Registre de Commerce et des Sociétés
Numéro RCS : B71499
Référence de dépôt : L250119356
Déposé et enregistré le 10/04/2025

UXRQYAP20250125T11415301_003

RCSL Nr. : B71499	Matricule : 1999 2411 166
	eCDF entry date : 27/03/2025

BALANCE SHEET

Financial year from 01 01/01/2024 **to** 02 31/12/2024 *(in* 03 EUR *)*

F.T.A. COMMUNICATION TECHNOLOGIES S.A.R.L.

17, route de Luxembourg
L-6182 Gonderange

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
B. Formation expenses	1107	107	108
C. Fixed assets	1109	109 1.429.525,98	110 1.687.486,25
I. Intangible assets	1111 3	111 55.771,39	112 135.352,98
1. Costs of development	1113 3	113 54.807,39	114 132.355,39
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 3	115 964,00	116 2.997,59
a) acquired for valuable consideration and need not be shown under C.I.3	1117 3	117 964,00	118 2.997,59
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible assets under development	1123	123	124
II. Tangible assets	1125 4	125 97.927,94	126 63.975,94
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130

The notes in the annex form an integral part of the annual accounts

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131	4	131	97.927,94	132	63.975,94
4. Payments on account and tangible assets in the course of construction	1133		133		134	
III. Financial assets	1135		135	1.275.826,65	136	1.488.157,33
1. Shares in affiliated undertakings	1137	5	137	1.273.926,65	138	1.273.926,65
2. Loans to affiliated undertakings	1139		139		140	
3. Participating interests	1141		141		142	
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Investments held as fixed assets	1145		145		146	
6. Other loans	1147	5	147	1.900,00	148	214.230,68
D. Current assets	1151		151	11.253.906,42	152	9.388.651,74
I. Stocks	1153		153	462.111,52	154	919.170,60
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159	462.111,52	160	919.170,60
4. Payments on account	1161		161		162	
II. Debtors	1163		163	7.041.321,88	164	5.831.585,57
1. Trade debtors	1165		165	4.738.399,27	166	2.980.834,20
a) becoming due and payable within one year	1167		167	4.738.399,27	168	2.980.834,20
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171	6-19	171	2.104.154,89	172	2.621.785,77
a) becoming due and payable within one year	1173		173	1.729.304,89	174	2.214.423,84
b) becoming due and payable after more than one year	1175		175	374.850,00	176	407.361,93
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183	7	183	198.767,72	184	228.965,60
a) becoming due and payable within one year	1185		185	198.767,72	186	228.965,60
b) becoming due and payable after more than one year	1187		187		188	

	Reference(s)	Current year	Previous year
III. Investments	1189	189	190
1. Shares in affiliated undertakings	1191	191	192
2. Own shares	1209	209	210
3. Other investments	1195	195	196
IV. Cash at bank and in hand	1197	197 3.750.473,02	198 2.637.895,57
E. Prepayments	1199	199 31.586,13	200 48.347,01
TOTAL (ASSETS)		201 12.715.018,53	202 11.124.485,00

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CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A.	**Capital and reserves**	1301	301	10.476.546,96	302	9.137.226,88
I.	Subscribed capital	1303 8	303	2.875.350,00	304	2.875.350,00
II.	Share premium account	1305	305	1.092.287,90	306	1.092.287,90
III.	Revaluation reserve	1307	307		308	
IV.	Reserves	1309 9-10	309	960.323,02	310	960.323,02
1.	Legal reserve	1311 10	311	287.535,00	312	287.535,00
2.	Reserve for own shares	1313	313		314	
3.	Reserves provided for by the articles of association	1315	315		316	
4.	Other reserves, including the fair value reserve	1429	429	672.788,02	430	672.788,02
a)	other available reserves	1431 10	431	75.938,02	432	75.938,02
b)	other non available reserves	1433 9-10	433	596.850,00	434	596.850,00
V.	Profit or loss brought forward	1319 10	319	4.209.265,96	320	4.029.971,88
VI.	Profit or loss for the financial year	1321 10	321	1.339.320,08	322	179.294,08
VII.	Interim dividends	1323	323		324	
VIII.	Capital investment subsidies	1325	325		326	
B.	**Provisions**	1331	331	267.192,00	332	82.992,00
1.	Provisions for pensions and similar obligations	1333	333		334	
2.	Provisions for taxation	1335	335		336	
3.	Other provisions	1337 11	337	267.192,00	338	82.992,00
C.	**Creditors**	1435	435	1.779.762,39	436	1.499.706,90
1.	Debenture loans	1437	437		438	
a)	Convertible loans	1439	439		440	
i)	becoming due and payable within one year	1441	441		442	
ii)	becoming due and payable after more than one year	1443	443		444	
b)	Non convertible loans	1445	445		446	
i)	becoming due and payable within one year	1447	447		448	
ii)	becoming due and payable after more than one year	1449	449		450	
2.	Amounts owed to credit institutions	1355	355		356	8.974,56
a)	becoming due and payable within one year	1357	357		358	8.974,56
b)	becoming due and payable after more than one year	1359	359		360	

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361	361 59.027,66	362 19.772,64
a) becoming due and payable within one year	1363	363 59.027,66	364 19.772,64
b) becoming due and payable after more than one year	1365	365	366
4. Trade creditors	1367	367 361.114,03	368 551.282,68
a) becoming due and payable within one year	1369	369 361.114,03	370 551.282,68
b) becoming due and payable after more than one year	1371	371	372
5. Bills of exchange payable	1373	373	374
a) becoming due and payable within one year	1375	375	376
b) becoming due and payable after more than one year	1377	377	378
6. Amounts owed to affiliated undertakings	1379	379 796.604,89	380 653.166,07
a) becoming due and payable within one year	1381 19	381 796.604,89	382 653.166,07
b) becoming due and payable after more than one year	1383	383	384
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	385	386
a) becoming due and payable within one year	1387	387	388
b) becoming due and payable after more than one year	1389	389	390
8. Other creditors	1451	451 563.015,81	452 266.510,95
a) Tax authorities	1393	393 512.114,99	394 207.631,90
b) Social security authorities	1395	395 36.576,98	396 43.842,21
c) Other creditors	1397	397 14.323,84	398 15.036,84
i) becoming due and payable within one year	1399	399 14.323,84	400 15.036,84
ii) becoming due and payable after more than one year	1401	401	402
D. Deferred income	1403 12	403 191.517,18	404 404.559,22
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 12.715.018,53	406 11.124.485,00

Registre de Commerce et des Sociétés
Numéro RCS : B71499
Référence de dépôt : L250119356
Déposé le 10/04/2025

FTA COMMUNICATION TECHNOLOGIES SARL

Société à Responsabilité Limitée
R.C.S. Luxembourg B 71.499
Paid-in-capital : EUR 2.875.350,00
17, Route de Luxembourg - L-6182 GONDERANGE

ANNUAL ACCOUNTS
AS AT DECEMBER 31, 2024
AND THE REPORT OF THE REVISEUR D'ENTREPRISES AGREE

MOORE

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MANAGEMENT REPORT

The Board of Managers of F.T.A. Communication Technologies S.à r.l. (the "Company") presents the Company's annual accounts for the year ended December 31st, 2024.

This management report accompanies the information provided in the annual accounts, prepared in accordance with the accounting principles and in line with legal and regulatory requirements relating to Luxembourg.

OVERVIEW OF ACTIVITIES

The Company was incorporated on September 6th, 1999, and organized under the laws of Luxembourg as a "*Société à responsabilité limitée*" for an unlimited period.

The Company is a leading global supplier of satellite reception and video streaming solutions for the satellite TV markets. Operating under its Inverto™ brand name, the Company develops a broad array of technologies and offer best-in-class solutions that cover the entire reception chain from the dish and the LNB through signal distribution, decoding/transcoding and on-premises or in-home streaming. The Company has a broad portfolio of high performance and cost-effective satellite dish antennas, single and multi-feed dCSS and universal LNBs and Multiswitches, professional satellite signal metering and monitoring products as well as transcoding and streaming appliances supplied to leading satellite pay-TV operators worldwide. The Company delivers innovation for the real world with technologies and solutions that make satellite TV installations and service delivery simpler, more reliable, cost efficient and future proof. It operates multiple product development centers and manufacturing sites as well as a customer support service in all its major markets.

Leveraging on its strong R&D team and its own unique software capabilities, the Company maintains a strong competitive advantage and offers a unique one-stop-shop solution for satellite pay TV operators across the world.

The Company continues to operate as an autonomous entity with an independent strategy that is formed and executed by its senior management team, within the context of the ShengYang Group, its major shareholder. In 2024, the Company has regained its footing in the legacy markets with a very strong growth of 40% year on year, primarily thanks to our dish kits sales and the reintroduction of Set Top Boxes. Our investments in DVB-NIP have also gained momentum and while sales are still fairly limited, we see an increasing interest for the solutions on the markets, starting with RFIs/RFPs from the two major global satellite operators.

A key achievement of 2024 is the smooth integration of the Quadrille team and operation within Inverto, be it on the HR, admin structure and product sides, all of which are quasi-completed without having impacted the overall performance of the Company.

2024 revenues generated from sales of goods and services grew 40% compared to 2023 and reached over 18.3M€. The top 9 of our 2024 top customers are all operators – clearly indicating again, as mentioned above, that is it the reputation of Inverto for both the quality of our products and sense of service, which makes the largest operators around the world work with us. Maintaining this market recognition and being able to transfer it to other verticals is critical – and at the same time the key challenge - for our future.

Taken together, these 9 top customers represent over 75% of our yearly revenue. New entrants RCN and StarTV create the growth we experience this year while the business can rest on the regular partners to develop ever further. Another indication of our potential still to be explored with our top customers is the fact that all perform better in 2024 than budgeted, and most also fare better than in 2023. Keeping and improving these relationships is paramount to future years of sales.

Immediately after our top 9, comes a group of 5 of our best distributors who collectively bring in 9% of our revenue (1.7M€). These 9% of sales by distributors on the other hand contribute to 23% of our Gross Margin, indicating the importance of keeping – and further developing - a strong distribution network to benefit from higher gross margins.

The objective to grow from 3-equivalent regions in terms of sales volume (which we had in 2023) to 4-regions of approx. the same size in 2024 was reached thanks to the addition of RCN in the Americas region. Taking into account this was a one-off sale, a robust market re-entry plan has to be put in place to cover the Americas in 2025.

FINANCIAL AND OPERATIONAL RESULTS

	2024 EUR '000	2023 EUR '000
Total assets	12.715	11.124
Capital and reserves	10.477	9.137
Gross Income	18.675	13.558
Gross Margin	3.809	2.184
Profit of the financial year	1.339	179

PLANNED DEVELOPMENTS

F.T.A will focus again in the coming months on implementing management's strategy of expansion and diversification:

1. In the ODU segment, the primary development goal will be an increased proportion of larger-cost items by pushing full dish kits as opposed to only LNBs. The sourcing of several reliable manufacturing partners will further enable this approach on all level of the value chain.

2. Q-stream, the combined best-of-breed solution merging Quadrille's suite and Airstream Live is now a product that is market ready and will be developped further with the addition of security (DRM) and the implementation on both Android and Symphony6-based Set Top Boxes.

3. MOCA (broadband over Coax) solution will also be an area of particular focus in order to meet the growing demand for faster internet speed in the USA and Western Europe in particular. In a partnership, this solution and associated product range will see increased attention to its market readiness through appropriate developments.

Through these and other initiatives still under development, the Company's ambition is to diversify our product range and distribution channels in order to reduce our market exposure, renew revenue growth, through organic and/or external growth opportunities, and increase profitability.

ACTIVITIES IN THE FIELD OF RESEARCH AND DEVELOPMENT

The Company continues to support ambitious innovative product development either internally and through partnerships with third parties such as:

Industrialisation :

i. Q-stream range of gateways extended to Symphony6 and Android
ii. New range of Multiswitches, both dCSS and Legacy

Product upgrades :

i. Ongoing cost-optimization of the LNBs (Universal, Monoblocks, etc) to remain competitive
ii. Diversification of our dish range due to meet market demands

New products/Product range expansion:

i. Country/operator specific OneNet range of Broadband products
ii. Moca Access solution of high-speed internet over Coaxial cables

R&D projects:

i. Ongoing: Q-stream and SG Emerge: live streaming as well as fast file transfer over satellite. The solution consists of a streaming server and dedicated receivers and is addressing multiple applications such as eLearning. The project is now in phase 2 and is financially partly supported by an ESA (European Space Agency) fund as member of the EBU (European Broadcasting Union) consortium in a project called 5G-Emerge.

FINANCIAL RISK MANAGEMENT

By applying principles of precaution to its business practices, the Company reduces its exposure to credit risk and interest risk.
Furthermore, we have voluntarily reduced our USD cash positions, by paying debts using favorable rates.

BRANCHES

The Company has no branches.

OWN SHARES

During the year under review, the company did not directly or indirectly own shares.

SUBSEQUENT EVENTS

No important event, having a material impact on the Company and on the future development of the Company, happened after the closing of the annual accounts.
The Middle East situation in particular, but also the ongoing Ukraine war and the high-risk China-Taiwan geopolitical strategy, warrants a warning that any further extension of the conflicts could create conditions for further economic trouble ahead.

Signature

Gonderange, March 7, 2025. 陸雅萍 Lu Yaping.

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To the Partners of
F.T.A. Communication Technologies S.à r.l.
Société à responsabilité limitée
17, route de Luxembourg
L-6182 Gonderange

Livange, 12 March 2025

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of F.T.A. Communication Technologies S.à r.l. (the "Company"), which comprise the balance sheet as at December 31, 2024, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "*Réviseur d'Entreprises Agréé*" for the Audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MOORE

Other information

The Board of Managers is responsible for the other information. The other information comprises the information stated in the management report but does not include the annual accounts and our report of the "*Réviseur d'Entreprises Agréé*" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this fact. We have nothing to report in this regard.

Responsibility of the Board of Managers for the Annual Accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Managers is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

MOORE

Responsibilities of the "*Réviseur d'Entreprises Agréé*" for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "*Réviseur d'Entreprises Agréé*" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*Réviseur d'Entreprises Agréé*" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of report of the "*Réviseur d'Entreprises Agréé*". However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Managers regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

MOORE Audit S.A.

Raphael LOSCHETTER
Réviseur d'Entreprises Agréé

1. NOTE – GENERAL INFORMATION

F.T.A. COMMUNICATION TECHNOLOGIES S.à r.l. (hereafter the "Company" or "F.T.A.") was incorporated on September 6th, 1999 and is organized under the laws of Luxembourg as a limited liability company (*société à responsabilité limitée*) for an unlimited number of years.

The registered office of the Company is established in L-6182 Gonderange, 17, route de Luxembourg

The Company's financial year starts on January, 1st and ends on December, 31st of each year.

The activity of the company consists in the development, marketing, sales and distribution of reception and streaming products for Digital Video Broadcast ("DVB") and Internet Protocol ("IP") television services.

In accordance with the legal provisions in Tile II of the amended Law of December 19, 2002, these annual accounts were presented on a non-consolidated basis for the approval of the shareholders during the Annual General Meeting.

Based on the criteria defined by the Article 1711-4 of the Tile XVII of the amended law of August 10, 1915, the Company is exempt from the obligation to draw up and to publish consolidated accounts and consolidated management report for the financial year ended December 31st, 2024.

The figures for the year that has ended December 31st, 2023 relating to items land and buildings have been reclassified under the caption other fixtures and fittings, tools and equipment to ensure comparability for the year ended December 31st, 2024.

2. NOTE – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These annual accounts have been prepared in accordance with the amended Law of December 19th, 2002 on the register of commerce and companies and on the accounting and annual accounts of undertakings.

Accounting policies and valuation rules are, besides the ones laid down by the Law, determined and applied by the Management of F.T.A.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Management to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the year in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. NOTE – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Significant accounting policies

The main valuation rules applied by the Company are the following:

2.2.1 Foreign currency translation

Transactions expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction.

Fixed assets expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historic exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historic exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealized exchange losses are recorded in the profit and loss account. The realized exchange results are recorded in the profit and loss account at the moment of their realization.

Income and charges expressed in another currency than EUR are translated in EUR at the exchange rate prevailing at the transaction date. Exchange rate losses resulting from exchange rate differences between the transaction and the settlement date are accounted for in the profit and loss account of the year.

2.2.2 Intangible fixed assets

Intangible assets are valued at purchase price or production cost including the expenses incidental thereto, less cumulated depreciation amounts written off and value adjustments. Value adjustments are booked following the straight-line method over the estimated economic life of the assets. Development costs are written off within a maximum of five years.

2.2.3 Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto. They are depreciated over their estimated useful economic lives. Where the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

2. NOTE – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2.4 Financial fixed assets

Shares in affiliated undertakings and loans to these undertakings are valued at purchase price/nominal value (loans and claims) including the expenses incidental thereto. In case of a durable depreciation in value according to the opinion of the Management, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.5 Inventories

Inventories of finished goods and merchandises are accounted at purchase price and are valued on the basis of the FIFO (First In – First Out) method or on the estimated net realizable value if deemed lower. Value adjustments for slow-moving and obsolete items, as well as for market risks, are included in the profit and loss account.

2.2.6 Debtors

Debtors are recorded at their nominal value. Value adjustments are recorded for doubtful debtors when their recovery is compromised.

2.2.7 Capital investment subsidies

Capital investment subsidies are recorded directly into the P&L in the year in which hare entitled and paid.

2.2.8 Gross profit

Based on the option given to medium sized companies by article 47 of the amended law of December 19th, 2002 related to annual accounts, the Company presents its turnover, its change in stock of finished goods and in work in progress, its consumption of goods for resale, raw materials and consumables and its other external charges together in one single caption named "Gross profit or loss" in the profit and loss account.

In turn, the net turnover comprises the amounts derived from the sale of products and the provision of services falling within the Company's ordinary activities, after deduction of the sales rebates and value added tax and taxes directly linked to the turnover.

2.2.9 Prepayments and accrued income

This asset item includes expenditure incurred during the financial year but relating to a subsequent financial year.

2. NOTE – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2.10 Provisions

At the end of each year provisions are recorded to cover all foreseeable liabilities and charges that at the balance sheet date are either likely or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions relating to previous years are regularly reviewed and released if the reasons for which the provisions were recorded have ceased to apply.

2.2.11 Debts

Debts are included in the liabilities of the balance sheet at their nominal value or applicable to their redemption value.

2.2.12 Accruals and deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

3. NOTE – INTANGIBLE FIXED ASSETS

The movement for the year for the development costs are as follows:

	Costs of development, concessions, patents, licences, trademarks and similar rights and assets **EUR 31.12.2024**	Costs of development, concessions, patents, licences, trademarks and similar rights and assets **EUR 31.12.2023**
Gross book value - opening balance	**5.094.306,10**	**5.092.766,10**
Additions for the year	0,00	1.540,00
Disposals for the year	0,00	0,00
Gross book value - closing balance	**5.094.306,10**	**5.094.306,10**
Accumulated value adjustment and write off - opening balance	**4.958.953,12**	**4.687.730,12**
Allocations for the year	79.581,59	271.223,00
Reversals for the year	0,00	0,00
Accumulated value adjustment and write off - closing balance	**5.038.534,71**	**4.958.953,12**
Net book value - closing balance	**55.771,39**	**135.352,98**

3. NOTE – INTANGIBLE FIXED ASSETS (CONTINUED)

No write downs were accounted in the year 2024 (2023 : nil).

4. NOTE – TANGIBLE FIXED ASSETS

The movements for the year are as follows:

	Other fixtures and fittings, tools and equipment **EUR 31.12.2024**	Other fixtures and fittings, tools and equipment **EUR 31.12.2023**
Gross book value - opening balance	**373.902,79**	**371.268,79**
Additions for the year	84.388,37	2.634,00
Disposals for the year	0,00	0,00
Gross book value - closing balance	**458.291,16**	**373.902,79**
Accumulated value adjustment - opening balance	**309.926,85**	**257.500,85**
Allocations for the year	50.436,37	52.426,00
Reversals for the year	0,00	0,00
Accumulated value adjustment - closing balance	**360.363,22**	**309.926,85**
Net book value - closing balance	**97.927,94**	**63.975,94**

5. NOTE – FINANCIAL FIXED ASSETS

The movements for the year are as follows:

	Shares in affiliated undertakings	Shares in affiliated undertakings	Other loans	Other loans
	EUR 31.12.2024	**EUR 31.12.2023**	**EUR 31.12.2024**	**EUR 31.12.2023**
Gross book value - opening balance	**1.273.926,65**	**220.000,00**	**214.230,68**	**214.230,68**
Additions for the year	0,00	1.053.926,65	10.000,00	0,00
Disposals for the year	0,00	0,00	-12.330,70	0,00
Gross book value - closing balance	**1.273.926,65**	**1.273.926,65**	**211.900,00**	**214.230,68**
Accumulated value adjustment - opening balance	**0,00**	**0,00**	**0,00**	**0,00**
Allocations for the year	0,00	0,00	210.000,00	0,00
Reversals for the year	0,00	0,00	0,00	0,00
Accumulated value adjustment - closing balance	**0,00**	**0,00**	**210.000,00**	**0,00**
Net book value - closing balance	**1.273.926,65**	**1.273.926,65**	**1.900,00**	**214.230,68**

The undertakings in which the Company holds at least 20% as of December 31st, 2024, in their share capital are:

Name of the undertaking	Registered office	Ownership	Last balance sheet date	Total equity (EUR) *	Net result for the year (EUR)
Inverto Digital Labs S.à r.l.	Luxembourg	100%	31/12/2024	31.997,44	-1.803,90
Digital Media Licencing S.à r.l.	Luxembourg	100%	31/12/2024	251.458,64	-12.762,09
Quadrille Ingénierie S.A.S. **	Issy-les-Moulineaux	100%	31/12/2023	436.034,00	-316.410,67

* Including net result for the year
**audited annual accounts as at 31/12/2023

The amount of net equity and result for the year of the unaudited and unapproved annual accounts 31/12/2024 for Quadrille Ingenierie S.A.S. as the date of these annual accounts were ready for issuance are the followings:

5. NOTE – FINANCIAL FIXED ASSETS (CONTINUED)

- Net Equity EUR: 236.316,08.
- Loss for the year EUR: -199.718,13.

Management did not consider a permanent loss in value on its affiliated undertakings.
On October 1st, 2023, FTA has made the acquisition of 100% of the company Quadrille Ingenierie SAS, located in Issy-les-Moulineaux, France.
The acquisition cost amounted to EUR 1.053.926,65

A loan classified under other loans held as fixed asset with the related accrued interests was totally impaired due the bankruptcy of the counterpart occurred in 2024.

6. NOTE – AMOUNTS OWED BY AFFILIATED UNDERTAKINGS

As of December 31, 2024, this caption is represented by five loans granted to related parties for an amount of EUR 2.104.154,89 (2023: EUR 2.621.785,77) with the related accrued interests, out of which in 2023 EUR 407,361.93 were more than one year.
In 2024, the Company added a loan of EUR 525.000,00 to its subsidiary Quadrille Ingénierie S.A.S. (with interests of EUR 15.294,20).

7. NOTE – OTHER RECEIVABLES

The other receivables mainly encompass payment in advance of taxes for an amount of EUR 37.100,00 (2023: EUR 132.692,00) and VAT receivable for EUR 161.505,99 (2023: EUR 96.319,99).

8. NOTE – SUBSCRIBED CAPITAL

The subscribed share capital amounts to EUR 2.875.350,00 and is divided into 19.830 share-quotas fully paid-up with a nominal value of EUR 145 each.

9. NOTE – RESERVES

Legal reserve

In accordance with the commercial law, the Company is required to allocate to the legal reserve a minimum of 5% of the annual profit until such reserve equals 10 % of the share capital. This reserve may not be distributed.

Net wealth reserve

The Company is allowed to book a special reserve based on article 174bis LIR4. This reserve shall amount to five times the annual net worth tax to be deductible from the corporate income tax under the condition that this reserve is not distributed for five years after the year in which the deduction was made.

10. NOTE – MOVEMENTS FOR THE YEAR ON THE «RESERVES AND PROFIT BROUGHT FORWARD»

The movements for the year are as follows:

In EUR	Legal reserve	NWT reserve	Other reserves	Profit brought forward	Profit for the financial year
As of January 1st, 2024	**287.535,00**	**596.850,00**	**75.938,02**	**4.029.265,96**	**179.294,08**
Mouvements for the year:					
- Allocation of previous year's profit or loss				179.294,08	-179.294,08
- Profit or loss for the year					1.339.320,08
As of December 31st, 2024	**287.535,00**	**596.850,00**	**75.938,02**	**4.208.560,04**	**1.339.320,08**

11. PROVISIONS

The provisions are mainly related to bonuses EUR 267.192 (2023: EUR 59.448).

12. DEFERRED INCOME

Deferred income corresponds to sales 2025 invoiced in 2024 for EUR 191.517,18 (2023: EUR 404.559,22).

13. NOTE – TAXATION

The Company is subject to all the taxes relevant to commercial companies in Luxembourg.
The Company has been assessed in 2024 for the year 2021 and 2020 by the tax authorities for income tax, communal tax and net wealth tax.

14. NOTE – GROSS PROFIT

A breakdown of the turnover by category of activity and into geographical markets is omitted because of its sensitive nature.

15. NOTE – STAFF COSTS

The Company employed on average 15 employees during the financial year 2024 (2023: 15).

16. FINANCIAL RESULT

The financial revenues of EUR 338.722,98 include mainly realized exchange gains of EUR 192.338,00 (2023: EUR 132.954,78). The financial expenses include net exchange losses of EUR 46.080,00 (2023: EUR 309.313,36).

17. NOTE – EMOLUMENTS GRANTED TO THE MEMBERS OF THE ADMINISTRATIVE, MANAGERIAL AND SUPERVISORY BODIES AND COMMITMENTS IN RESPECT OF RETIREMENT PENSIONS FOR FORMER MEMBERS OF THOSE BODIES

None of the members of the management and supervisory boards of the Company have received any remuneration for their supervising function. Management remuneration is not disclosed as it could designate the individual person.

18. NOTE – ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

None of the members of the management and supervisory boards of the Company have received any advances and loans.

19. NOTE – RELATED PARTIES TRANSACTIONS

During the year, there was no significant related-party transaction not concluded at the normal market conditions.

20. NOTE – OFF-BALANCE SHEET

The financial commitments of the Company are as follows:

	31.12.2024	31.12.2023
	EUR	EUR
Leasing (cars)	68.528,00	45.792,90
Guarantees	26.985,00	26.985,00
Offices lease	189.729.54	310.218.00
Quadrille (Earn-outs)	625.000,00	1.000.000,00
Total	**910.242,54**	**1.382.995,90**

21. NOTE – SUBSEQUENT EVENTS

No subsequent events have been identified by managers that would have a significant impact on the financial figures as of December 31, 2024.

However, the new US administration and its unpredictable economic and geopolitical policies present a major risk of disruption to global markets. In particular, a possible extension of the ongoing Ukraine war and the high-risk China-Taiwan geopolitical strategy, warrants a warning that any further extension of the conflicts could create conditions for further economic trouble ahead.



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