

FINCAD Europe Limited

Directors' report and
financial statements

Year ended 31 December 2024

Registered number: 435943

FINCAD Europe Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report	5
Statement of comprehensive income	8
Statement of changes in equity	9
Statement of financial position	10
Statement of cash flow	11
Notes forming part of the financial statements	12

FINCAD Europe Limited

Directors and other information

Directors	Miriam Guinane Steven DeLorenzo Emanuele Conti
Secretary	Steven DeLorenzo
Registered office	2nd Floor, 1-2 Victoria Buildings, Haddington Road Dublin 4, Dublin, D04 XN32, Ireland
Auditors	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Bankers	Bank of America Europe DAC Two Park Place Hatch Street Dublin, D02 NP94
Solicitors	McCann Fitzgerald Riverside One Sir John Rogerson's Quay Dublin 2
Registered number	435943

FINCAD Europe Limited

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2024.

Principal activities, business review and future developments

The company's principal activities consist of the marketing and sale of software and application services which support the valuation and risk management of financial securities and derivatives.

It is the intention of the directors to continue to develop the current activities of the company.

The directors are satisfied with the company's performance during the year. New sales numbers were achieved through a combination of new term licenses, renewal of certain term licenses and professional services.

The directors have assessed the financial risks faced by the company and have taken measures to manage these risks as follows:

Credit risk

Concentration of credit risk with respect to trade receivables is limited due to the number of customers comprising the company's customer base and the dispersion of its customer base across numerous different business and geographic areas.

Liquidity risk

In view of the company's excess of liabilities over assets at 31 December 2024, the directors have duly considered the associated liquidity risk. As its parent, Numerix LLC, and its ultimate parent undertaking, GC Champion Holdings LLC, have undertaken to provide financial support for the foreseeable future covering a period of at least twelve months from the date of approval of these financial statements, the directors have concluded that it has adequate financial support to mitigate this risk.

Key performance indicators

The directors have identified the following as the key performance indicators of the company:

	2024	2023
Revenue	€4,201,853	€4,304,440
(Loss) before tax	(€6,973)	(€16,418)

Results and dividends

The results for the year are summarized on page 8. The directors do not propose the payment of a dividend (2023: €Nil).

FINCAD Europe Limited

Interests of directors and secretary

The directors and secretary are listed on page 1.

The directors and secretary who held office at 31 December 2024 had no disclosable interests in the shares of the company.

Political and charitable donations

The company made no political donations during the year (2023: €Nil).

Post balance sheet events

There were no material events subsequent to 31 December 2024 and up until approval of the financial statements that have not been disclosed elsewhere in the financial statements.

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 maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the company are maintained at 2nd Floor, 1-2 Victoria Buildings, Haddington Road Dublin 4, Dublin, D04 XN32, Ireland.

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.


Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



Steve DeLorenzo
Director

DocuSigned by:

E041193BB32A434...

Miriam Guinane
Director

3 November 2025

FINCAD Europe Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

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 the 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 are prepared in accordance with the applicable accounting framework and comply with the provisions of 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.

On behalf of the board



Steve DeLorenzo
Director

DocuSigned by:



E041193BB32A434...

Miriam Guinane
Director

3 November 2025



KPMG

Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent Auditor's Report to the Members of Fincad Europe Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Fincad Europe Limited ('the Company') for the year ended 31 December 2024 set out on pages 8 to 20, which comprise the the Statement of Comprehensive Income, the Statement of Changes in Equity, Statement of Financial Position, the Statement of Cash Flows, and related notes, including the summary of significant accounting policies set out in note 1.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

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 2024 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; 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.

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.



Independent Auditor's Report to the Members of Fincad Europe Limited *(continued)*

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 4, 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 Fincad Europe 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.

4 November 2025

Maurice McCann
for and on behalf of
KPMG, Chartered Accountants, Statutory Audit Firm
1 Stokes Place, St. Stephen's Green
Dublin 2, D02 DE03

FINCAD Europe Limited

Statement of comprehensive income for the year ended 31 December 2024

	Note	2024 €	2023 €
Revenue	2	4,201,853	4,304,440
Cost of sales		(2,710,693)	(2,927,879)
		<hr/>	<hr/>
Gross profit		1,491,160	1,376,561
Administration expenses		(280,961)	(1,115,850)
Selling expenses		(926,343)	(303,706)
R&D expenses		(222,704)	-
Foreign exchange (loss) gain		(66,157)	63,583
		<hr/>	<hr/>
Results from operating activities		(5,005)	20,588
Finance costs	3	(1,968)	(37,006)
		<hr/>	<hr/>
(Loss) before taxation		(6,973)	(16,418)
Taxation	6	(3,649)	(6,023)
		<hr/>	<hr/>
Comprehensive loss		(10,622)	(22,441)
		<hr/> <hr/>	<hr/> <hr/>

There were no items of other comprehensive income arising during the period.

FINCAD Europe Limited

Statement of changes in equity for the year ended 31 December 2024

	Share capital €	Retained earnings €	Total €
At 31 December 2022	1	(1,800,519)	(1,800,518)
Comprehensive loss	-	(22,441)	(22,441)
At 31 December 2023	1	(1,822,960)	(1,822,959)
Comprehensive loss	-	(10,622)	(10,622)
At 31 December 2024	1	(1,833,582)	(1,833,581)

FINCAD Europe Limited

Statement of financial position as at 31 December 2024

	Note	2024 €	2023 €
Non-current assets			
Other non-current assets		7,442	-
Total non-current assets		7,442	-
Current assets			
Trade and other receivables	7	841,712	977,640
Cash and cash equivalents		1,118,433	1,420,481
Other current assets		74,736	-
Total current assets		2,034,881	2,398,121
Total assets		2,042,323	2,398,121
Equity			
Called up share capital	11	1	1
Profit and loss account		(1,833,582)	(1,822,960)
Total equity		(1,833,581)	(1,822,959)
Non-current liabilities			
Deferred revenue	9	150,324	198,083
Total non-current liabilities		150,324	198,083
Current liabilities			
Trade and other payables	8	2,024,180	2,193,195
Deferred revenue	9	1,701,399	1,829,802
Total current liabilities		3,725,579	4,022,997
Total liabilities and equity		2,042,323	2,398,121

On behalf of the board



Steve DeLorenzo
Director

DocuSigned by:



E041193BB32A434...

Miriam Guinane
Director

3 November 2025

FINCAD Europe Limited

Statement of cash flow for the year ended 31 December 2024

	2024 €	2023 €
Cash flows from operating activities		
Loss for the year	(10,622)	(22,441)
<i>Adjustments for:</i>		
Depreciation	-	215,564
Write down of non-current assets	-	290,937
(Increase) in deferred taxes	(7,442)	-
	<hr/>	<hr/>
Operating gain before changes in working capital and provisions	(18,064)	484,060
Decrease/(increase) in trade receivables	135,928	(264,003)
(Increase) in other current assets	(74,736)	-
(Decrease)/increase in trade payables and amounts owing to affiliate companies	(169,015)	1,030,222
(Decrease) in deferred revenue	(176,161)	(66,228)
	<hr/>	<hr/>
Change in working capital related to operating activities	(283,984)	699,991
	<hr/>	<hr/>
Net cash (outflow) inflow from operating activities	(302,048)	1,184,051
	<hr/>	<hr/>
Cash flows from investing activities		
Additions of property, plant and equipment	-	-
	<hr/>	<hr/>
Net cash (outflow) inflow from investing activities	-	-
	<hr/>	<hr/>
Cash flows from financing		
Repayment of lease liabilities	-	(99,114)
	<hr/>	<hr/>
Net outflow from financing activities	-	(99,114)
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(302,048)	1,084,937
Cash and cash equivalents at 1 January	1,420,481	335,544
	<hr/>	<hr/>
Cash and cash equivalents at 31 December	1,118,433	1,420,481
	<hr/> <hr/>	<hr/> <hr/>

FINCAD Europe Limited

Notes

forming part of the financial statements

1 Accounting policies

Reporting entity

FINCAD Europe Limited (the “company”) is registered in Ireland. The address of the company’s registered office is 2nd Floor, 1-2 Victoria Buildings, Haddington Road Dublin 4, Dublin, D04 XN32, Ireland. The company is primarily involved in the marketing and sale of software and application services which support the valuation and risk management of financial services and derivatives. FINCAD Europe licenses the software it sells from its parent company, FinancialCAD Corporation and receives significant managerial and administrative support from the parent.

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and as adopted by the EU.

The financial statements were approved by the board on November 3, 2025.

Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities including financial instruments which are stated at amortized cost.

Judgments made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 14.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The statement of financial position on page 10 reports an excess of liabilities over assets. The directors have sought and obtained confirmation from its parent, Numerix LLC, and its ultimate parent undertaking, GC Champion Holdings, LLC, that sufficient financial support will be provided to the company to enable it to meet its obligations as they fall due for the foreseeable future covering a period of not less than 12 months from the date of approval of these financial statements. As a result, the directors consider it appropriate to present the financial statements on a going concern basis.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. The resulting monetary assets and liabilities are translated at the balance sheet rate and the exchange differences are dealt with in the profit and loss account.

FINCAD Europe Limited

Notes (continued)

1 Accounting policies (continued)

Revenue

Licence revenue

Revenue is recognised primarily from the sale of term software licences to end-users upon delivery of the software product to the customer when there are no significant post-delivery obligations and collection of the licence fee is considered probable. Revenue on term licences is recognised rateably over the term of the licence agreement, generally on a straight-line basis, based on the applicable number of days in the contract. There continues to be some sales of perpetual licenses to honour contractual obligations from prior years.

Professional services revenue

Maintenance contracts generally call for the provision of technical product support to customers. Maintenance contract revenue is recognised rateably over the term of the maintenance contract, generally on a straight-line basis, based on the applicable number of days in the contract. All other services revenue is recognized as the services are completed.

Pension costs

The company provides pensions to its employees under a defined contribution scheme. Contributions to the scheme are accounted for in the period in which they fall due.

Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under the short-term incentive cash plan if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Termination benefits

Termination benefits are recognised as an expense when the company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment.

Share-based payment transactions

The directors have reviewed the impact of IFRS 2 *Share-Based Payment* on the financial statements and have concluded that it is not material. On this basis, no amounts or disclosures have been included in the financial statements in respect of share options.

FINCAD Europe Limited

Notes (continued)

1 Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

2 Revenue	2024	2023
	€	€
Sale of goods	4,172,628	4,245,965
Provision of services	29,225	58,475
	<hr/>	<hr/>
	4,201,853	4,304,440
	<hr/> <hr/>	<hr/> <hr/>

A geographic breakdown of revenues is not provided as the directors believe that to do would prejudice the Company's interests.

3 Finance income/costs	2024	2023
	€	€
<i>Income</i>		
Deposit interest	-	-
	<hr/>	<hr/>
<i>Costs</i>		
Bank charges	1,968	8,466
Lease interest	-	28,540
	<hr/>	<hr/>
	1,968	37,006
	<hr/> <hr/>	<hr/> <hr/>

FINCAD Europe Limited

Notes (continued)

4 Statutory and other information	2024	2023
	€	€
Depreciation	-	215,564
Directors' remuneration		
Directors' short term emoluments	-	-
Directors' post-employment benefits	-	-
Auditor's remuneration		
Audit	55,000	55,000
	<hr/> <hr/>	<hr/> <hr/>

5 Staff numbers and costs

The average number of persons employed by the company including executive directors during the year, analysed by category, was as follows:

	Number of employees	
	2024	2023
	No.	No.
Cost of sales	6	-
Administration	1	-
Selling	4	17
R&D	2	-
	<hr/>	<hr/>
Total employees	13	17
	<hr/> <hr/>	<hr/> <hr/>

The aggregate payroll costs of these persons were as follows

	2024	2023
	€	€
Wages and salaries	1,450,987	1,608,429
Social welfare costs	52,269	232,661
Pension costs	145,964	79,295
	<hr/>	<hr/>
	1,649,221	1,920,385
	<hr/> <hr/>	<hr/> <hr/>

FINCAD Europe Limited

Notes (continued)

6	Income tax expense	2024	2023
		€	€
	Current tax		
	Corporation tax at standard rate of 12.5%	-	-
	Adjustments in respect of prior period	(3,649)	(6,023)
		<u>(3,649)</u>	<u>(6,023)</u>
		<u><u>(3,649)</u></u>	<u><u>(6,023)</u></u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of Irish corporation tax to profit before tax is as follows:

	2023	2022
	€	€
Loss before taxation	(6,973)	(16,418)
	<u>(6,973)</u>	<u>(16,418)</u>
Tax on profit at standard Irish corporation tax rate of 12.5%	(872)	(2,052)
<i>Effects of:</i>		
Adjustment in respect of prior period	(2,777)	(3,971)
	<u>(2,777)</u>	<u>(3,971)</u>
Income tax expense	(3,649)	(6,023)
	<u><u>(3,649)</u></u>	<u><u>(6,023)</u></u>

7	Trade and other receivables	2024	2023
		€	€
	Trade receivables	254,562	902,026
	Amounts owing from affiliate companies	530,394	-
	Prepayments	10,611	-
	Contract assets	46,146	75,614
		<u>841,712</u>	<u>977,640</u>
		<u><u>841,712</u></u>	<u><u>977,640</u></u>

8	Trade and other payables	2024	2023
		€	€
	Trade payables	141,480	171,830
	Amounts owing to affiliate companies	1,856,906	1,945,662
	Accruals	25,794	75,703
		<u>2,024,180</u>	<u>2,193,195</u>
		<u><u>2,024,180</u></u>	<u><u>2,193,195</u></u>

FINCAD Europe Limited

Notes (continued)

9 Deferred revenue	2024	2023
	€	€
Deferred revenue – less than one year	1,701,399	1,829,802
Deferred revenue – greater than one year	150,324	198,083
	<hr/> 1,851,724 <hr/>	<hr/> 2,027,885 <hr/>

10 Pension scheme

The company operates a defined contribution pension scheme, the assets of which are invested in independent trustees for the benefit of members and their dependents.

11 Called up share capital	2024	2023
	€	€
Authorised		
100,000 ordinary shares of €1.00 each	100,000	100,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
1 Ordinary shares of €1.00 each	1	1
	<hr/>	<hr/>

12 Ultimate holding and parent undertaking of larger group of which the company is a member

The company's ultimate parent undertaking is GC Champion Holdings, LLC. The smallest group in which the results of the company are consolidated is that headed by Numerix LLC. The largest group in which the results of the company are consolidated is that headed by GC Champion Holdings, LLC. The consolidated financial statements of Numerix LLC and GC Champion Holdings LLC are not available to the public.

13 Related party transactions

During the year the company incurred administrative expenses of €2,129,584 (2023: €2,752,272) from other group companies.

At the year end the following amounts were due from other group companies:

	2024	2023
	€	€
Amount due to affiliate companies:	1,856,906	1,945,662
	<hr/>	<hr/>

All transactions with related parties are considered to be on commercial terms and at arm's length value.

FINCAD Europe Limited

Notes *(continued)*

14 Accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

15 Financial instruments

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

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes from measuring and managing risk and the company's management of capital.

Credit risk

Credit risk reflects the risk that the company may be unable to recover contractual receivables.

Trade and other receivables:

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk

Based upon the products that the company is offering to its customers; the industries which the company serves, and the credit characteristics of the customers, management believes the company's customer list is low risk for non-payment of accounts. The company does not require collateral in respect of trade and other receivables.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Any collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

FINCAD Europe Limited

Notes (continued)

15 Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The company is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of the company, the Euro. The currencies in which these transactions primarily are denominated in are the Canadian dollar, the United States dollar and Pound Sterling.

Credit risk analysis

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	2024	2023
	€	€
Trade and other receivables (note 9)	841,712	977,640
Cash and cash equivalents	1,118,433	1,420,481
	<hr/>	<hr/>
	1,960,145	2,398,121
	<hr/> <hr/>	<hr/> <hr/>

The maximum exposure to credit risk for trade receivables is €841,712 (2023: €902,026). These amounts are owed by customers in Europe and are recoverable in the short-term. No receivable in the current or prior period exceeded the agreed credit terms.

Cash and cash equivalents comprise cash on hand and bank demand deposits.

FINCAD Europe Limited

Notes *(continued)*

15 Financial instruments *(continued)*

Liquidity risk analysis

The company manages its liquidity needs by carefully monitoring cash outflows due on a weekly basis and monthly basis. The company maintains cash and cash equivalents to meet its cash requirements for up to 30-day periods. All financial liabilities, as detailed in note 8, fall due for payment within 6 months post year end.

The carrying amounts, as detailed in note 8, are considered to be a reasonable approximation of fair value.

Currency risk analysis

The majority of the company's transactions are denominated in the company's functional currency, Euro. A limited number of low value transactions are denominated in Sterling. The directors have reviewed the impact of foreign currency risk and do not consider it to have a material impact on the financial instruments held by the company at year end.

16 Approval of financial statements

The financial statements were approved by the directors on 3 November 2025.