

**F.L.I. Global Limited**

**Annual Report**

**For The Financial Year Ended 31 December 2024**

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	<b>Pages</b>
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 6
INDEPENDENT AUDITORS' REPORT	7 - 9
GROUP PROFIT AND LOSS ACCOUNT	10
GROUP STATEMENT OF COMPREHENSIVE INCOME	11
GROUP BALANCE SHEET	12
PARENT COMPANY BALANCE SHEET	13
GROUP STATEMENT OF CHANGES IN EQUITY	14
PARENT COMPANY STATEMENT OF CHANGES IN EQUITY	15
GROUP STATEMENT OF CASH FLOWS	16
NOTES TO THE GROUP FINANCIAL STATEMENTS	17 – 43

**DIRECTORS AND OTHER INFORMATION****Board of Directors at 13 January 2026**

MJ Flynn  
T Snell

**Solicitors**

Beauchamps Solicitors  
Riverside Two  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Secretary and Registered Office**

P Stephenson  
  
Unit 3B  
Cleaboy Business Park  
Old Kilmeaden Road  
Waterford  
Ireland

**Bankers**

Bank of Ireland  
The Quay  
Waterford  
Ireland

**Registered number:** 573494

**Independent Auditors**

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Ballycar House  
Newtown  
Waterford  
Ireland

## DIRECTORS' REPORT

The directors present their report and the financial statements of the group and company for the financial year ended 31 December 2024.

### Directors' responsibilities statement

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

Irish law requires the directors to prepare group and company financial statements for each financial year giving a true and fair view of the group and company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the group and company for the financial year. Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and Irish law).

Under Irish law, the directors shall not approve the group and company financial statements unless they are satisfied that they give a true and fair view of the group and company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the group and company for the financial 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 the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the group and company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the group and company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Principal activities

The group is engaged in the supply of a diversified range of specialised services to the environmental sector globally. Our services and products include geomembrane lining systems, methane gas collection systems, contaminated land & ground water remediation, brownfield remediation, landfill engineering & construction, landfill remediation, tailings facilities in mining, water & wastewater treatment, engineered pre-cast concrete infrastructure solutions, oil sludge remediation, industrial wastewater process technology & services and services & process solutions for the municipal water sector.

### Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures, and employment of competent persons. The books of account are kept at Unit 3B, Cleaboy Business Park, Waterford, Ireland.

## DIRECTORS' REPORT - continued

### Business review

The group performance in 2024 continued to improve from 2023, with the primary sectors performing well.

EBITDA in 2024 is €6,334,781 (2023: €3,125,360).

The group's markets have stabilised during 2024, and the board are satisfied with the progress to date to achieve further sustainable growth in profitability during 2025.

### Results

The result for the year is set out in the group profit and loss account on page 10.

### Principal risks and uncertainties

The group's key operational and financial risks are set out below along with the risk management policies put in place to mitigate these risks.

#### *Financial risk management*

The group's operations expose it to a variety of financial risks that include project risk, credit risk, liquidity risk and cash flow risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of income, expenditure and liquidity.

#### *Project risk*

Risks associated with a project including supply chain, price inflation, contract risk, technical risk, weather risk and cash flow risks are considered at tender stage. Project tenders are then approved or not based on this assessment. Once projects are undertaken these risks are monitored on an ongoing basis until completion.

#### *Market and inflation risk*

The group continually reviews market trends and inflation risk as part of its ongoing strategic and operational reviews.

#### *Credit risk*

All customers are checked for credit worthiness to ensure they are of acceptable financial stability in order to minimise the risk of bad debts.

#### *Liquidity risk*

The group utilises group borrowing facilities to maintain liquidity and manage working capital fluctuations. The level of the group's borrowing facilities is actively reviewed by management.

#### *Cash flow risk*

The group prepares monthly cash flow projections as well as annual projections, monitoring funds available in order to manage this exposure.

## DIRECTORS' REPORT - continued

### Directors

The names of the persons who were directors of the company at any time during the financial year ended 31 December 2024 are set out below. Except where indicated, they served as directors for the entire financial year.

MJ Flynn  
 T Snell  
 Y Chen (resigned as director 18 December 2025)

### Directors' and secretary's interests in shares

At year end 70.5% of the share capital of the company is held by Zanavale Limited, a company registered in the Republic of Ireland. The interests of the F.L.I. Global Limited directors and secretary in the share capital of Zanavale Limited were as follows:-

	2024 Number of Shares	2023 Number of Shares
<b>Ordinary shares</b>		
MJ Flynn (including family interests)	100	100

MJ Flynn's interest (including family interests) in Zanavale Limited arose through his shareholding in Aragam Holdings Limited. MJ Flynn held 100% of the 200 issued ordinary shares of €0.01 each in Aragam Holdings Limited at 31 December 2024 (including family interests).

MJ Flynn also held an interest in preference shares in Zanavale Limited, through his interests in Aragam Holdings Limited.

T Snell and P Stephenson (secretary) each held 1,276,595,748 B ordinary shares in F.L.I. Global Limited at 31 December 2024 and 31 December 2023.

### Dividends and distributions

The directors do not propose the payment of a dividend.

### Events since the end of the financial year

On 18 December 2025, Zanavale Limited completed the purchase of 35,461,000,000 Preferred Ordinary Shares of €0.000000001 each in F.L.I. Global Limited, from Jia Si (Holding) Investment Limited.

There have been no other events affecting the company or group since the end of the financial year which would require disclosure in the financial statements.

### Research and development

During the year the group carried out research and development in areas of remediation technologies related to contaminated land and water, and in areas related to the design, engineering, manufacturing and transport of specialist concrete infrastructure and attenuation systems.

### Political donations

No political donations were made during the financial year (2023: €Nil).

### Audit committee

The directors note the requirement under section 167 of the Companies Act 2014 in relation to the establishment of an audit committee. The directors are satisfied that the relevant duties are being carried out by the board of directors and therefore a separate audit committee is not considered necessary.

## **DIRECTORS' REPORT - continued**

### **Disclosure of information to auditors**

The directors in office at the date of this report have each confirmed that:

- As far as the director is aware, there is no relevant audit information of which the group and company's statutory auditors are unaware; and
- The director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the group and company's statutory auditors are aware of that information.

### **Statutory auditors**

The statutory auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

### **On behalf of the board**

**Michael J Flynn**

**Trevor Snell**

**Date: 13 January 2026**



# ***Independent auditors' report to the members of F.L.I. Global Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, F.L.I. Global Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the group's and the company's assets, liabilities and financial position as at 31 December 2024 and of the group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (Irish GAAP) (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the group and company balance sheets as at 31 December 2024;
- the group profit and loss account and group statement of comprehensive income for the year then ended;
- the group statement of cash flows for the year then ended;
- the group and company statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence***

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

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 group's or the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's or the company's ability to continue as a going concern.

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

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## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the group and company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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## Responsibilities for the financial statements and the audit

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)

This description forms part of our auditors' report.



### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Companies Act 2014 opinions on other matters**

- 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 company financial statements to be readily and properly audited.
  - The company balance sheet is in agreement with the accounting records.
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### **Other exception reporting**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Siobhán Collier  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Waterford  
13 January 2026

**GROUP PROFIT AND LOSS ACCOUNT**  
**For the Financial Year Ended 31 December 2024**

	Notes	2024 € Total*	€ Continuing operations	2023 € Discontinued operations	€ Total
<b>Turnover</b>	5	79,628,744	58,266,073	784,775	59,050,848
Cost of sales		<u>(61,971,550)</u>	<u>(45,090,675)</u>	<u>(620,041)</u>	<u>(45,710,716)</u>
<b>Gross profit</b>		17,657,194	13,175,398	164,734	13,340,132
Administrative expenses		(12,609,776)	(11,494,979)	(265,000)	(11,759,979)
Profit on disposal of tangible fixed assets		<u>54,172</u>	<u>37,399</u>	<u>-</u>	<u>37,399</u>
<b>Operating profit/(loss)</b>	6	5,101,590	1,717,818	(100,266)	1,617,552
Profit on disposal of operations	7	-	-	215,156	215,156
Interest receivable and similar income	9	17,299	5,663	-	5,663
Interest payable and similar expenses	10	<u>(354,167)</u>	<u>(302,857)</u>	<u>(3,533)</u>	<u>(306,390)</u>
<b>Profit before taxation</b>		4,764,722	1,420,624	111,357	1,531,981
Tax on profit	11	<u>(817,414)</u>	<u>(228,781)</u>	<u>-</u>	<u>(228,781)</u>
<b>Profit for the financial year</b>		<u>3,947,308</u>	<u>1,191,843</u>	<u>111,357</u>	<u>1,303,200</u>

\* All amounts presented in 2024 represent continuing activities

**GROUP STATEMENT OF COMPREHENSIVE INCOME**  
**For the Financial Year Ended 31 December 2024**

	2024	2023
	€	€
<b>Profit for the financial year</b>	3,947,308	1,303,200
<b>Other comprehensive income:</b>		
Currency translation difference on foreign currency net investments	377,135	90,167
Other comprehensive income for the financial year	<u>377,135</u>	<u>90,167</u>
<b>Total comprehensive income for the financial year</b>	<u>4,324,443</u>	<u>1,393,367</u>

**GROUP BALANCE SHEET**  
**As at 31 December 2024**

	Notes	2024		2023	
		€	€	€	€
<b>Fixed assets</b>					
Intangible assets	12		499,220		307,214
Tangible assets	13		7,983,785		6,784,623
Financial assets	15		40,019		40,019
<b>Current assets</b>					
Stocks	16	1,657,382		1,704,821	
Debtors	17	27,891,963		19,838,612	
Cash at bank and in hand		<u>4,232,704</u>		<u>6,974,125</u>	
		33,782,049		28,517,558	
<b>Creditors:</b> amounts falling due within one year	18(a)	<u>(25,257,762)</u>		<u>(22,877,305)</u>	
<b>Net current assets</b>			<u>8,524,287</u>		<u>5,640,253</u>
			17,047,311		12,772,109
<b>Creditors:</b> amounts falling due after more than one year	18(b)		<u>(1,216,647)</u>		<u>(1,265,888)</u>
<b>Net assets</b>			<u>15,830,664</u>		<u>11,506,221</u>
<b>Capital and reserves</b>					
Called-up share capital presented as equity	20		500,141		500,141
Share premium	20		9,999,991		9,999,991
Other reserve	20		(700,000)		(700,000)
Profit and loss account			<u>6,030,532</u>		<u>1,706,089</u>
<b>Total equity</b>			<u>15,830,664</u>		<u>11,506,221</u>

**On behalf of the board**

**Michael J Flynn**

**Trevor Snell**

**Date: 13 January 2026**

**COMPANY BALANCE SHEET**  
**As at 31 December 2024**

	Notes	2024		2023	
		€	€	€	€
<b>Fixed assets</b>					
Tangible assets	14		89,703		72,188
Financial assets	15		7,188,379		7,188,379
<b>Current assets</b>					
Debtors	17	907,909		1,044,927	
Cash at bank and in hand		<u>807,380</u>		<u>765,313</u>	
		1,715,289		1,810,240	
<b>Creditors:</b> amounts falling due within one year	18(a)	<u>(535,947)</u>		<u>(569,256)</u>	
<b>Net current assets</b>			<u>1,179,343</u>		<u>1,240,984</u>
			8,457,425		8,501,551
<b>Creditors:</b> amounts falling due after more than one year	18(b)		<u>(19,768)</u>		<u>(44,721)</u>
<b>Net assets</b>			<u>8,437,656</u>		<u>8,456,830</u>
<b>Capital and reserves</b>					
Called-up share capital presented as equity	20		500,141		500,141
Share premium	20		9,999,991		9,999,991
Other reserve	20		(700,000)		(700,000)
Profit and loss account			<u>(1,362,476)</u>		<u>(1,343,302)</u>
<b>Total equity</b>			<u>8,437,656</u>		<u>8,456,830</u>

A loss of €19,174 (2023: profit €68,187) has been dealt within the financial statements of the company.  
A separate profit and loss account has not been prepared for the company because the conditions laid down in Section 304 of the Companies Act, 2014 have been complied with.

**On behalf of the board**

**Michael J Flynn**

**Trevor Snell**

**Date: 13 January 2026**

**GROUP STATEMENT OF CHANGES IN EQUITY**  
**For the Financial Year Ended 31 December 2024**

	Called up share capital presented as equity (note 20) €	Share premium (note 20) €	Other reserve (note 20) €	Profit and loss account (note 20) €	Total €
<b>At 1 January 2023</b>	500,141	9,999,991	(700,000)	312,722	10,112,854
Profit for the financial year	-	-	-	1,303,200	1,303,200
Currency translation differences on foreign currency investments	-	-	-	90,167	90,167
	<u>500,141</u>	<u>9,999,991</u>	<u>(700,000)</u>	<u>1,706,089</u>	<u>11,506,221</u>
<b>At 31 December 2023</b>	500,141	9,999,991	(700,000)	1,706,089	11,506,221
Profit for the financial year	-	-	-	3,947,308	3,947,308
Currency translation differences on foreign currency investments	-	-	-	377,135	377,135
	<u>500,141</u>	<u>9,999,991</u>	<u>(700,000)</u>	<u>6,030,532</u>	<u>15,830,664</u>
<b>At 31 December 2024</b>	500,141	9,999,991	(700,000)	6,030,532	15,830,664

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**For the Financial Year Ended 31 December 2024**

	Called up share capital presented as equity (note 20) €	Share premium (note 20) €	Other reserve (note 20) €	Profit and loss account (note 20) €	Total €
At 1 January 2023	500,141	9,999,991	(700,000)	(1,411,489)	8,388,643
Profit for the financial year	-	-	-	68,187	68,187
<b>At 31 December 2023</b>	<u>500,141</u>	<u>9,999,991</u>	<u>(700,000)</u>	<u>(1,343,302)</u>	<u>8,456,830</u>
Loss for the financial year	-	-	-	(19,174)	(19,174)
<b>At 31 December 2024</b>	<u>500,141</u>	<u>9,999,991</u>	<u>(700,000)</u>	<u>(1,362,476)</u>	<u>8,437,656</u>

**GROUP STATEMENT OF CASH FLOWS**  
**Financial Year Ended 31 December 2024**

	Note	2024 €	2023 €
<b>Cash from operations</b>	25	(891,428)	6,081,176
Income taxes paid		(1,247)	(139,967)
<b>Net cash (used)/generated from operating activities</b>		<u>(892,675)</u>	<u>5,941,209</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(2,369,122)	(1,317,974)
Proceeds from disposal of tangible fixed assets		151,399	52,789
Purchase of intangible fixed assets		(261,207)	-
Proceeds from disposal of operations		-	2,850,000
Interest received		17,299	5,663
<b>Net cash (used)/generated in investing activities</b>		<u>(2,461,631)</u>	<u>1,590,478</u>
<b>Cash flows from financing activities</b>			
Bank loans received, net of transaction costs		550,000	323,594
Repayment of bank borrowings		(556,440)	(933,260)
Finance lease/hire purchase advances		320,714	511,979
Finance lease/hire purchase repayments		(390,287)	(517,068)
Interest paid		(354,167)	(306,390)
<b>Net cash used in financing activities</b>		<u>(430,180)</u>	<u>(921,145)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(3,784,486)	6,610,542
<b>Cash and cash equivalents at beginning of financial year</b>		5,341,014	(1,210,003)
<b>Currency translation adjustment on cash and cash equivalents</b>		143,654	-
<b>Cash and cash equivalents on disposal</b>		-	(59,525)
<b>Cash and cash equivalents at end of financial year</b>		<u>1,700,182</u>	<u>5,341,014</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		4,232,704	6,974,125
Bank overdraft (invoicing discounting facilities)		(2,532,522)	(1,633,111)
		<u>1,700,182</u>	<u>5,341,014</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 1 General information

F.L.I. Global Limited ('the Company') and its subsidiaries (together "the Group") are engaged in the supply of a diversified range of specialist services to the environmental sector globally.

The company is a private company limited by shares and is incorporated in the Republic of Ireland. The address of its registered office is Unit 3B, Cleaboy Business Park, Old Kilmeaden Road, Waterford, Ireland. The company's registered number is 573494.

### 2 Statement of compliance

The Group and entity financial statements of F.L.I. Global Limited have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

### 3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the Group and entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

#### (a) Basis of preparation

The Group and entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

The company has taken advantage of the exemption in section 304 of the Companies Act 2014 from disclosing its individual profit and loss account.

#### (b) Going concern

The group meets its day-to-day working capital requirements through existing cash resources, cash generated from operating activities and its banking facilities. The directors have performed an assessment of going concern, including a review of the group's current cash position, available resources and its forecasts and projections for the next 12 months to the end of January 2027. In doing so the directors have considered the uncertain nature of the Russia-Ukraine war and macro economic factors impacting global supply chain (including tariff policies), the impact on trading to date and reasonably possible changes in trading performance in this period. Based on these projections and available banking facilities, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

#### (c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 3 Summary of significant accounting policies - continued

**(c) Exemptions for qualifying entities under FRS 102 - continued**

- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.42 to 11.48C and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- (iii) from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein;
- (iv) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

**(d) Basis of consolidation**

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings made up to 31 December.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

**(e) Foreign currency***(i) Functional and presentation currency*

The Group financial statements are presented in Euro, denominated by the symbol "€". The Company's functional and presentation currency is the Euro, denominated by the symbol "€".

*(ii) Transactions and balances*

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

At the end of each financial year foreign currency monetary items are translated to Euro 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 exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses are presented in the profit and loss account within "administrative expenses".

*(iii) Translation*

The trading results of Group undertakings are translated into Euro at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income' and allocated to non-controlling interest as appropriate.

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(f) Revenue recognition***(i) Turnover*

Turnover comprises environmental services which can include revenue arising from the sale of goods and provision of services. Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when (a) the Group has transferred the significant risks and rewards of ownership to the buyer; (b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (c) the amount of revenue can be measured reliably; (d) it is probable that the Group will receive the consideration due under the transaction; and (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

*(ii) Construction contracts*

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that the fair value of work performed to date bears to the estimated total contract value, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

*(iii) Other revenue*

The Group may earn interest income and dividend income. Each of these revenue streams are accounted for as set out below;

*(a) Interest income*

Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable and similar income' in the profit and loss account.

*(b) Dividend income*

Dividend income is recognised when the right to receive payment is established. Dividend income is presented as 'income from shares in group undertakings' or 'income from participating interests' as appropriate in the profit and loss account.

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(g) Employee benefits**

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

*(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the financial year in which the employees render the related service.

*(ii) Post employment benefits**Defined contribution pension plans.*

The Group operates defined contribution plans for certain employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the Group in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

**(h) Income tax**

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

*(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

*(ii) Deferred tax*

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and profit for the financial year as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### (i) Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 5 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the profit and loss account. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

The expected useful economic life of goodwill arising on acquisitions in 2017 was calculated as 10 years. The expected useful economic life of goodwill arising on acquisitions in 2018 was calculated as 5 years. The expected useful economic life of goodwill arising on acquisitions in 2020 was calculated as 10 years.

#### (j) Intangible fixed assets

Intangible assets (goodwill and computer software) are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their estimated useful lives of ten years on a straight-line basis (goodwill) and 3 years on a straight-line basis (computer software).

Where factors, such as technological advancement or changes in market prices, indicate that the intangible's useful life has changed, the useful life is amended prospectively to reflect the new circumstances.

Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

#### (k) Investment property

Investment property is defined under FRS 102 as property held by the owner to earn rentals, or for capital appreciation, or both. Certain companies within the Group hold properties which are rented to other Group companies. In accordance with FRS 102 paragraph 16.4A these investment properties are accounted for as property, plant and equipment using the cost model.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 3 Summary of significant accounting policies - continued

**(l) Tangible assets**

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

*(i) Depreciation and residual values*

Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

- Land and buildings	2%/2.5% per annum
- Leasehold improvements	10%/20% per annum
- Office equipment	25%/33% per annum
- Plant and machinery	10%/12.5%/20%/33% per annum
- Motor vehicles	25% per annum

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

The fair value of the tangible fixed assets at the date of acquisition was assessed by the directors. The directors concluded that the carrying value of the acquired companies' balance sheets appropriately represented the fair value of the assets acquired. The directors also assessed the remaining useful lives of the assets at acquisition and concluded that the depreciation charge arising does not differ from the charge that would arise on depreciating the assets at the above rates on original costs.

*(ii) Subsequent additions and major components*

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

*(iii) Assets in the course of construction*

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

*(iv) Derecognition*

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

**(m) Borrowing costs**

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

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(n) Leased assets***(i) Finance lease/hire purchase*

Finance leases/hire purchases transfer substantially all the risks and rewards incidental to ownership to the lessee/hiree.

At the commencement of the finance lease/hire purchase term the Group recognises its right of use and obligation under a finance lease/hire purchase as an asset and a liability at the amount equal to the fair value of the leased/hire purchased asset, or if lower, at the present value of the minimum lease/hire purchase payments calculated using the interest rate implicit in the lease/hire purchase. Where the implicit rate cannot be determined the Group's incremental borrowing rate is used. Incremental and directly attributable costs incurred in negotiating and arranging a finance lease are included in the cost of the asset.

Assets under finance leases/hire purchase are depreciated over the estimated useful life of the asset. Assets are assessed for impairment at the end of each financial year.

The minimum lease/hire purchase payments are apportioned between the outstanding liability and finance charges, using the effective interest method, to produce a constant periodic rate of interest on the remaining balance of the liability.

*(ii) Operating leased assets*

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessee. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the period of the lease.

**(o) Impairment of non-financial assets**

At the end of each financial year date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal.

In measuring value-in-use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued. If the asset has been revalued the impairment loss is recognised in other comprehensive income to the extent of the revaluation gains accumulated in equity in respect of that asset. Thereafter any excess is recognised in profit or loss.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account, unless the asset is carried at a revalued amount.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### (p) Investments

The company's investment in subsidiary is carried at historical cost less accumulated impairment losses.

#### (q) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition. The cost of manufactured finished goods and work in progress includes raw materials, direct labour and direct costs.

At the end of each financial year stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

#### (r) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

#### (s) Provisions and contingencies

##### (i) Provisions

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

In particular:

- a) Restructuring provisions are recognised when the Group has a legal or constructive obligation at the end of the financial year to carry out the restructuring. The Group has a constructive obligation to carry out a restructuring when there is a detailed, formal plan for the restructuring and the Group has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected; and
- b) Provision is not made for future operating losses.

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(s) Provisions and contingencies - continued***(ii) Contingencies*

Contingent liabilities arising as a result of past events, are not recognised as a liability because it is not probable that the Group will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

**(t) Financial instruments**

The Group has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

*(i) Financial assets*

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(t) Financial instruments – continued***(ii) Financial liabilities*

Basic financial liabilities, including trade and other creditors, bank invoice discounting facilities, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which result in fixed returns to the holder or are mandatorily redeemable on a specific date, are classified as financial liabilities. The dividends on these preference shares are recognised in profit or loss within 'interest payable and similar charges'.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

*(iii) Derivatives*

Derivatives, including interest rate swaps and forward foreign exchange contracts are not basic financial instruments.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

The Group does not apply hedge accounting for interest rate swaps or foreign exchange contracts.

*(iv) Offsetting*

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

**(u) Share capital presented as equity**

Equity shares issued are recognised at the proceeds received. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(v) Distributions to equity holders**

Dividends and other distributions to company's equity shareholders are recognised as a liability in the financial statements in the financial year in which the dividends and other distributions are approved by the company's shareholders.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### (w) Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### (x) Revenue grants

Revenue grants are credited to the profit and loss account on a receivable basis.

#### (y) Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

Research and development tax credits are recognised when claimed (this may occur after the year-end but prior to approval of the financial statements). A claim for research and development tax credits by the Group's UK subsidiaries can be made up to two years after the end of the financial year it relates to.

#### (z) Exceptional items

The Group classifies certain one-off charges or credits that have material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group.

#### (aa) Share-based payments

Certain group employees participate in a share-based payment arrangement established by F.L.I. Global Limited. The employees are granted share options to subscribe for equity shares of F.L.I. Global Limited. The fair value of the share options is measured at the grant date. The company recognises a share-based payment expense in profit or loss based on the grant date fair value of the share options, on a straight-line basis over the vesting period. Vesting occurred on the grant date for share options granted to date.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

**4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

*(i) Construction contracts*

Turnover and related costs on each construction contract are recorded in the profit and loss account as contract activity progresses. Attributable turnover, cost of sales and gross profit is calculated for each contract by reference to the contract's stage of completion. Full provision for losses on a contract is made immediately when they can be foreseen. Stage of completion is determined as set out in note 3(f). Forecast revenue and forecast costs used in the calculation of stage of completion include judgement and estimation uncertainty. In circumstances where there are disputes or extended discussions on particular contracts, the directors make judgements on the level of revenue that will be recoverable and recognised in the financial statements. Accrued revenue on contracts of €12,067,264 (2023: €3,652,991) is included within accrued income in note 17, deferred revenue of €4,549,246 (2023: €6,811,331) is included within deferred income in note 18 and accrued costs of €1,107,753 (2023: €582,698) is included within accruals in note 18.

**5 Turnover**

	2024 €	2023 €
Analysis of turnover by category:		
Environmental services and solutions	<u>79,628,744</u>	<u>59,050,848</u>
Analysis of turnover by geographical market:		
EU Countries	20,168,542	13,756,733
United Kingdom	58,807,175	44,270,062
Other	<u>653,027</u>	<u>1,024,053</u>
	<u>79,628,744</u>	<u>59,050,848</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

**6 Operating profit/(loss)**

Operating profit/(loss) is stated after charging or (crediting):-

	2024	2023
	€	€
Depreciation of tangible fixed assets	<u>1,150,834</u>	<u>945,572</u>
Impairment loss - trade debtors	<u>(384,390)</u>	<u>374,060</u>
Impairment loss - other debtors	<u>392,148</u>	<u>-</u>
Impairment loss – stock (included in 'cost of sales')	<u>(51,377)</u>	<u>(53,016)</u>
Foreign exchange loss/(gain) (included in 'administrative expenses')	<u>203,604</u>	<u>(77,965)</u>
Amortisation of goodwill	<u>82,357</u>	<u>562,236</u>
Amortisation of intangible assets (excluding goodwill)	<u>-</u>	<u>-</u>
Research and development tax credits (included in 'administrative expenses')	<u>-</u>	<u>(429,437)</u>
Revenue grants	<u>(69,375)</u>	<u>-</u>
Operating lease expense	<u>341,403</u>	<u>363,714</u>

**Auditors' remuneration**

Remuneration (including expenses) for the statutory audit and other services carried out for the group by the group's auditors is as follows:

**Auditors' remuneration - group**

Audit of the group financial statements	173,475	138,250
Audit of group financial statements-reimbursement of expenses	2,127	987
Other assurance services	-	-
Tax advisory services	80,013	54,649
Other non-audit services	-	-
	<u>255,615</u>	<u>193,886</u>

**Auditors' remuneration - company**

Audit of the entity financial statements	16,320	16,000
Audit of the entity financial statements – reimbursement of expenses	650	110
Other assurance services	-	-
Tax advisory services	10,750	10,230
Other non-audit services	-	-
	<u>27,720</u>	<u>26,340</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 7 Discontinued operations

## Group

During 2023, the Group disposed of its investment in FLI Cadegeau SAS, a private limited company incorporated in France. During 2023, FLI Cadegeau SAS contributed post-tax losses of €103,799. The consideration received was €200,000. The net liabilities at the date of disposal were €15,156, and a profit on disposal of €215,156 was recognised in the profit and loss account.

## 8 Employees and directors

## (i) Employees

The average number of persons employed by the group during the financial year was:-

	Number employed	
	2024	2023
Production	224	208
Selling and distribution	10	12
Administration	42	38
	<u>276</u>	<u>258</u>

Staff costs comprise:-

	2024	2023
	€	€
Wages and salaries	17,090,051	14,692,556
Social insurance costs	1,905,306	1,642,428
Pension costs (note 22)	725,127	726,969
	<u>19,720,484</u>	<u>17,061,953</u>

Of the total staff costs €90,847 (2023: €Nil) has been capitalised into tangible fixed assets.

## (ii) Directors

	2024	2023
	€	€
Emoluments	616,998	590,857
Pension scheme contributions – defined contribution	39,933	59,362
	<u>656,931</u>	<u>650,219</u>

Retirement benefits are accruing to 2 (2023: 2) directors under defined contribution schemes.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 8 Employees and directors - continued

## (iii) Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2024 €	2023 €
Total key management compensation	<u>2,427,541</u>	<u>2,248,739</u>

## 9 Interest receivable and similar income

	2024 €	2023 €
Bank interest	<u>17,299</u>	<u>5,663</u>

## 10 Interest payable and similar expenses

	2024 €	2023 €
Bank interest and charges	305,360	248,991
Finance lease and hire purchase charges	48,807	57,399
	<u>354,167</u>	<u>306,390</u>

## 11 Tax on profit

## (a) Tax expense included in profit and loss

	2024 €	2023 €
Current tax:		
Irish corporation tax on results for the financial year	360,291	233,224
Foreign corporation tax on results for the financial year	131,406	-
Adjustment in respect of prior periods	849	317,684
Total current tax	<u>492,546</u>	<u>550,908</u>
Deferred tax:		
Origination and reversal of timing differences	<u>324,868</u>	<u>(322,127)</u>
Total deferred tax	<u>324,868</u>	<u>(322,127)</u>
Tax on profit	<u>817,414</u>	<u>228,781</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 11 Tax on profit - continued

## (b) Reconciliation of tax expense

Tax assessed for the financial year is different than the standard rate of corporation tax in the Republic of Ireland for the financial year ended 31 December 2024 of 12.5%. The differences are explained below:

	2024 €	2023 €
Profit before taxation	<u>4,764,722</u>	<u>1,531,981</u>
Profit multiplied by the standard rate of Irish corporation tax for the year of 12.5%	595,590	191,498
Effects of:		
Income not subject to tax	-	(53,679)
Impact of overseas tax rates	218,135	(68,722)
Utilisation of tax losses	(24,370)	-
Movement in deferred tax balances not recognised (including adjustment for R&D tax credits claimed in arrears)	(62,663)	8,112
Expenses not deductible for tax purposes and other adjustments	89,873	151,572
Adjustment in respect of prior periods	849	-
<b>Tax on profit</b>	<u>817,414</u>	<u>228,781</u>

## 12 Intangible assets - group

	Goodwill €	Computer software €	Total €
<b>Cost</b>			
At 1 January 2024	6,012,173	-	6,012,173
Additions	-	261,207	261,207
Currency translation adjustment	190,510	-	190,510
At 31 December 2024	<u>6,202,683</u>	<u>261,207</u>	<u>6,463,890</u>
<b>Amortisation</b>			
At 1 January 2024	5,704,959	-	5,704,959
Charge for year	82,357	-	82,357
Currency translation adjustment	177,354	-	177,354
At 31 December 2024	<u>5,964,670</u>	<u>-</u>	<u>5,964,670</u>
<b>Net book amounts</b>			
At 31 December 2024	<u>238,013</u>	<u>261,207</u>	<u>499,220</u>
At 31 December 2023	<u>307,214</u>	<u>-</u>	<u>307,214</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 13 Tangible fixed assets - group

	Land & buildings €	Leasehold improvements €	Plant and machinery €	Office equipment €	Motor vehicles €	Total €
<b>Cost</b>						
1 January 2024	3,939,857	308,030	4,588,922	297,920	1,088,637	10,223,366
Currency translation adjustment	44,315	14,278	38,832	10,568	43,254	151,247
Additions	1,079,140	-	864,303	134,698	290,981	2,369,122
Disposals	-	-	(162,952)	-	(267,061)	(430,013)
At 31 December 2024	<u>5,063,312</u>	<u>322,308</u>	<u>5,329,105</u>	<u>443,186</u>	<u>1,155,811</u>	<u>12,313,722</u>
<b>Depreciation</b>						
1 January 2024	314,600	175,393	2,247,749	211,076	489,925	3,438,743
Charge for year	139,811	54,666	625,076	46,380	284,901	1,150,834
Currency translation adjustment	1,135	8,981	30,926	8,835	23,269	73,146
Disposals	-	-	(143,052)	-	(189,734)	(332,786)
At 31 December 2024	<u>455,546</u>	<u>239,040</u>	<u>2,760,699</u>	<u>266,291</u>	<u>608,361</u>	<u>4,329,937</u>
<b>Net book amounts</b>						
At 31 December 2024	<u>4,607,766</u>	<u>83,268</u>	<u>2,568,406</u>	<u>176,895</u>	<u>547,450</u>	<u>7,983,785</u>
At 31 December 2023	<u>3,625,257</u>	<u>132,637</u>	<u>2,341,173</u>	<u>86,844</u>	<u>598,712</u>	<u>6,784,623</u>

The net book value of tangible assets includes €388,732 (2023: €369,183) in respect of plant and machinery and €388,866 (2023: €517,700) in respect of motor vehicles held under finance leases and hire purchase.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 14 Tangible fixed assets - company

	Office equipment €	Leasehold improvements €	Motor vehicles €	Total €
<b>Cost</b>				
At 1 January 2024	19,045	11,724	116,288	147,057
Additions	3,055	-	50,836	53,891
Disposals	-	-	-	-
At 31 December 2024	<u>22,100</u>	<u>11,724</u>	<u>167,124</u>	<u>200,948</u>
<b>Depreciation</b>				
At 1 January 2024	19,045	11,724	44,100	74,869
Charge for year	594	-	35,782	36,376
Disposals	-	-	-	-
At 31 December 2024	<u>19,639</u>	<u>11,724</u>	<u>79,882</u>	<u>111,245</u>
<b>Net book amounts</b>				
At 31 December 2024	<u>2,461</u>	<u>-</u>	<u>87,242</u>	<u>89,703</u>
At 31 December 2023	<u>-</u>	<u>-</u>	<u>72,188</u>	<u>72,188</u>

The net book value of tangible assets includes €45,938 (2023: €72,188) in respect of motor vehicles held under hire purchase.

## 15 Financial assets

	Company shares in subsidiary companies (a) €	Group and company other unlisted shares (b) €	Total €
Unlisted shares at cost less impairment: -			
Opening balance	7,148,360	40,019	7,188,379
Additions	-	-	-
Disposals (c)	-	-	-
Impairment provision (d)	-	-	-
Closing balance	<u>7,148,360</u>	<u>40,019</u>	<u>7,188,379</u>

(a) The investment in the subsidiary companies of €7,148,360 represents the following:-

- (i) Vertase F.L.I. Limited - 100% of the issued share capital. Vertase F.L.I. Limited is a private limited company incorporated in the United Kingdom. Its registered office is Number One, Middle Bridge Business Park, Bristol Road, Portishead, Bristol BS20 6PN, England. Nature of business: environmental services. Vertase F.L.I. Limited has a subsidiary company, QDS Environmental Limited, of which it holds 100% of the issued share capital. QDS Environmental Limited is a private limited company incorporated in the United Kingdom. Its registered office is Number One, Middle Bridge Business Road, Bristol Road, Portishead, Bristol, BS20 6PN, England. Nature of business: environmental services.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

### 15 Financial assets - continued

- (ii) FLI Precast Solutions Holdings Limited – 100% of the issued share capital. FLI Precast Solutions Holdings Limited is a private limited company incorporated in the Republic of Ireland. Its registered office is Unit 3B Cleaboy Business Park, Old Kilmeaden Road, Waterford, Ireland. Nature of business: holding company. FLI Precast Solutions Holdings Limited has three subsidiary companies: FLI Precast Solutions Limited, FLI Precast Solutions UK Limited and Ardfern Limited, all of which are 100% held. FLI Precast Solutions Limited is a private limited company incorporated in the Republic of Ireland. Its registered office is Unit 3B Cleaboy Business Park, Old Kilmeaden Road, Waterford, Ireland. Nature of business: engineered pre-cast concrete infrastructure solutions. FLI Precast Solutions UK Limited is a private limited company incorporated in the United Kingdom. Its registered office is Number One, Middle Bridge Business Road, Bristol Road, Portishead, Bristol, BS20 6PN, England. Nature of business: engineered pre-cast concrete infrastructure solutions. Ardfern Limited is a private limited company incorporated in the Republic of Ireland. Its registered office is Unit 3b, Cleaboy Business Park, Old Kilmeaden Road, Waterford, Ireland. Nature of business: dormant.
- (iii) FLI Water Limited - 100% of the issued share capital. FLI Water Limited is a private limited company incorporated in the United Kingdom. Its registered office is Regent House, Wolseley Road, Kempston, Bedford, MK42 7JY, England. Nature of business: environmental services.
- (iv) Apex Industries Limited – 100% of the issued share capital. Apex Industries Limited is a private limited company incorporated in the United Kingdom. Its registered office is Number One, Middle Bridge Business Park, Bristol Road, Portishead, Bristol BS20 6PN, England. Nature of business: environmental services.
- (v) Taynault Limited 100% of the issued share capital. Taynault Limited is a private limited company incorporated in the Republic of Ireland. Its registered office is Commercial House, Millback Business Park, Lucan, Dublin, Ireland. Nature of business: dormant.
- (b) The investment in unlisted shares of €40,019 represents shares held in CM Fluids AG, a private limited company incorporated in Germany. Its registered office is Lilienthalstraße 17, 85296 Rohrbach, Germany.
- (c) During the financial year ended 31 December 2023 the company disposed of its investment in F.L.I. Cadegeau SAS. The carrying value of the financial asset at the date of disposal was €50,000.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

16 Stocks	2024		2023	
	Group	Company	Group	Company
Consists of:-	€	€	€	€
Raw material and consumables	1,030,263	-	923,901	-
Finished goods and goods for resale	627,119	-	780,920	-
	<u>1,657,382</u>	<u>-</u>	<u>1,704,821</u>	<u>-</u>

The replacement cost of stocks did not differ significantly from the total figure shown.

Stocks are stated after provisions for impairment of €32,787 (2023: €84,164).

17 Debtors	2024		2023	
	Group	Company	Group	Company
	€	€	€	€
Trade debtors	12,038,313	-	11,527,061	-
Prepayments and other debtors	1,016,063	409,507	1,206,447	367,221
Accrued income	13,664,729	-	5,900,906	-
Amount due from Aragam Holdings Limited	84,357	84,357	76,357	76,357
Amount due from Zanavale Limited	399,662	399,662	353,912	353,912
VAT	526,756	14,383	259,395	17,552
Corporation tax (R&D tax credits)	-	-	45,072	-
Deferred tax (note 19)	162,083	-	469,462	-
Amounts due from subsidiary companies	-	-	-	229,885
	<u>27,891,963</u>	<u>907,909</u>	<u>19,838,612</u>	<u>1,044,927</u>

All amounts included above fall due within one year with the exception of the amount due from Zanavale Limited. Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The amount due from Zanavale Limited is not falling due within one year.

The amount due from Aragam Holdings Limited is stated after provision for impairment for interest receivable of €507,923 (2023: €372,389).

## 18 Creditors

(a) Amounts falling due within one year	2024		2023	
	Group	Company	Group	Company
	€	€	€	€
Amounts owed to credit institutions (note (c))	3,125,489	-	2,173,711	-
Amount due to subsidiary companies	-	2,170	-	100
Trade creditors	11,005,312	53,929	8,995,178	87,680
Accruals	4,161,323	429,663	3,088,400	411,002
Deferred income	4,549,246	-	6,811,331	-
Finance lease/hire purchase obligations (note (f))	261,010	24,953	340,149	23,349
Corporation tax	448,858	-	-	-
Other creditors including tax and social insurance (note (g))	1,706,524	25,232	1,468,536	47,125
	<u>25,257,762</u>	<u>535,947</u>	<u>22,877,305</u>	<u>569,256</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 18 Creditors – continued

## (b) Amounts falling due after more than one year

	2024		2023	
	Group €	Company €	Group €	Company €
Amounts owed to credit institutions (note (c))	759,087	-	817,894	-
Finance lease/hire purchase obligations (note (f))	457,560	19,768	447,994	44,721
	<u>1,216,647</u>	<u>19,768</u>	<u>1,265,888</u>	<u>44,721</u>

## (c) Amounts owed to credit institutions

2024	Not later than one year €	Later than one year but not later than five years €	Later than five years €	Total €
	<b>Group</b>			
Bank overdraft (invoice discounting facilities)	2,532,522	-	-	2,532,522
Bank loans	592,967	759,087	-	1,352,054
	<u>3,125,489</u>	<u>759,087</u>	<u>-</u>	<u>3,884,576</u>
<b>Company</b>				
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>				
<b>Group</b>				
Bank overdraft (invoice discounting facilities)	1,633,111	-	-	1,633,111
Bank loans	540,600	817,894	-	1,358,494
	<u>2,173,711</u>	<u>817,894</u>	<u>-</u>	<u>2,991,605</u>
<b>Company</b>				
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(d) Trade and other creditors are payable at various dates in the future in accordance with the creditors' usual and customary credit terms. Trade creditors include an amount owing to suppliers who purport to include reservation of title clauses in their conditions of sale. Due to the legal interpretation required it was not practical to quantify the amount involved. Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 18 Creditors – continued

- (e) Bank facilities of the company are secured by the assignment of a life policy on the life of MJ Flynn, a floating debenture over the assets and undertakings of the company, guarantees by FLI Water Limited, Vertase F.L.I. Limited, FLI Precast Solutions Holdings Limited, FLI Precast Solutions Limited, FLI Precast Solutions UK Limited, Apex Industries Limited, QDS Environmental Limited and Zanavale Limited (supported by a floating debenture over the assets and undertakings of each company), a first legal mortgage/charge over the properties of F.L.I. Global Limited and a letter of guarantee from MJ Flynn. Bank borrowings are subject to market interest rates.

FLI Precast Solutions Limited's banking facilities are secured by a fixed and floating debenture, incorporating a specific charge over the property at Kilnock, Ballon, Co. Carlow, and a floating charge over the assets and undertakings of that company, a book debt debenture, assignment of life policies over certain directors, indemnity of certain directors and letters of guarantee from FLI Precast Solutions Holdings Limited, F.L.I. Global Limited, FLI Water Limited, Vertase F.L.I. Limited, FLI Precast Solutions UK Limited and QDS Environmental Limited.

FLI Precast Solutions UK Limited's invoice discounting facility is secured by a book debt debenture, indemnity of certain directors and cross company guarantees of F.L.I. Global Limited, FLI Water Limited, Vertase F.L.I. Limited, FLI Precast Solutions Limited, FLI Precast Solutions Holdings Limited and QDS Environmental Limited.

- (f) The future minimum finance lease/hire purchase payments are as follows:

	2024		2023	
	Group €	Company €	Group €	Company €
Not later than one year	261,010	24,953	340,149	23,349
Later than one year but not later than five years	342,772	19,768	305,995	44,721
Later than five years	114,788	-	141,999	-
	<u>718,570</u>	<u>44,721</u>	<u>788,143</u>	<u>68,070</u>

The finance leases and hire purchases relate to plant and machinery, office equipment and motor vehicles, which represent the security given by the group and company in respect of the finance lease and hire purchase liabilities. These agreements are subject to market interest rates.

- (g) Other creditors including tax and social insurance comprise

	2024		2023	
	Group €	Company €	Group €	Company €
PAYE/PRSI and similar taxes	595,138	25,232	499,743	40,441
VAT	1,037,406	-	791,362	-
Relevant contract tax / CIS	59,510	-	66,710	-
Other creditors	14,470	-	110,721	6,684
	<u>1,706,524</u>	<u>25,232</u>	<u>1,468,536</u>	<u>47,125</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 19 Deferred taxation

**Movement on deferred tax balance – net asset**

	2024	2023
	€	€
At 1 January	469,462	146,977
Charged to the profit and loss account	(324,868)	322,127
Currency translation difference	17,489	358
At 31 December	<u>162,083</u>	<u>469,462</u>

**Analysis of deferred tax balance**

Loss relief	300,089	604,215
Capital allowances and leasing	(149,613)	(146,391)
Other	11,607	11,638
	<u>162,083</u>	<u>469,462</u>

The net deferred tax asset has been recognised on the basis that it is probable that it will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 20 Share capital and reserves

	2024	2023
	€	€
<b>Authorised</b>		
100 (2023: 100) Preference shares of €20,000 each	2,000,000	2,000,000
100,000,000,000, Ordinary shares of each €0.000000001 each	100	100
35,461,000,000 Preferred ordinary shares of €0.000000001	35	35
6,382,978,740 'B' ordinary shares of €0.000000001	6	6
	<u>2,000,141</u>	<u>2,000,141</u>
<b>Allotted and fully paid - presented as equity</b>		
100,000,000,000, Ordinary shares of each €0.000000001 each	100	100
25 Preference shares of €20,000 each	500,000	500,000
35,461,000,000 Preferred ordinary shares of €0.000000001	35	35
6,382,978,740 'B' ordinary shares of €0.000000001	6	6
	<u>500,141</u>	<u>500,141</u>

A description of each reserve within equity is outlined below:

**Share premium**

During the year ended 31 December 2018 the company issued 35,461,000,000 preferred ordinary shares at a premium of €9,999,965, and 6,382,978,740 'B' ordinary shares at a premium of €26.

**NOTES TO THE GROUP FINANCIAL STATEMENTS - continued****20 Share capital and reserves - continued****Other reserves**

During the year ended 31 December 2018 transaction costs arising on the issue of preferred ordinary shares amounted to €700,000.

**Profit and loss account**

Profit and loss account represents accumulated comprehensive income for the financial period plus currency translation differences on foreign currency net investments, currency translation differences on foreign currency goodwill less dividends and distributions paid.

**21 Related party transactions**

On 5 November 2020, Aragam Holdings Limited increased its shareholding in the company to 70.5% through acquiring the shareholdings of Stonemont Limited in Zanavale Limited. The company advanced a loan of €3,500,000 to Aragam Holdings Limited to fund the acquisition. This loan is repayable in full together with accrued interest (3.5% p.a. compounded) upon F.L.I. Global Limited giving not less than 30 days notice in writing to Aragam Holdings Limited. Aragam Holdings Limited is entitled to repay the loan, together with accrued interest, or any part of it, at any time. The loan was deemed to constitute financial assistance by the company for the purpose of the purchase of shares in the company's holding company within the meaning of section 82 of the Companies Act 2014 and €3,500,000 was accounted for as a distribution in the financial statements of the company for the year ended 31 December 2020. Notwithstanding the accounting treatment, the amount remains fully repayable by Aragam Holdings Limited. Interest accrued on the loan during the year amounted to €135,534 (2023: €130,950). Cumulative interest accrued at 31 December 2024 amounts to €507,923 (2023: €372,389). A full provision has been made against accrued interest in each year it has accrued.

Consultancy fees in the amount of €20,000 were incurred by the company in relation to services provided by Aragam Holdings Limited during 2024 (2023: €20,000).

During the year, Vertase F.L.I. Limited performed services for Avon Li Limited and invoiced that company £179,904 plus VAT for those services (2023: £370,451 plus VAT). Those amounts together with amounts billed in 2022 remained unpaid at 31 December 2024 and are included in trade debtors at year-end (£782,203 including VAT). MJ Flynn was a director of Avon Li Limited from 8 April 2022 to 21 December 2022. The amount outstanding by Avon Li Limited at year end has been paid since year end. During the year ended 31 December 2023 Vertase F.L.I. Limited paid amounts totalling £332,000 in respect of a site deposit on behalf of Barr Li Limited. This amount remained unpaid at 31 December 2024, and is included in prepayments and other debtors at year-end. An impairment loss provision of £332,000 has been recognised in respect of this balance. Avon Li Limited and Barr Li Limited are both wholly owned by UK Land & Infrastructure Fund, a closed ended sub-fund of UKLIF ICAV. MJ Flynn is a director of UKLIF ICAV.

Disclosure of directors' remuneration and key management compensation is included in note 8.

**22 Post employment benefits**

Pension costs charged in the financial statements comprise current service contributions amounting to €725,127 (2023: €725,564). Amounts due to the funds at 31 December 2024 amounted to €126,541 (2023: €87,431).

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

**23 Contingent liabilities****Group**

The group is, from time to time, party to legal proceedings and claims which arise in the ordinary course of business. The directors do not anticipate that the outcome of these proceedings and claims, either individually or in aggregate, will have a material adverse effect upon the company's or group's financial position.

F.L.I. Global Limited has pledged the issued shares of the subsidiaries and businesses acquired during 2018 and subsequently to the holders of the preferred ordinary shares, as security, for a period of 3 years from date of acquisition. The share pledge expired in May 2022.

**Company**

As at year end the company had guaranteed contracts for Vertase F.L.I. Limited, FLI Precast Solutions (UK) Limited, Apex Industries Limited, QDS Environmental Limited and FLI Water Limited, and a lease agreement for FLI Water Limited. The company had guaranteed the bank debt of FLI Precast Solutions Limited and FLI Precast Solutions UK Limited, supported by a floating debenture over the assets and undertakings of the company. The directors are of the opinion that these guarantees will not result in any loss for the company.

**24 Capital and other commitments**

At 31 December 2024, the group has the following capital commitments:-

	2024	2023
	€	€
Contracted for	98,488	-
Not contracted for	-	-
	<u>98,488</u>	<u>-</u>

Future minimum lease payments under non-cancellable operating leases at the end of the financial year were:

	2024	2023
	€	€
Not later than one year	279,652	275,932
Later than one year and not later than five years	727,670	849,525
Later than five years	-	73,291
	<u>1,007,322</u>	<u>1,198,748</u>

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

## 25 Note to the group statement of cash flows

	2024	2023
	€	€
<b>Profit for the financial year</b>	3,947,308	1,303,200
Tax on profit on ordinary activities	817,414	228,781
Interest expense	354,167	306,390
Interest received	(17,299)	(5,663)
Profit on disposal of operations	-	(215,156)
<b>Operating profit</b>	<u>5,101,590</u>	<u>1,617,552</u>
Amortisation of goodwill	82,357	562,236
Depreciation of tangible fixed assets	1,150,834	945,572
(Profit) on sale of tangible fixed assets	(54,172)	(37,399)
Research and development tax credits	-	(429,437)
Working capital movements:		
- Decrease/(increase) in stock	47,439	188,185
- (Increase)/decrease in debtors	(8,405,802)	(2,909,832)
- Increase/(decrease) in creditors	1,186,326	6,144,299
<b>Cash flow from operating activities</b>	<u>(891,428)</u>	<u>6,081,176</u>

## 26 Financial instruments

The group has the following financial instruments:

	Note	2024	2023
		Group	Group
		€	€
Financial assets at fair value through profit or loss		<u>-</u>	<u>-</u>
Financial assets that are debt instruments measured at amortised cost			
- Trade debtors	17	12,038,313	11,527,061
- Amount due from Aragam Holdings Limited	17	84,357	76,357
- Amount due from Zanavale Limited	17	399,662	353,912
		<u>12,522,332</u>	<u>12,331,390</u>
Cash at bank and in hand		<u>4,232,704</u>	<u>6,974,125</u>
Financial assets that are equity instruments measured at cost less impairment	15	<u>40,019</u>	<u>40,019</u>
Financial liabilities measured at fair value through profit or loss			
- Derivative financial instruments		<u>-</u>	<u>-</u>
Financial liabilities measured at amortised cost			
- Bank loans and overdraft	18	3,886,576	2,991,605
- Trade creditors	18	11,005,312	8,995,178
- Accruals	18	4,161,323	3,088,400
- Finance leases/hire purchases	18	718,570	788,143
		<u>19,771,781</u>	<u>15,863,326</u>

Details on maturity of long term debt are outlined in note 18.

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

### 27 Subsequent events

On 18 December 2025, Zanavale Limited completed the purchase of 35,461,000,000 Preferred Ordinary Shares of €0.000000001 each in F.L.I. Global Limited, from Jia Si (Holding) Investment Limited.

There have been no other events affecting the company or group since the end of the financial year which would require disclosure in the financial statements.

### 28 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 13 January 2026.