share capital presented as equity	7	2	2
Capital redemption reserve		190,589	87,042
Profit and loss account		(19,451,226)	(19,015,901)
Shareholders' funds		(19,260,635)	(18,928,857)

These financial statements have been prepared in accordance with the small companies regime.

We, as directors of Novaerus Ireland Limited, state that:

The Company has relied on the specific exemptions contained in section 352 of the Companies Act 2014; the Company has done so on the grounds that it is entitled to the benefit of that exemption as a small Company and the abridged financial statements have been properly prepared in accordance with section 353 of the Companies Act 2014.

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


Patrick Eric Murphy
Director


John Hayes
Director

NOVAERUS IRELAND LIMITED

**ABRIDGED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023**

Date: 25/2/2025

The notes on pages 9 to 15 form part of these financial statements.

NOVAERUS IRELAND LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Called up share capital	Capital Contribution reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2023	2	87,042	(19,015,901)	(18,928,857)
Comprehensive income for the year				
Loss for the year	-	-	(364,374)	(364,374)
Contributions by and distributions to owners				
Transfer to/from profit and loss account	-	70,951	(70,951)	-
Capital Contribution Reserve Movement	-	32,596	-	32,596
At 31 December 2023	<u>2</u>	<u>190,589</u>	<u>(19,451,226)</u>	<u>(19,260,635)</u>

The notes on pages 9 to 15 form part of these financial statements.

NOVAERUS IRELAND LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Capital Contribution reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2022	2	843,154	(9,003,363)	(8,160,207)
Comprehensive income for the year				
Loss for the year	-	-	(10,012,538)	(10,012,538)
Contributions by and distributions to owners				
Transfer to/from profit and loss account	-	(756,112)	-	(756,112)
At 31 December 2022	<u>2</u>	<u>87,042</u>	<u>(19,015,901)</u>	<u>(18,928,857)</u>

The notes on pages 9 to 15 form part of these financial statements.

NOVAERUS IRELAND LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Novaerus Ireland Limited is a company limited by shares, incorporated in the Republic of Ireland. The company's registered office is Ground Floor, Oyster Point, Temple Road, Blackrock, Co. Dublin, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Director's Report. The financial statements have been presented in Euro (€), which is also the functional currency of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the requirements and the Companies Act 2014 and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liabilities Partnerships'. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The following principal accounting policies have been applied:

2.2 Going concern

NovIreland made a loss for the year ended 31 December 2023 of €0.73m (2022 - €0.7m) and the net liabilities stood at €19.2m (2022 - €18.9m) at that date.

The Directors note the post pandemic slowdown of the global air purification market has continued in 2023. The Board & Management have continued to keep the company's cost basis under ongoing review and taken further action to reduce expenditure where appropriate. At the date of signing of these financial statements, the company is debt free and has sufficient cash reserves to invest prudently when growth opportunities arise.

Noting the above the directors believe it is appropriate to prepare these financial statements on a going concern basis.

NOVAERUS IRELAND LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.3 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 Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOVAERUS IRELAND LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

NOVAERUS IRELAND LIMITED

**NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.6 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 reporting date in the countries where the Company operates and generates income.

2.7 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, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	15%
Plant and machinery	-	33%
Air Purification Units	-	22%

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.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 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.

NOVAERUS IRELAND LIMITED

**NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.10 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.

2.11 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.

3. Employees

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Finance	2	1
Sales	1	4
Admin	2	5
R&D	2	10
Marketing	-	1
Operations	1	3
	<u>8</u>	<u>24</u>

NOVAERUS IRELAND LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Tangible fixed assets

	Long-term leasehold property €	Equipment €	Air Purification Units €	Total €
Cost or valuation				
At 1 January 2023	3,875	129,161	779,620	912,656
At 31 December 2023	<u>3,875</u>	<u>129,161</u>	<u>779,620</u>	<u>912,656</u>
Depreciation				
At 1 January 2023	3,055	103,473	779,620	886,148
Charge for the year on owned assets	553	14,756	-	15,309
At 31 December 2023	<u>3,608</u>	<u>118,229</u>	<u>779,620</u>	<u>901,457</u>
Net book value				
At 31 December 2023	<u>267</u>	<u>10,932</u>	<u>-</u>	<u>11,199</u>
At 31 December 2022	<u>820</u>	<u>25,687</u>	<u>-</u>	<u>26,507</u>

5. Creditors: Amounts falling due within one year

	2023 €	2022 €
Trade creditors	1,558,344	2,811,767
Customer Deposits	56,549	47,400
PAYE/PRSI Liability	39,708	50,910
Accruals	228,449	573,196
	<u>1,883,050</u>	<u>3,483,273</u>

NOVAERUS IRELAND LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023 €	2022 €
Amounts owed to group undertakings	18,847,755	16,953,268
	<u>18,847,755</u>	<u>16,953,268</u>

7. Share capital

	2023 €	2022 €
Authorised 1,000,000 (2022 - 1,000,000) Ordinary Shares shares of €1.00 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid 2 (2022 - 2) Ordinary Shares shares of €1.00 each	<u>2</u>	<u>2</u>

8. Controlling party

The company regards Novaerus UK Limited as its parent company.
The company's ultimate parent undertaking is Wellair Group Limited.

9. Approval of financial statements

The board of directors approved these financial statements for issue on 25/2/2025