

Fire Financial Services Limited
Directors' Report and Financial Statements
for the year ended 30 April 2025

Fire Financial Services Limited

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Fire Financial Services Limited
DIRECTORS AND OTHER INFORMATION

| | |
|---|--|
| Directors | Colm Lyon Paul Davey– (resigned 25/09/2024) Joe Caulfield (Chairman) Enda Murphy Bernadette Mooney |
| Company secretary | Colm Lyon |
| Company number | 464819 |
| Registered office and business address | Dogpatch Labs, Unit 1, The CHQ Building North Wall Quay Dublin 1 |
| Auditor | KPMG Chartered Accountants 1 Harbourmaster Place IFSC Dublin 1 |
| Principal bankers | AIB Bank The Plaza, Lower Kilmacud Rd Stillorgan, Dublin Bank of Lithuania Totorių g. 4, LT-01121 Vilnius Lithuania Barclays Bank plc Broadgate Leicestershire LU87 2BB United Kingdom Goldman Sachs River Court 120 Fleet Street London EC4A 2BE |
| Solicitors | Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2 McCann FitzGerald Riverside 2 Sir John Rogerson's Quay Grand Canal Dock D02 X576 |

Fire Financial Services Limited

DIRECTORS' REPORT

for the year ended 30 April 2025

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

Principal activity and review of the business

The Company (Fire Financial Services Limited) provides customers with digital accounts and related payment services that enable businesses to pay and be paid. The service is currently available mainly to businesses in the Republic of Ireland. It is planned to further develop the business proposition and to extend the reach further. The Company is regulated by the Central Bank of Ireland and is authorised as a Payments Institution under the European Communities (Payments Services) Regulations 2018. It is a participant of the SEPA clearing systems and is a principal member of the MasterCard scheme.

The Company is committed to developing, growing and expanding its business activities.

Principal risks and uncertainties

The key risks facing the Company can be categorised into the following headings:

Business risk – The Company is in an early stage of its development lifecycle. There is a possibility the Company cannot generate sufficient customer adoption for its business proposition to execute on the Company strategy. The Company has implemented significant product, customer and marketing strategies to ensure that it minimises this risk.

Financial – As the Company provides digital accounts and related payment services there is always an element of risk of fraud. As such the Company is at risk of having to bear the costs if any fraud were to be uncovered. The Company has robust policies and procedures in place to identify any fraudulent activity either by its customers or internally. This key risk is monitored on a daily basis and managed by the Audit and Risk Committee. A more detailed outline of the financial risks facing the Company is included in Note 14.

Compliance – The Company is regulated by the Central Bank of Ireland ("CBI") as a Payments Institution and is obliged to adhere to strict operating protocols as laid down by the CBI. There is an ongoing risk for the Company that these strict protocols are not followed or that new regulations laid down by the CBI or other authorities are not appropriately adopted. The Company has a Risk and Compliance Officer who monitors existing regulations to ensure the Company remains fully aware of its regulatory obligations. The Risk and Compliance Officer also regularly engages with all departments within the business to ensure operational procedures are directed towards ensuring the highest standards of probity and control at all times.

In relation to all risks identified, the Company has an Audit and Risk Committee which reports to the Board of Directors on a regular basis. The Audit and Risk Committee meets regularly to review and monitor the risks facing the business to ensure all relevant risks are monitored and, where a key risk is identified, an appropriate action plan is instigated to minimise or, if possible, eliminate the impact on the Company.

Results and dividends

The loss for the year amounted to €1,137,310 (2024 - €841,595). The directors do not recommend payment of a dividend.

The Board of Directors hold standard board meetings every two months where they review a range of Key Performance Indicators across all functions of the business. The key metrics that drive the turnover are the volume and value of transactions processed through the system. The Board also review the monthly management accounts, capital adequacy and a range of functional reports.

Directors and secretary

The directors who served throughout the year, except as noted, were as follows:

Colm Lyon

Paul Davey – (resigned 25/09/2024)

Joe Caulfield (Chairman)

Enda Murphy

Bernadette Mooney

Fire Financial Services Limited

DIRECTORS' REPORT

for the year ended 30 April 2025

Directors and secretary (continued)

The secretary who served during the year was Paul Davey (resigned 25/09/2024) and Colm Lyon (appointed 25/09/2024).

The directors and secretary who held office at 30 April 2025 had no interests other than those disclosed below in the shares, or debentures or loan stock, of the Company or group companies:

| Name of Director | Name of Company | Share class | Interest at 30 April 2025 | Interest at 30 April 2024 |
|------------------|-------------------------------|-------------|------------------------------|------------------------------|
| Colm Lyon | Burren Tech Holdings Limited* | A Ordinary | 100,000 | 100,000 |
| Colm Lyon | FFFS Services 123 Ireland Ltd | Ordinary | 3,120 | 3,120 |

*Ultimate controlling party

Share Capital

During the year, 2,250 B Ordinary Shares were cancelled following the resignations of Director Paul Davey (September 2024) and Chief Technical Officer Vladimir Popov (August 2024), as detailed below:

- Paul Davey: 1,750 B Ordinary Shares cancelled
- Vladimir Popov: 500 B Ordinary Shares cancelled

Going Concern

The financial statements are prepared on the going concern basis. Notwithstanding the fact the Company has been loss making since inception, the directors reasonably expect the Company will continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. The directors considered the Company business plan, potential fundraising and the support letter received from the parent company when making this assessment.

Research and development

The Company did engage in research and development activities during the year but does not capitalise the costs. Research and development costs are expensed to the Income Statement as incurred.

Events after end of reporting period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operation of the Company.

Political contributions

The Company made no political donations during the year ended 30 April 2025 (2024: €NIL).

Auditor

The auditor, KPMG have indicated their willingness to continue in office pursuant to the provisions of Section 383(2) of the Companies Act, 2014.

Health and safety of employees

The wellbeing of the Company's employees is safeguarded through strict adherence to health & safety standards. The Safety, Health & Welfare at Work Act, imposes certain requirements on employers and the Company has taken the necessary actions to ensure compliance with the Act, including the adoption of a safety statement.

Statement of relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Fire Financial Services Limited
DIRECTORS' REPORT

for the year ended 30 April 2025

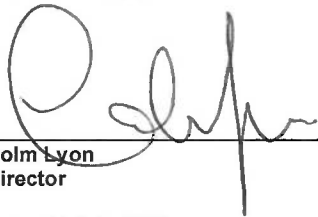
Accounting records

The directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained and located at Dogpatch Labs, Unit 1, The CHQ Building, North Wall Quay, Dublin 1.

Statement of directors compliance


The directors confirm that they have, to the best of their knowledge, complied with their relevant obligations as defined in section 225 of the Companies Act 2014. Relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations. The arrangements and structures in place are reviewed on an annual basis.

Signed on behalf of the board



Colm Lyon
Director

Date: 24 July 2025



Joe Caulfield (Chairman)
Director

Date: 24 July 2025

Fire Financial Services Limited
Statement of directors' responsibilities in respect of the Directors'
Report and the financial statements

for the year ended 30 April 2025

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

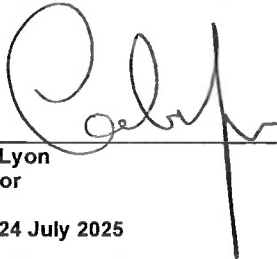
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

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

Signed on behalf of the board



Colm Lyon
Director

Date: 24 July 2025



Joe Caulfield (Chairman)
Director

Date: 24 July 2025



KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIRE FINANCIAL SERVICES LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Fire Financial Services Limited ('the Company') for the year ended 30 April 2025 set out on pages 11 to 22 which comprise the the Statement of Comprehensive income, the Statement of Financial Position, the Statement of changes in equity, the Statement of Cashflows and related notes, including the material accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 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 April 2025 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard 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 AUDITOR'S REPORT TO THE MEMBERS OF FIRE FINANCIAL SERVICES LIMITED (continued)

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider 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

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIRE FINANCIAL SERVICES LIMITED (continued)

Auditor's 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 auditor's 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 fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

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

Our 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 auditor's 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.

25 July 2025

James Black

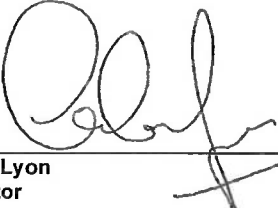
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

Fire Financial Services Limited
STATEMENT OF FINANCIAL POSITION

as at 30 April 2025

| | Notes | 2025 € | 2024 € |
|---|-------|---------------------|---------------------|
| Non-current assets | | | |
| Intangible assets | 9 | 339,841 | 409,621 |
| Tangible assets | 10 | 8,741 | 18,022 |
| Investments | 11 | 1,900,000 | 1,900,000 |
| | | <u>2,248,582</u> | <u>2,327,643</u> |
| Current assets | | | |
| Debtors | 12 | 972,755 | 964,680 |
| Cash and cash equivalents | | 1,347,095 | 2,525,062 |
| - Cash at bank and in hand | | 38,041,328 | 39,229,217 |
| - Client funds | | | |
| | | <u>40,361,178</u> | <u>42,718,959</u> |
| Creditors: amounts falling due within one year | 13 | (38,455,978) | (39,755,514) |
| Net current assets | | <u>1,905,200</u> | <u>2,963,445</u> |
| Total assets less current liabilities | | <u>4,153,782</u> | <u>5,291,088</u> |
| Capital and reserves | | | |
| Called up share capital | 15 | 243 | 266 |
| Share premium account | | 21,525,896 | 21,525,896 |
| Capital contribution | | 1,600,000 | 1,600,000 |
| Share options reserve | | 35,934 | 35,908 |
| Retained earnings | | (19,008,291) | (17,870,982) |
| Equity attributable to owners of the Company | | <u>4,153,782</u> | <u>5,291,088</u> |

Approved by the board on 24 July 2025 and signed on its behalf by:


 Colm Lyon
 Director


 Joe Caulfield (Chairman)
 Director

Fire Financial Services Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 April 2025

| | Notes | 2025 € | 2024 € |
|--|-------|---------------------------|-------------------------|
| Turnover | 4 | 1,381,388 | 1,447,987 |
| Cost of sales | | <u>(380,607)</u> | <u>(336,742)</u> |
| Gross profit | | 1,000,781 | 1,111,245 |
| Administrative expenses | | <u>(3,120,134)</u> | <u>(2,861,818)</u> |
| Operating loss | 5 | (2,119,353) | (1,750,573) |
| Interest receivable and other income | 6 | <u>982,044</u> | <u>908,978</u> |
| Loss on ordinary activities before taxation | | (1,137,309) | (841,595) |
| Tax on loss on ordinary activities | 8 | <u>-</u> | <u>-</u> |
| Total comprehensive income | | <u>(1,137,309)</u> | <u>(841,595)</u> |

Fire Financial Services Limited
STATEMENT OF CHANGES IN EQUITY

as at 30 April 2025

| | Share capital | Share premium account | Capital contribution | Share options reserve | Retained earnings | Total |
|---|---------------|-----------------------|----------------------|-----------------------|---------------------|------------------|
| | € | € | € | € | € | € |
| At 1 May 2024 | 266 | 21,525,896 | 1,600,000 | 22,063 | (17,029,387) | 6,118,838 |
| Loss for the year | - | - | - | - | (841,595) | (841,595) |
| Net proceeds of equity ordinary share issue | - | - | - | - | - | - |
| Equity settled share-based compensation transaction | - | - | - | 13,845 | - | 13,845 |
| At 30 April 2024 | 266 | 21,525,896 | 1,600,000 | 35,908 | (17,870,982) | 5,291,088 |
| Loss for the year | - | - | - | - | (1,137,309) | (1,137,309) |
| Net proceeds of equity ordinary share issue | (23) | - | - | - | - | (23) |
| Equity settled share-based compensation transaction | - | - | - | 26 | - | 26 |
| At 30 April 2025 | 243 | 21,525,896 | 1,600,000 | 35,934 | (19,008,291) | 4,153,782 |

Fire Financial Services Limited
STATEMENT OF CASH FLOWS

for the year ended 30 April 2025

| | 2025 € | 2024 € |
|---|--------------------------|--------------------------|
| Cash flows from operating activities | | |
| Loss for the year | (1,137,309) | (841,595) |
| Adjustments for: | | |
| Interest receivable and similar income | 982,044 | 908,978 |
| Depreciation and amortisation | 79,061 | 77,620 |
| Share options reserve | 26 | 13,845 |
| | <u>(76,178)</u> | <u>158,848</u> |
| Movements in working capital: | | |
| Movement in debtors | (8,075) | 128,348 |
| Movement in creditors | (1,299,536) | (5,454,031) |
| Cash used in operations | (1,383,789) | (5,166,835) |
| Tax paid | - | - |
| Net cash used in operating activities | <u>(1,383,789)</u> | <u>(5,166,835)</u> |
| Cash flows from investing activities | | |
| Interest received and other income | (982,044) | (908,978) |
| Payments to acquire property, plant and equipment | - | (15,249) |
| Payments to acquire investments | - | - |
| Net cash used in investment activities | <u>(982,044)</u> | <u>(924,227)</u> |
| Cash flows from financing activities | | |
| Share capital reduction | (23) | - |
| Issue of share premium | - | - |
| Net cash generated from financing activities | <u>(23)</u> | <u>-</u> |
| Net decrease in cash and cash equivalents | (2,365,856) | (6,091,062) |
| Cash and cash equivalents at beginning of financial year | 41,754,279 | 47,845,341 |
| Cash and cash equivalents at end of financial year | <u><u>39,388,423</u></u> | <u><u>41,754,279</u></u> |

Fire Financial Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2025

1. GENERAL INFORMATION

Fire Financial Services Limited is a company limited by shares and is incorporated and domiciled in the Republic of Ireland. Dogpatch Labs, Unit 1, The CHQ Building, North Wall Quay, Dublin 1, is the registered office, 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 Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the Company.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Statement of compliance

The financial statements of the Company for the year ended 30 April 2025 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). There have been no material departures from that standard.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The Company is exempt by virtue of section 293(1A) of the Companies Act 2014 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Turnover

The turnover reflected in the income statement and other comprehensive income relates to income received from transactions and activity on customer accounts. The turnover is recognised based on completed transactions or activity on a monthly basis.

Interest Income

Interest income is interest received on client funds account and operating account balances at the prevailing interest rates agreed by the bank.

Client funds

Segregation is used to safeguard client funds and client monies are held in separately designated client funds bank accounts over which the company has control. Client funds are shown both as an asset and as a liability on the statement of financial position.

Intangible asset – Domain

Intangible asset - Domains are valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life of 10 years.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. The charge to depreciation is calculated to write off the original cost of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

| | | |
|--------------------|---|---------|
| Computer Equipment | - | 3 years |
|--------------------|---|---------|

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the debtors are stated at cost less impairment losses for bad and doubtful debts.

Fire Financial Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2025

2. ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, client funds, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within Creditors.

Creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation

Current tax, including Irish corporation tax and foreign tax(es), is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Financial fixed asset – Investment in subsidiary

The Company's 100% investment in Fire Financial Services Limited, a UK registered company is recorded at cost less impairment. Critical accounting judgements made in applying the Company's accounting policies include an impairment assessment of investments relating to the shares held in our subsidiary company.

Share-based payments

The Company issues equity-settled share-based payments to certain employees from time to time. Equity-settled share-based payments are measured at fair value calculated by an internal valuation at the date of grant. The fair value determined at the date of grant of the equity-settled share-based payments is expensed as an administrative expense in the Income Statement.

3. GOING CONCERN

The financial statements have been prepared on the going concern basis. Notwithstanding the fact that the Company has been loss making since inception, the directors have a reasonable expectation that the Company will continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. The directors considered the Company business plan, potential fundraising and the support letter from the parent company when making this assessment.

4. TURNOVER

The total turnover for the Company for the year has been derived from its principal activity mainly undertaken in Ireland.

5. OPERATING LOSS

| | 2025 | 2024 |
|---|-------------------|-------------------|
| | € | € |
| Operating loss is stated after charging: | | |
| Amortisation of intangible assets | 69,780 | 69,780 |
| Depreciation of property, plant and equipment | 9,281 | 7,840 |
| (Gain) / Loss on foreign currencies | (1,286) | (8,268) |
| Auditor's remuneration | 23,370 | 23,089 |
| | <u> </u> | <u> </u> |

6. INTEREST RECEIVABLE AND OTHER INCOME

| | 2025 | 2024 |
|---------------|-------------------|-------------------|
| | € | € |
| Bank interest | 851,215 | 702,815 |
| Other income | 130,829 | 206,163 |
| | <u> </u> | <u> </u> |

Interest is earned on balances held in safeguarded client funds accounts and business operating accounts. Although ECB interest rates decreased throughout the year, the interest earned increased due to the optimisation of funds across the various safeguarding accounts.

Fire Financial Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2025

7. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

| | 2025 Number | 2024 Number |
|--|----------------|----------------|
| Management and administration | 9 | 9 |
| Operations, technology and development | 20 | 23 |
| | <u>29</u> | <u>32</u> |

The staff costs comprise:

| | € | € |
|-------------------------|------------------|------------------|
| Wages and salaries | 1,228,070 | 1,092,905 |
| Social welfare costs | 189,319 | 171,168 |
| Directors' fees | 45,147 | 43,980 |
| Directors' remuneration | 38,460 | 84,510 |
| | <u>1,500,996</u> | <u>1,392,563</u> |

8. TAX ON LOSS ON ORDINARY ACTIVITIES

| | 2025 € | 2024 € |
|--|-----------|-----------|
| (a) Analysis of charge in the year | | |
| Current tax: | | |
| Corporation tax at 12.5% (2024 - 12.5%) (Note 8 (b)) | - | - |
| | <u>-</u> | <u>-</u> |

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the Republic of Ireland 12.5%. The differences are explained below:

| | € | € |
|---|--------------------|------------------|
| Loss on ordinary activities before tax | <u>(1,137,309)</u> | <u>(841,595)</u> |
| Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.5% | (142,164) | (105,199) |
| Effects of: | | |
| Expenses not deductible for tax purposes | - | - |
| Depreciation in excess of capital allowances | 2,155 | 1,793 |
| Capital allowances in excess of depreciation | - | - |
| Losses carried forward | 140,009 | 103,406 |
| | <u>140,009</u> | <u>103,406</u> |
| Total tax charge for the year (Note 8 (a)) | <u>-</u> | <u>-</u> |

No charge to tax arises due to tax losses incurred.

The Company has not recognised any deferred tax asset in respect of losses not utilised pending uncertainty over use of same given the losses recognised by the Company. The total potential deferred tax asset at the balance sheet date was €2,200,463 (2024: €2,065,830).

Fire Financial Services Limited
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2025

9. INTANGIBLE FIXED ASSETS – DOMAIN

| | 2025 € | 2024 € |
|--------------------------|-----------------------|-----------------------|
| Cost | | |
| At beginning of the year | 697,799 | 697,799 |
| Additions | - | - |
| At year end | <u>697,799</u> | <u>697,799</u> |
| Amortisation | | |
| At beginning of the year | 288,178 | 218,398 |
| Charge for the year | 69,780 | 69,780 |
| At year end | <u>357,958</u> | <u>288,178</u> |
| Net book value | | |
| At year end | <u><u>339,841</u></u> | <u><u>409,621</u></u> |

10. PROPERTY, PLANT AND EQUIPMENT – COMPUTER EQUIPMENT

| | 2025 € | 2024 € |
|--------------------------|---------------------|----------------------|
| Cost | | |
| At beginning of the year | 257,154 | 241,905 |
| Additions | - | 15,249 |
| Disposals | - | - |
| At year end | <u>257,154</u> | <u>257,154</u> |
| Depreciation | | |
| At beginning of the year | 239,131 | 231,291 |
| Charge for the year | 9,282 | 7,840 |
| At year end | <u>248,413</u> | <u>239,131</u> |
| Net book value | | |
| At year end | <u><u>8,741</u></u> | <u><u>18,023</u></u> |

11. INVESTMENTS

| | 2025 € | 2024 € |
|--------------------------|-------------------------|-------------------------|
| Cost | | |
| At beginning of the year | 1,900,000 | 1,900,000 |
| Additions | - | - |
| At year end | <u><u>1,900,000</u></u> | <u><u>1,900,000</u></u> |

The investment relates to Fire Financial Services Limited (Fire-UK), a company limited by shares and incorporated in the United Kingdom. The registered office of the company Fire UK is The Rise, 41 Luke Street, London, EC2A 4DP which is also the principal place of business of the company. The company Fire UK provides customers with digital accounts and related payment services that enable businesses to pay and be paid. The directors are satisfied that the carrying value of the investment is at least equal to its recoverable amount.

Fire Financial Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2025

| | | |
|--|-------------------|-------------------|
| 12. DEBTORS | 2025 | 2024 |
| | € | € |
| Trade debtors | 84,286 | 64,949 |
| Other debtors | 74,327 | 216,660 |
| Prepayments and accrued income | 814,142 | 643,064 |
| Amounts owed from subsidiary | - | 40,007 |
| | <u>972,755</u> | <u>964,680</u> |
| 13. CREDITORS | 2025 | 2024 |
| Amounts falling due within one year | € | € |
| Client Funds | 38,022,762 | 39,229,202 |
| PAYE | 63,440 | 50,878 |
| VAT | 18,771 | 13,786 |
| Taxation (TRS) | 378 | - |
| Trade and other creditors | 13,736 | 91,020 |
| Accruals | 323,744 | 345,628 |
| Deferred Income | - | 25,000 |
| Amounts due to Subsidiary | 13,147 | - |
| | <u>38,455,978</u> | <u>39,755,514</u> |

14. FINANCIAL INSTRUMENTS

Financial instruments and risk management

The directors are responsible for identifying the risks that the Company may face. As discussed in the Directors' report, the directors have undertaken a number of procedures and approaches to manage these risks.

At 30 April 2025 the Company's financial instruments comprised of cash at bank and in hand, client funds (jointly considered as "cash and cash equivalents"), debtors and creditors. These financial instruments are denoted in Euro and are used in connection with client funds held in segregated accounts.

The Company has exposure to the following risks arising from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.
- interest rate risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Fire Financial Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2025

14. FINANCIAL INSTRUMENTS (continued)

Credit risk

'Credit risk' is the risk of financial loss to the Company if a financial instrument fails to meet its contractual obligations. The Company's financial instruments, consisting of cash and cash equivalents, and debtors are exposed to concentrations of credit risk. The Company places its cash and cash equivalents with highly-rated financial institutions, limits the amount of credit exposure with any one financial institution and conducts ongoing evaluation of the credit worthiness of the financial institutions with which it does business. Credit check procedures have proved effective as no impairment loss has been recognised to date on any of the Company's financial assets.

The Maximum exposure to credit risk at 30 April 2025 was:

| | 2025 | 2024 |
|------------------------------|---------------|----------------|
| | € | € |
| Cash and cash equivalents | 39,388,423 | 41,754,279 |
| Trade debtors | 84,286 | 64,949 |
| Amounts owed from subsidiary | - | 40,007 |
| Other debtors | <u>74,327</u> | <u>216,660</u> |

Liquidity risk

The Company defines 'liquidity risk' as the potential inability to meet financial obligations as they become due. The Company has cash resources at its disposal through the holding at the year-end of deposit and cash balances of €1,347,095 (2024: €2,525,062). The cash resources provide flexibility in financing the Company's operations. The Company's policy is to ensure sufficient resources are available from either current cash balances or future cash flows to ensure that all obligations are met as they fall due. Management monitors rolling cash flow forecasts on an ongoing basis to determine the adequacy of the liquidity position of the Company.

Market risk

The Company is exposed to currency risk as it enters into transactions that are denominated in currencies other than its functional currency, primarily sterling (GBP). Consequently, the Company is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of the Company's financial assets and liabilities.

The Company's currency risk is managed at board of director level.

Interest rate risk

The company is exposed to fluctuations in the EUR and GBP central bank base rates which would impact the level of interest income earned.

Capital management

The Company's primary objectives when managing capital are:

- to comply with the capital requirements set by the financial regulators; and
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns to its shareholders.

The Company's capital is managed at board of director level.

The Company executed a share for share exchange with FFS Services 123 Limited, replicating the existing capital structure in the new group entity. Following the share for share exchange, the Company converted all allotted B Ordinary Shares and C Ordinary Shares to Ordinary Shares in order to better align with Common Equity Tier 1 (CET1) capital requirements under CRR Article 28.

Assessment of the Company's financial instruments

The Company's financial assets are stated at cost less any impairment losses, liabilities are stated at cost, which approximate to fair value given the short-term nature of these assets and liabilities.

The Company's cash and cash equivalents have a floating interest rate profile. All other assets and liabilities are non-interest bearing and their contractual cash flows are considered to be 12 months or less.

The Company does not account for any assets and liabilities at fair value through the profit and loss and the Company does not currently employ any derivative financial instruments as part of their risk management procedures.

Fire Financial Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2025

| 15. SHARE CAPITAL | | | 2025 | 2024 |
|---|------------------|----------------|------------------|------------------|
| | | | € | € |
| Description | Number of shares | Value of units | | |
| Authorised | | | | |
| Ordinary Share Capital | 100,020,500 | €0.01 each | 1,000,205 | 1,000,000 |
| B Ordinary Share of €0.01 each | - | €0.01 each | - | 100 |
| Deferred Shares of €0.01 each | - | €0.01 each | - | 100 |
| C Ordinary Shares of €0.01 each | - | €0.01 each | - | 5 |
| | | | <u>1,000,205</u> | <u>1,000,205</u> |
| Allotted, called up and fully paid | | | | |
| Ordinary Share Capital | 24,300 | €0.01 each | 243 | 208 |
| B Ordinary Share of €0.01 each | - | €0.01 each | - | 53 |
| C Ordinary Share of €0.01 each | - | €0.01 each | - | 5 |
| Deferred Shares of €0.01 each | - | €0.01 each | - | - |
| | | | <u>243</u> | <u>266</u> |

During the year, 2,250 B Ordinary Shares with a nominal value of €0.01 per share were cancelled, reducing the total value of share capital to €243. The cancellation followed the resignations of Director Paul Davey (September 2024) and Chief Technical Officer Vladimir Popov (August 2024).

In April 2025, the company completed a share-for-share exchange with FFFS Services 123 Limited, which involved the conversion of 3,000 B Ordinary Shares and 500 C Ordinary Shares into a single class of 35 Ordinary Shares. This restructuring was undertaken to align with the Common Equity Tier 1 capital requirements under Article 28 of the Capital Requirements Regulation (CRR).

The Company has an established share options scheme. Subject to the rules of the scheme, the options shall vest and be exercisable in whole on an exit event. If an option holder ceases to be employed within the group, the option will immediately terminate, and all of the scheme shares subject to the option will revert to the scheme. There were 1,803 outstanding shares at the beginning of the period at an expense of €35,907. At the end of the period there were 1,803 outstanding shares at an expense of €35,934. The expense was calculated by an internal valuation of the company at the year-end date. This method was chosen because the Company is privately owned with no liquid marketplace for the exchange of these shares.

16. CAPITAL COMMITMENTS

The Company had no material capital commitments at the year-ended 30 April 2025 (2024: nil).

17. RELATED PARTY TRANSACTIONS

During the financial period, Fire Financial Services Limited had intercompany transactions with a related company Payvation Limited, a company with common directors and a common controlling shareholder. These transactions consisted of expenses that were recharged from Payvation Limited to Fire Financial Services Limited of €0 (2024: €1,960).

Key management personnel ('KMP'), including Directors, hold customer accounts with the company in the ordinary course of business. The aggregate amounts outstanding, in respect of all balances between the Group and its KMP together with members of their close families and entities influenced by them are €34,709.

There were also intercompany transactions with Fire Financial Services Limited (Fire-UK), a wholly owned subsidiary. These transactions consisted of expenses that were recharged from Fire Financial Services Limited to Fire Financial Services Limited (Fire-UK) of €971,546 (2024: €870,875).

At 30 April 2025, the Company had a receivable balance of €0 (2024: €40,007) owing from its subsidiary company, Fire Financial Services Limited (Fire-UK). The amounts are interest-free and repayable on demand (Note 12).

At 30 April 2025, the Company had a payable balance of €13,147 (2024: €0) owing to its subsidiary company, Fire Financial Services Limited (Fire-UK). The amounts are interest-free and repayable on demand.

Fire Financial Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2025

18. ULTIMATE PARENT COMPANY

The Company is majority owned by FFFS Services 123 Limited, a company registered in Ireland, which is ultimately controlled by Colm Lyon, a director of the Company.

19. EVENTS AFTER END OF REPORTING PERIOD

There have been no significant events affecting the Company since the year-end.