

# **Lenovo Ireland Limited**

## **Annual Report and Financial Statements**

**for the year ended 31 March 2025**

# Lenovo Ireland Limited

## Company Information

<b>Directors</b>	Colm Gleeson Fiona O'Brien
<b>Company secretary</b>	Fiona O'Brien
<b>Company number</b>	555848
<b>Registered office</b>	Viscount House 6-7 Fitzwilliam Square East Dublin Ireland D02 Y447
<b>Independent Auditors</b>	PricewaterhouseCoopers Chartered Accountants and Statutory Auditors One Spencer Dock North Wall Quay Dublin 1

# Lenovo Ireland Limited

<b>Contents</b>	<b>Page(s)</b>
<b>Directors' Report</b>	<b>1-7</b>
<b>Independent Auditors' Report</b>	<b>8-10</b>
<b>Statement of comprehensive income</b>	<b>11</b>
<b>Balance sheet</b>	<b>12</b>
<b>Statement of changes in equity</b>	<b>13</b>
<b>Notes to the financial statements</b>	<b>14- 25</b>

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

The directors present the annual report and the audited financial statements of Lenovo Ireland Limited for the year ended 31 March 2025.

### Principal activities

The principal activities of Lenovo Ireland Limited are wholesale of personal computing equipment, mobile phones, computer peripheral, maintenance services and storage systems.

### Business review

From 14 January 2018, Motorola sales for mobile telephones in Ireland started to be sold through Lenovo Ireland Limited. This is part of a worldwide Lenovo strategy. These sales would previously have been made through Motorola Mobility International Sales Limited (a separate Lenovo group company).

The company achieved a profit for the year of €2,040,303 (2024: €1,780,300). The operating profit for the year was €2,626,181 (2024: €2,261,569). The company's revenue in the year was €64,961,630 (2024: €59,259,288) which was mainly from the PC and mobile sales business. The company's net assets as 31 March 2025 were €14,151,752 (31 March 2024: €11,708,893).

During the year sales volumes of desktop and laptop computers increased in comparison with the prior year, due to commercial buyers beginning to refresh the devices that were purchased during the pandemic. which has resulted in an increase in sales of PC, tablet, smartphone, and other smart device businesses in the current financial year.

### Future developments

The macro landscape remains challenging due to factors such as newly emerged geopolitical risks. To help clients navigate these uncertainties, the Lenovo Group will continue to pursue innovation, with bold R&D investments, in areas that include environmental impact reduction, social equity, and fair and ethical operations.

With inflation numbers trending down, PC sales have begun to recover. The recovery is expected to continue in 2026 as newer AI PCs have hit shelves this year and as commercial buyers begin refreshing the PCs that were purchased during the pandemic. The new AI PCs are specifically designed to support on-device AI, enabling customers to swiftly capture and leverage insights from their data. This empowers individuals, transforms businesses, and inspires creativity which will help Lenovo Ireland Limited drive premium-to-market growth. The smartphone business will focus on portfolio expansion and differentiation to take advantage of accelerated 5G adoption and the changing competitive landscape.

### Key performance indicators

The Group retained the world's number one spot in PC's during the fiscal year while maintaining its industry-leading margin. The company will continue to target premium-to-market revenue growth through further expansion in the high growth and premium segments. Product innovation remains critical to long term growth and the Group is forging a customer-centric business model to further accelerate growth. As AI PCs emerged a market standard, the company's cutting-edge solutions are poised to redefine the future of computing, showcasing the transformative potential of Agentic AI.

In the assessment of the performance of this region, management focus on the following key performance indicators.

- Sales volumes
- Revenues
- Gross profit margins (Base manufacturing costs with other allocated group costs)

On the basis of the indicators used for the management of the business, management are satisfied with the contribution of the company.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Key performance indicators (continued)

Revenue on operations has increased in the year due to commercial buyers beginning to refresh the PCs that were purchased during the pandemic and the new demand on AI PC. Profit before taxation increased accordingly.

The transfer pricing model for the company as a limited risk distributor for Lenovo PC HK Limited and Lenovo Global Technology HK Limited is set on the Profit before taxation level.

Financial income in the overall Profit before taxation aligns the company performance to target Profit before taxation determined by limited risk distributor agreements.

	2025	2024
Revenues	€64,961,630	€59,259,288
Gross Profit	€1,849,623	€1,879,299
Gross profit margins	2.8%	3.2%
Profit before taxation	€ 2,410,932	€ 2,097,687

The development, performance and position of Lenovo Group Limited which includes Lenovo Ireland Limited, is discussed in the 'Management's Discussion and Analysis' (pages 16 to 57) of Lenovo Group Limited annual report 2025, which does not form part of this report.

### Principal risks and uncertainties

There are various risks facing the company. The list below is not exhaustive but is intended to focus on the specific risks that the directors believe could have a significant impact on the company's performance.

#### *Economic conditions*

The level of activity in the markets in which the company operates is dependent on a number of factors such as economic cycles, business confidence and growth in the economy. A downturn in one or more of these indicators could affect the level of spending on the company's products.

#### *Competition*

The Company operates in highly competitive markets. The competitive landscape is changing, with new entrants coming from non-traditional areas, and other competitors are reviewing their position within the marketplace. This presents both opportunities and threats that need to be addressed to continue to grow our business.

#### *Technology*

The Company is required to continually offer new products and services to keep in line with technological developments which it does through its global research and development capabilities based in China, the United States and Japan. The company will continue to bring market leading, innovative and high-quality products to the market.

#### *Parent company*

The Company is a subsidiary of Lenovo (International) Coöperatief U.A. and is dependent on this and other Lenovo group companies for the supply of products, brand strength and funding.

#### *Supply Chain*

The supply chain volatility may cause potential product shortages and multifaceted challenges in the business operations.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Principal risks and uncertainties (continued)

#### *Climate change Risk*

Climate change risks and opportunities are identified and evaluated as part of the scope of two main processes within Lenovo's business management system. These include our global risk registration process as part of our Enterprise Risk Management (ERM) and the annual Significant Environmental Aspect (SEA) evaluation. Additionally, Lenovo considers climate change as part of the ESG reporting materiality assessment. These processes help us to identify climate related risks and significant climate-related opportunities.

#### *Macro environment conflicts*

While the majority of Lenovo Ireland Limited's customers are in-country, there was no significant impacts.

### Financial risk management

The company's operations expose it to a variety of financial risks that include liquidity risk, currency risk and credit risk. In order to utilise Lenovo Group Limited's size and experience, responsibility for the management of these risks has been delegated to the Lenovo group treasury function. The policies set by the group treasury function are implemented by the company's finance department.

#### *Liquidity risk*

The company retains sufficient cash to ensure it has sufficient funds available for operations. The company would have access to longer term funding from its ultimate parent if required.

#### *Currency risk*

The company has currency risk associated with the intercompany amounts payable. Potential exposures to foreign currency exchange rate movements are monitored and managed by the Lenovo group treasury function.

#### *Credit risk*

There is a risk of financial loss to the company arising from the failure of the company's customers to meet their financial obligations for the products provided by the company.

The company manages this situation through credit control procedures and factoring certain classes of debt and management are of the view that the risk is at an acceptable level.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Dividends

The directors do not recommend the payment of any dividends (2024: Nil).

### Health and safety

The company strives to provide and maintain a safe environment for all employees, customers and visitors to its premises and to comply with relevant health and safety legislation. In addition, the company aims to protect the health of employees with suitable, specific work-based strategies, seeking to minimise the risk of injury from company activity and ensure that systems are in place to address health and safety matters. Compliance with company policy is monitored centrally and an annual health and safety report is produced for the Board.

Health and safety audits and risk assessments are carried out and additional actions and controls are implemented, and training conducted to ensure that employees can carry out their functions in a safe and effective manner.

### Disabled employees

All applications from disabled persons are fully considered. Should an employee become disabled, it is the company's practice to continue their current employment where possible or offer suitable alternatives. It is the policy of the company that the training, career development and promotion of the disabled persons should, as far as possible, be identical with that of other employees.

### Employee involvement

Lenovo Ireland Limited participates in a group operated long-term incentive programme. This programme was approved on 26 May 2005 for the purpose of rewarding and motivating directors, executives and top performing employees of the group. The long-term incentive programme is designed to attract and retain the best available personnel, and encourage and motivate participants to work towards enhancing the value of the group and its shares by aligning their interests with those of the shareholders of the group.

The company continues to place importance upon the education and development of its people. There is a well-developed employee involvement programme within the company. Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through regular newsletters. All employees' training and development is supported by continuing in-service education.

### Going concern

The preparation of the Company's financial statements on a going concern basis is considered appropriate by management due to a legally enforceable and irrevocable letter of support obtained from Lenovo Group Limited, the ultimate parent Company. The letter of support confirms that it would be their decision to take all necessary measures to enable the Company to meet its liabilities at all times as they fall due and that they will not withdraw this support for at least twelve months after the sign off date of these financial statements.

Refer to the accounting policies in note 1.1 of the financial statements for the going concern assessment.

### Corporate responsibility

The company recognises that, as part of a wider community of employees, shareholders, customers, suppliers and others, it has a responsibility to act in a way that respects the environment and minimises any adverse impacts caused by its operations.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Corporate responsibility (continued)

Through its Corporate Responsibility policy, the company aims to:

- meet all relevant legislative requirements on environment issues;
- promote environmental awareness among staff and seek their active participation in minimising the environmental impact of the company's operations;
- ensure the safe disposal of manufacturing waste; and
- seek to conserve energy and natural resources by minimising waste, recycling where possible and by maximising its use of renewable resources.

The company remains committed to continuing to improve its impact on the environment.

### Directors of the company

The directors who served during the year and up to the date of signing this report were:

Colm Gleeson  
Fiona O'Brien

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

Lenovo International Cooperatief U.A.(the immediate parent undertaking) holds all the share capital and has elected the directors to the board.

None of the directors and secretary and their families have any beneficial interest in the shares of the ultimate parent company or other group companies.

### Subsequent events

There were no subsequent events impacting the financial statements since the year end.

### Directors' Compliance Statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations.

The directors confirm that;

- 1) A compliance policy statement setting out the company's policies, that in our opinion are appropriate to the company, respecting compliance by the company with its relevant obligations has been drawn up.
- 2) Appropriate arrangements or structures that are designed to secure material compliance with the company's relevant obligations have been put in place.
- 3) A review of the arrangements and structures referred to at 2 above has been conducted during the financial year ended 31 March 2025.

### Audit Committee

The Directors have reviewed the requirement for an Audit Committee under section 167 of the Companies Act 2014. The directors have decided not to establish an audit committee. The ultimate parent, Lenovo Group Limited., already has an audit committee and all related financial controls in place which fulfil the financial oversight functions for the group as a whole.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Statement of Directors' responsibilities

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

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the 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 financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the 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 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 company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the 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.

### 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 accounting records are kept at the registered office, Viscount House, 6-7 Fitzwilliam Square East Dublin, D02 Y447, Ireland.

### Disclosure of information to auditors

The directors at the time when this Directors' report is approved have confirmed that:

- so far as that directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- directors have taken all the steps that ought to have been taken in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

# Lenovo Ireland Limited

## Directors' Report for the year ended 31 March 2025

### Independent Auditors

The auditors, PricewaterhouseCoopers, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the Board of Directors on 18 December 2025 and signed on its behalf.



**Colm Gleeson**  
Director  
18 December 2025



**Fiona O'Brien**  
Director  
18 December 2025



# ***Independent auditors' report to the members of Lenovo Ireland Limited***

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

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### **Opinion**

In our opinion, Lenovo Ireland Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (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 and Financial Statements, which comprise:

- the Balance sheet as at 31 March 2025;
  - the Statement of comprehensive income for the year then ended;
  - the 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 company 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 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 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 and Financial Statements 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 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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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 Statement of Directors' responsibilities set out on page 6, 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 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 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 financial statements to be readily and properly audited.
  - The financial statements are 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.

*Rose-Marie McNamara.*

Rose-Marie McNamara  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
18 December 2025

# Lenovo Ireland Limited

## Statement of comprehensive income for the year ended 31 March 2025

	Note	For the year ended 31 March 2025 €	For the year ended 31 March 2024 €
Turnover	4	<b>64,961,630</b>	59,259,288
Cost of sales		<b><u>(63,112,007)</u></b>	<u>(57,379,989)</u>
<b>Gross profit</b>		<b>1,849,623</b>	1,879,299
Administrative expenses		<b>(36,116,606)</b>	(31,388,594)
Other operating income	5	<b><u>36,893,164</u></b>	<u>31,770,864</u>
<b>Operating profit</b>	6	<b>2,626,181</b>	2,261,569
Interest payable and similar expenses	7	<b><u>(215,249)</u></b>	<u>(163,882)</u>
<b>Profit before taxation</b>		<b>2,410,932</b>	2,097,687
Tax on profit	10	<b><u>(370,629)</u></b>	<u>(317,387)</u>
<b>Profit and total comprehensive income for the financial year</b>		<b><u>2,040,303</u></b>	<u>1,780,300</u>

There were no recognised gains and losses for the year other than those included in the profit and loss account and there are no material differences between the profit before taxation and the profit for the financial year and their historical cost equivalents.

The notes on pages 14 to 25 form part of these financial statements.

# Lenovo Ireland Limited

## Balance sheet as at 31 March 2025

	Note	31 March 2025 €	31 March 2024 €
<b>FIXED ASSETS</b>			
Tangible assets	11	<u>490,295</u>	<u>529,684</u>
		<b>490,295</b>	529,684
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		<b>310,379</b>	247,678
Stocks		<b>368,985</b>	7,664
Debtors	12	<u>67,636,193</u>	<u>38,655,071</u>
		<b>68,315,557</b>	38,910,413
<b>CREDITORS: amounts falling due within one year</b>	13	<u><b>(51,651,153)</b></u>	<u><b>(24,361,644)</b></u>
<b>NET CURRENT ASSETS</b>		<u><b>16,664,404</b></u>	<u>14,548,769</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>17,154,699</b>	15,078,453
<b>CREDITORS: amounts falling due after one year</b>	14	<u><b>(3,002,947)</b></u>	<u>(3,369,560)</u>
<b>NET ASSETS</b>		<u><b>14,151,752</b></u>	<u>11,708,893</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	<b>1</b>	1
Profit and loss account		<b>11,857,592</b>	9,817,289
Capital contribution reserve		<u><b>2,294,159</b></u>	<u>1,891,603</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u><b>14,151,752</b></u>	<u>11,708,893</u>

The financial statements on pages 11 to 25 were approved and authorised for issue by the board of directors on 18 December 2025 and were signed on its behalf.

The notes on pages 14 to 25 form part of these financial statements.

  
Colm Gleeson  
Director

  
Fiona O'Brien  
Director

# Lenovo Ireland Limited

## Statement of changes in equity for the year ended 31 March 2025

	Called up share capital €	Capital contribution reserve €	Retained earnings €	Total equity €
At 1 April 2023	1	1,529,358	8,036,989	9,566,348
Capital contribution in respect of share-based payment	-	362,245	-	362,245
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>1,780,300</u>	<u>1,780,300</u>
<b>At 31 March 2024 and 1 April 2024</b>	<b><u>1</u></b>	<b><u>1,891,603</u></b>	<b><u>9,817,289</u></b>	<b><u>11,708,893</u></b>
Capital contribution in respect of share-based payment	-	402,556	-	402,556
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>2,040,303</u>	<u>2,040,303</u>
<b>At 31 March 2025</b>	<b><u>1</u></b>	<b><u>2,294,159</u></b>	<b><u>11,857,592</u></b>	<b><u>14,151,752</u></b>

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 1. General information

Lenovo Ireland Limited is a private limited company incorporated in the Republic of Ireland under the Companies Act 2014. The address of the registered office is provided on the Company information page. The company sells personal computing equipment, computer peripheral, mobile telephones, maintenance services and storage systems. The company sells wholly in the Republic of Ireland.

The Company's functional currency is euro.

#### 1.1 Going concern

Lenovo Ireland Limited made a profit after tax of €2,040,303(2024: €1,780,300) for the year and was in a net current asset position of €16,664,404 as at 31 March 2025 (31 March 2024: €14,548,769).

The preparation of the Company's financial statements on a going concern basis is considered appropriate by the directors due to:

- a letter of support obtained from Lenovo Group Limited, the ultimate parent company, confirming that it would be their decision to take all necessary measures to enable the Company to meet its liabilities at all times as they fall due and that they will not withdraw this support for at least twelve months after the sign off date of these financial statements. This confirmation is legally enforceable and irrevocable.
- Lenovo Group Limited has confirmed they have sufficient financial resources to provide the support to Lenovo Ireland Limited for at least twelve months after the auditors' report signing date of these financial statements.

As a result of the above the accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements remain based on the assumption that the Company operates on a going concern basis.

### 2. Statement of Compliance

The individual financial statements of Lenovo Ireland Limited have been prepared in compliance with FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" and the Companies Act 2014.

### 3. Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying entity, the company has taken advantage of the following exemptions:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.
- v) certain disclosures surrounding share-based payments.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 3. Principal accounting policies (continued)

#### 3.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2014 and FRS 102. The preparation of the financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

#### 3.2 Related party disclosures

The company is wholly owned subsidiary of Lenovo Group Limited and has therefore taken advantage of the exemption contained in FRS 102 section 33.1A Related Party Disclosures from disclosing transactions or balances with entities which form part of the Lenovo Group.

#### 3.3 Revenue recognition

Income from the sale of goods is recognised in the Profit and loss account once all the major rights to economic benefits and significant risks relating to the goods have been transferred to the buyer, the income can be reliably measured and the income is probable to be received.

Income from the sale of services can be recognised in proportion to the service it delivered. The result of the transaction relating to a service can be reliably estimated and the income probable to be received.

#### 3.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	- 10 years straight line
Equipment and furniture	- 3 to 10 years straight line
Leasing Equipment	- Over the 3 year lease contract

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

#### 3.5 Taxation

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatments of certain items for taxation and accounting purposes that have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102 section 29 deferred tax.

The carrying amount of deferred tax assets is reviewed at the end of the year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. A deferred tax asset is recognised for an unused tax loss carry forward or unused tax credit only if, it is considered probable that there will be sufficient future taxable profit against which the loss or credit carry forwards can be utilised.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 3. Principal accounting policies (continued)

#### 3.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

#### 3.7 Financial instruments

The Company have adopted section 11 (Basic Financial Instruments) of FRS 102.

##### *(a) Financial assets*

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price.

Financial assets are derecognised when (i) the contractual right to cashflows from the asset expire or are settled or (ii) substantially all the risks and rewards of the ownership of the asset have transferred to another party.

##### *(b) Financial liabilities*

Basic financial liabilities, including trade and other payables and loans from fellow Group companies are initially recognised at transaction price.

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

#### 3.8 Operating leases

Leases where substantial all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the Profit and loss account on a straight-line basis over the lease term.

#### 3.9 Pension costs

The company pays into employees' personal pension plans and the pension charge represents the amounts payable by the company to these plans in respect of the year. The assets are held in a separately administered fund.

The ultimate parent undertaking issues equity-settled share-based payments to certain employees (including Directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest. Once exercised the options are settled in equity by the ultimate parent company, which then recharges the Company.

Fair value is measured using the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the transaction is recognised immediately. The Company has taken advantage of the exemption from disclosures under FRS102, paragraphs 26.18b) to 26.21 and 26.23, relating to share-based payments.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 3. Principal accounting policies (continued)

#### 3.11 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *Revenue recognition*

Revenue from sales of goods is recognized when the control of the goods is transferred to customers, which are generally occurred upon shipment. For certain transactions that the company retains control during the course of shipment, the company defers the recognition of revenue and cost of such products until they are delivered to the designated locations.

The company sells products to channels. Sales through channels are primarily made under agreements allowing for volume discounts, price protection and rebates. Revenue recognition is also impacted by the company's ability to estimate volume discounts, and rebates. The company considers various factors, including review of specific transactions, historical experience, market and economic conditions and channel inventory level when calculating these provisions and allowances. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

#### *Receivables*

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, net of a provision for doubtful debts for expected bad debts. If payment of the receivable is postponed under an extended payment deadline. The difference between fair value and face value is accounted for as interest income during the period up to the expected receipt of payment.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 4. Turnover

Turnover is attributable to the wholesale of personal computing equipment, computer peripheral, mobile phones, maintenance services and storage systems. The company operates in a single business segment and sells wholly in the Republic of Ireland.

The revenues can be divided into the following categories:

	<b>For the year ended 31 March 2025</b>	For the year ended 31 March 2024
	€	€
Merchandise	<b>59,592,806</b>	54,264,299
Lease Revenue	<b>430,620</b>	297,898
Services	<b><u>4,938,204</u></b>	<u>4,697,091</u>
	<b><u>64,961,630</u></b>	<u>59,259,288</u>

### 5. Other operating income

Other operating income represents intercompany recharges to the group company for non-sales and distribution costs.

### 6. Operating profit

The operating profit is stated after charging/(crediting):

	<b>For the year ended 31 March 2025</b>	For the year ended 31 March 2024
	€	€
Depreciation of tangible fixed assets: - owned by the company (Note 11)	<b>252,457</b>	265,240
Auditors' remuneration - fees payable for the statutory audit	<b>68,834</b>	63,481
(Gain) on foreign exchange	<b>(445,643)</b>	(154,287)
Amortisation of intangible assets	-	3,228
Operating lease rentals	<b><u>282,695</u></b>	<u>202,701</u>

### 7. Interest payable and similar expenses

	<b>For the year ended 31 March 2025</b>	For the year ended 31 March 2024
	€	€
Bank charges	<b><u>215,249</u></b>	<u>163,882</u>

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 8. Staff costs

Staff costs, including directors' remuneration, were as follows:

	For the year ended 31 March 2025 €	For the year ended 31 March 2024 €
Wages and salaries	4,721,066	4,488,185
Social security costs	524,642	500,886
Other pension costs (note 18)	257,854	253,816
Share based payment charge (note 17)	<u>402,556</u>	<u>362,245</u>
	<u>5,906,118</u>	<u>5,605,132</u>

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

	For the year ended 31 March 2025 No.	For the year ended 31 March 2024 No.
Sales and distribution	6	6
Administration	<u>33</u>	<u>34</u>
	<u>39</u>	<u>40</u>

### 9. Directors' remuneration

	For the year ended 31 March 2025 €	For the year ended 31 March 2024 €
Aggregate emoluments	<u>1,026,157</u>	<u>971,550</u>
Company pension contributions to defined contribution pension schemes	<u>39,164</u>	<u>41,467</u>

During the year retirement benefits were accruing to 2 directors in respect of defined contribution pension schemes.

During the year 2 directors exercised options in shares of Lenovo Group Limited, and at the year-end 2 directors were entitled to €284,126 (2024: €188,083) in Lenovo Group Limited under long term incentive schemes.

The highest paid director received remuneration of €784,094 (2024: €730,813).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to €28,384 (2024: €30,375).

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 10. Tax on profit

	For the year ended 31 March 2025	For the year ended 31 March 2024
	€	€
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
Corporation tax on profits for the year	359,888	318,792
Income tax withheld	<u>4,356</u>	<u>5,112</u>
<b>Total current tax</b>	<u>364,244</u>	<u>323,904</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	6,385	(6,517)
<b>Deferred tax charge/(credit) for the financial year (note 15)</b>	<u>6,385</u>	<u>(6,517)</u>
<b>Tax on profit</b>	<u>370,629</u>	<u>317,387</u>

The charge for the year can be reconciled to the profit per the Statement of comprehensive income as below:

	For the year ended 31 March 2025	For the year ended 31 March 2024
	€	€
Profit before taxation	<u>2,410,932</u>	<u>2,097,687</u>
Tax on profit before taxation at standard Irish rate of 12.5% (2024: 12.5%)	301,366	262,211
<b>Effects of:</b>		
Expenses not deductible	52,202	46,901
Fixed asset depreciation	31,557	33,155
Amortisation	-	404
Provisions tax adjustment	(5,605)	(42)
Loss on disposal of fixed assets	126	56
Capital allowances	(19,214)	(23,254)
Tax relief at source received	(544)	(639)
Deferred tax movement	6,385	(6,517)
Income Tax withheld	4,356	5,112
<b>Tax charge for the year</b>	<u>370,629</u>	<u>317,387</u>

The Government of Ireland, the jurisdiction in which Lenovo Ireland Limited is incorporated, transposed the Global Minimum Tax Pillar Two rules into domestic legislation as part of the Finance (No. 2) Act 2023 (the 'Finance Act'). The Irish legislation closely follows the EU Minimum Tax Directive and OECD Guidance released to date. The Pillar Two legislation took effect from 1 January 2024 and applies a 15% effective tax rate on the Company's profits. The Pillar Two legislation sets out a detailed and highly complex set of rules on how to calculate the 15% effective tax rate. As a result of these complexities, the accounting effective tax rate is not always indicative of the effective tax rate as calculated under the Pillar Two legislation. In addition, the Pillar Two legislation includes transitional safe harbour provisions, which aim to ease the administrative burden for in-scope companies during the initial periods of the application of the legislation.

While the Group is in scope of the legislation, there was no material income tax expense for the company resulting from the first-time application of the OECD Pillar Two model rules in the 2025 financial year.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 11. Tangible assets

	Leasehold Improvements €	Equipment and Furniture €	Leasing Equipment €	Total €
<b>Cost</b>				
At 1 April 2024	356,587	209,709	875,332	1,441,628
Additions	-	17,124	196,951	214,075
Disposals	<u>-</u>	<u>(33,565)</u>	<u>-</u>	<u>(33,565)</u>
At 31 March 2025	<u>356,587</u>	<u>193,268</u>	<u>1,072,283</u>	<u>1,622,138</u>
<b>Accumulated Depreciation</b>				
At 1 April 2024	353,201	165,166	393,577	911,944
Charge for the year	3,386	20,924	228,147	252,457
Disposals	<u>-</u>	<u>(32,558)</u>	<u>-</u>	<u>(32,558)</u>
At 31 March 2025	<u>356,587</u>	<u>153,532</u>	<u>621,724</u>	<u>1,131,843</u>
<b>Net book value</b>				
At 31 March 2024	<u>3,386</u>	<u>44,543</u>	<u>481,755</u>	<u>529,684</u>
At 31 March 2025	<u>-</u>	<u>39,736</u>	<u>450,559</u>	<u>490,295</u>

During the financial year, tangible fixed assets with a carrying amount of €1,007 were disposed (2024: €451). The assets had a cost of €33,565 and accumulated depreciation and impairment of €32,558. The loss on the disposal of these tangible fixed assets was €1,007 (2024: €451).

### 12. Debtors

	2025 €	2024 €
Trade debtors	10,531,545	7,545,566
Amounts owed by group undertakings	57,083,582	31,082,397
Deferred tax asset (note 15)	20,723	27,108
Prepayments	343	-
	<u>67,636,193</u>	<u>38,655,071</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## Lenovo Ireland Limited

### Notes to the financial statements for the year ended 31 March 2025

#### 13. Creditors: Amounts falling due within one year

	2025 €	2024 €
Trade creditors	3,099,437	2,389,558
Amounts owed to group undertakings	39,756,937	8,723,703
Other creditors	28,070	17,517
Accruals	5,530,070	9,820,733
Deferred income	2,577,115	2,765,546
Corporation tax	223,489	169,065
Value Added Tax	<u>436,035</u>	<u>475,522</u>
	<b><u>51,651,153</u></b>	<b><u>24,361,644</u></b>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand. Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms. Creditors for taxation and social insurance are payable in the timeframe set down in the relevant legislation.

#### 14. Creditors: Amounts falling due after one year

	2025 €	2024 €
Deferred income	<u>3,002,947</u>	<u>3,369,560</u>
	<b><u>3,002,947</u></b>	<b><u>3,369,560</u></b>

Long term deferred income relates to warranty contracts with a period of 1 to 5 years.

#### 15. Deferred tax asset

	2025 €	2024 €
At beginning of year	27,108	20,591
Deferred tax credit/(charge) in the profit and loss account for the year	<u>(6,385)</u>	<u>6,517</u>
At end of year	<b><u>20,723</u></b>	<b><u>27,108</u></b>

The provision for deferred tax consists of the following deferred tax assets:

	2025 €	2024 €
Timing difference on fixed assets	(2,519)	(2,177)
Other timing differences	<u>(18,204)</u>	<u>(24,931)</u>
	<b><u>(20,723)</u></b>	<b><u>(27,108)</u></b>

There were no unused tax losses or unused tax credits.

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 16. Called up share capital

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

	2025 €	2024 €
<b>Allotted called up and fully paid</b>		
2025:1 “ordinary share” (2024: 1 “ordinary share”)	<u>1</u>	<u>1</u>

### 17. Share based payments

#### *Long term incentive programme*

Lenovo Technology Ireland Limited participates in a group operated long term incentive programme. This programme was approved on 26 May 2005 for the purpose of rewarding and motivating directors, executives and top performing employees of the group. The long term incentive programme is designed to attract and retain the best available personnel, and encourage and motivate participants to work towards enhancing the value of the group and its shares by aligning their interests with those of the shareholders of the group.

Under the long term incentive programme, the group may grant awards at its discretion, using one of two types of equity based compensation (i) share appreciation rights and (ii) restricted share units, which are described below.

#### *(i) Share Appreciation Rights (“SARs”)*

SARs entitle the holder to receive the appreciation in value of the group's share price above a pre-determined level. SARs are typically subject to a vesting schedule of up to four years.

#### *(ii) Restricted Share Units (“RSUs”)*

RSUs are equivalent to the value of one ordinary share of the group. Once vested, RSUs are converted to an ordinary share or its cash equivalent. RSUs are typically subject to a vesting schedule of up to four years. Dividends are typically not paid on RSUs.

Under the two types of compensation, the group reserves the right, at its discretion, to pay the award in cash or in ordinary shares of the group.

The group also issued awards to replace outstanding IBM stock options forfeited by employees transferred from IBM. These awards comprised a combination of SAR's and RSU's.

Movements in the number of units of awards granted during the year and their related average fair values are as follows:

	SARs No.	RSUs No.
At 1 April 2024	263,403	580,143
Granted during the year	272,798	257,463
Vested during the year	(170,553)	(322,640)
Cancelled/lapsed during the year	-	(27,865)
Transferred	<u>-</u>	<u>(56,354)</u>
At 31 March 2025	<u><b>365,648</b></u>	<u><b>430,747</b></u>

# Lenovo Ireland Limited

## Notes to the financial statements for the year ended 31 March 2025

### 17. Share based payments (continued)

Average fair value per unit (HK\$)		
At 31 March 2024	1.84	7.69
At 31 March 2025	2.57	9.58

The fair values of the SARs awarded under the long-term incentive program were calculated by applying a Black-Scholes pricing model. For the year ended 31 March 2025, the model inputs were the fair value (i.e. market value) of the Company's shares at the grant date, taking into account the expected volatility of 42.91 percent (31 March 2024: 40.30 percent), expected dividends during the vesting periods of 3.35 percent (31 March 2025: 5.10 percent), contractual life of 4.40 years (31 March 2024: 4.40 years), and a risk-free interest rate of 3.68 percent (31 March 2024: 3.47 percent).

The remaining vesting periods of the awards under the long-term incentive program as at March 31, 2025 ranged from 0.15 to 2.92 years (31 March 2024: 0.14 to 2.92 years).

The charge through the profit and loss account for the year ended 31 March 2025 was €402,556 (2024: €362,245).

The total capital contribution from the parent company as at 31 March 2025 was €2,294,159 (2024: €1,891,603)

### 18. Pension commitments

The company makes contributions into employees' personal pension plans. The total cost of contributions to the scheme in the year was €257,854 (2024: €253,816).

### 19. Commitments

At 31 March the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2025	2024
	€	€
<b>Expiry date:</b>		
<b>Within 1 year</b>	<b>14,973</b>	14,553
<b>Between 2 and 5 years</b>	<b>1,127</b>	43,179

The company has entered into a commitment of €1,000,000 (2024: €1,000,000) in favour of the Revenue Commissioners in Ireland for duty deferment.

### 20. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking of and controlling party is Lenovo Group Limited which is incorporated in Hong Kong. Lenovo Group Limited is the largest group which consolidates these financial statements. Copies of the financial statements of this undertaking may be obtained from 23rd Floor, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong.

The smallest undertaking which consolidates these financial statements is Lenovo International Limited which is incorporated in Hong Kong. Copies of these consolidated financial statements can be obtained from 23rd Floor, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong.

## **Lenovo Ireland Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **21. Post balance sheet events**

There are no post balance sheet events impacting the financial statements since the year end.

#### **22. Approval of financial statements**

The board of directors approved these financial statements for issue on 18 December 2025.