

Fondo Privado de Titulización PYMES 1 Designated Activity Company

Directors' report and audited consolidated financial statements

For the financial year ended 31 December 2024

Registered number 485912

Fondo Privado de Titulización PYMES 1 Designated Activity Company

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Directors and other information

Directors	Niall Vaughan (<i>resigned 31 October 2025</i>) Clara Doyle (<i>appointed 31 October 2025</i>) Brian Kelleher (<i>appointed 28 February 2025</i>) Mark Kinsella (<i>resigned 28 February 2025</i>)	
Registered Office	2nd Floor Block 5, Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Administrator & Company Secretary	Apex Corporate Services (Ireland) Limited 2nd Floor Block 5, Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Bankers	Deutsche Bank, AG, London Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom Deutsche Bank, S.A.E. Paseo de la Castellana, 18 28046-Madrid Spain	
Solicitors	McCann FitzGerald Riverside One Sir John Rogerson's Quay Dublin 2 Ireland	
Independent Auditor	Forvis Mazars (<i>appointed on 28 May 2025</i>) Block 3 Harcourt Centre Harcourt Road, Dublin 2 D02 A339 Ireland	KPMG (<i>resigned on 28 May 2025</i>) Chartered Accountants, Statutory Audit Firm 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Trustee	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	
Servicer	Hipoges Iberia, S.L. Calle Albacete 3, 5 ^a , 28027 Madrid Spain	
Calculation Agent	Titulización de Activos, SGFT, S.A. C/ Orense, 69 Edificio Eurobuilding 2 ^a Planta, 28020 Madrid Spain	

Directors' report

The Directors present their annual report and audited consolidated financial statements of Fondo Privado de Titulización PYMES 1 Designated Activity Company (the "Company") and its wholly owned subsidiary (together the "Group") for the financial year ended 31 December 2024.

Principal activities

The Company was incorporated as a special purpose vehicle ("SPV") and registered in Ireland as a private limited company on 23 June 2010 under the registration number 485912. The address of its registered office is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

The principal activity of the Company is the investment in the Certificados de Transmisión Hipotecaria (the "CTHSs") issued by Banco Sabadell CAM (CAM) ("Charged Assets Issuer"). The transaction was financed through the issuance of two tranches of mortgage backed floating rate notes, Classes A and B (the "Notes") to an aggregate nominal amount of €550,600,000. The Notes are due in July 2046 and interest is payable quarterly based on an interest rate determined by the calculation agent as set out in note 14 to the financial statements.

The Company owns the entire share capital of Crofton Invest, S.L (the "Issuer Subsidiary"), a Spanish-registered entity which acquires legal title to certain foreclosed properties located in Spain and therefore the Company has prepared consolidated financial statements incorporating the Issuer Subsidiary's results. The Company, the Issuer Subsidiary and CAM have entered into an agreement under the terms of which the Company has agreed to lend the Issuer Subsidiary the acquisition price for each foreclosed property.

Business review

The Group is a SPV and its principal activity is the investment in a loan portfolio from funding received through a facility agreement. The best benchmark is compared against prior year financial figures.

The Directors confirm that the key performance indicators as disclosed below in the financial statements are those that are used to assess the performance of the Group.

During the financial year,

- there were no new debt securities issued by the Group and Company (2023: nil);
- the Group and Company made a profit after tax of €875 (2023: €875) and €375 (2023: €375) respectively;
- there were no credit events that affected the Group and the Company;
- Write back of debt securities issued amounted to €988,740 (2023: €1,539,650) for the Group and Company; and
- A reversal of provision for impairment on loans and receivables amounted to €321,619 (2023: a provision for impairment of €1,091,567) for the Group

As at 31 December 2024:

- the carrying value of the Group's and Company's total assets were €4,345,111 (2023: €6,051,088) and €4,228,628 (2023: €5,757,105) respectively;
- the carrying value of the Group's and Company's total debt securities issued were €3,982,324 (2023: €5,505,151);
- the carrying value of the Group's and Company's net assets were €11,127 (2023: €10,252) and €5,626 (2023: €5,251) respectively.

There has been no significant change in those activities outlined above during the financial year. The Directors do not anticipate any material changes to the nature or volume of the business in the foreseeable future.

Key performance indicators

	Group	
	31-Dec-24	31-Dec-23
	€	€
Results for the year after tax	875	875
Net assets	11,127	10,252
Loans and receivables	1,030,213	1,676,418

Future developments

The Directors do not anticipate any material changes to the nature or volume of the business in the foreseeable future as the Notes issued will mature in 2046. The Board of Directors (the "Board") will continue to seek new opportunities for the Company and will continue to ensure proper management of the current portfolio of Notes issued of the Company.

Going concern

The Group's and Company's financial statements for the financial year ended 31 December 2024 have been prepared on a going concern basis. The Directors anticipate that the loans and receivables will continue to generate enough cash flow on an ongoing basis to meet the Group's liabilities as they fall due. The Group made a profit after tax income of €875 (2023: €875) in the current financial year. The facility agreement will mature on 26 July 2046. For these reasons, the Directors believe that the going concern basis is appropriate.

Results and dividends for the financial year

The results for the financial year are set out on page 9. The Directors do not recommend the payment of a dividend for the financial year under review (2023: €nil).

Changes in Directors, secretary and registered office

On 28 February 2025:

- Mark Kinsella resigned as a Director of the Company and
- Brian Kelleher was appointed as a Director of the Company.

On 31 October 2025:

- Niall Vaughan resigned as a Director of the Company and
- Clara Doyle was appointed as a Director of the Company.

There were no other changes in Directors, secretary or registered office during the financial year and/or since the financial year end.

Directors' report (continued)**Directors, secretary and their interests**

The Directors and secretary, who held office on 31 December 2024, did not hold any shares or debentures in the Company or the Group at that date, or during the financial year. Except for the Corporate Services Agreement entered into by the Company with Apex Corporate Services (Ireland) Limited "Apex", there were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, as defined in Section 309 of the Companies Act 2014 (the "Act") as amended, at any time during the financial year. The Directors who held office as at 31 December 2024 are Mark Kinsella and Niall Vaughan.

Shares and shareholders

The authorised share capital of the Company is €100,000 divided into 100,000 shares of €1 each (the "Shares") of which 1 share has been issued and is directly held by Vistra Capital Markets (Ireland) Limited (the "Share Trustee"). All shares are held under the terms of the declaration of trust dated 30 June 2010, under which the relevant share trustee holds the issued share of the Company on trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit from its holding of the shares. There are no other rights that pertain to the shares and the shareholders.

Principal risks and uncertainties

The Group and Company are subject to various risks. The key risks facing the Group and Company and the manner in which these risks have been dealt with are disclosed in note 20 and note 22 to the financial statements.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with an entity's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risks arise from all of the Group's operations. The Company was incorporated with the purpose of engaging in those activities outlined in Note 1 to the financial statements. The Group limits its exposure to operational risks by outsourcing all management and administration functions to Apex Corporate Services (Ireland) Limited.

Transfer of shares

The instrument of transfer of any share shall be executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register in respect thereof. The Directors, in their absolute discretion and without assigning any reason therefore, may decline to register any transfer of a share. If the Directors refuse to register a transfer they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

Subsequent events

All subsequent events have been disclosed in note 23 to the financial statements.

Research and development costs

The Company did not incur any research and development costs during the financial year (2023: €nil).

Commitments and contingencies

As at 31 December 2024, the Group did not have any other commitments, contingencies or guarantees.

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 December 2024 (2023: nil).

Directors' compliance statement

At this present time, the Company is operating within the balance sheet and turnover threshold limits as set out under Section 225 (7) of the Act, which enables the Company to avail of an exemption to the Compliance Policy Statement obligations. Accordingly, the Directors are not required to include a Compliance Statement in their statutory Directors' report for the financial year ended 31 December 2024.

Statement of relevant audit information

The Directors confirm that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware of; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Audit committee

As at the date of these financial statements, the Company is operating within the balance sheet and turnover threshold limits as set out under Section 167(1) of the Act, and as such the Company does not meet the requirements to establish an audit committee for the financial year ended 31 December

Accounting records

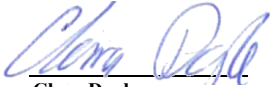
The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Act, with regards to maintaining adequate accounting records by employing service providers who employ accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

Directors' report (continued)

Independent auditors

In accordance with section 383(2) of the Act, Forvis Mazars Statutory Audit Firm have been appointed as independent auditors in office on the 28th May 2025.

On behalf of the Board



Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

Directors' responsibility statement

The Directors are responsible for preparing the Director's Report and the Group and Company financial statements (the "financial statements"), in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and applicable law.

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

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

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Group and Company and which enable them to ensure that the financial statements of the Group and Company are prepared in accordance with applicable IFRS, as adopted by the EU and comply with the provisions of the Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Act.

On behalf of the Board

Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

Independent auditor's report to the members of Fondo Privado de Titulizacion Pymes 1 Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Fondo Privado de Titulizacion Pymes 1 Designated Activity Company (the "Company"), for the year ended 31 December 2024, which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group and Company Statement of Changes in Equity, the Group Statement of Cash Flows and the Company Statement of Cash Flows, and notes to the financial statements, including the summary of material accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Companies Act 2014 and the International Financial Reporting Standards (IFRS).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024, and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report and financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the 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.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Tuohy
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 19 December 2025

Group statement of comprehensive income
For the financial year ended 31 December 2024

	Notes	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
		€	€
Income			
Interest income calculated using the effect interest rate method	4	264,627	528,856
Gains on sale of inventories		223,230	572,131
Other income		19,090	7,516
Net income		<u>506,947</u>	<u>1,108,503</u>
Expenses			
Interest expense	5	(291,328)	(462,283)
Write back of debt securities issued at amortised cost		988,740	1,539,650
Other expenses	6	(881,740)	(1,093,303)
Provision for impairment of loans and receivables	9	(321,619)	(1,091,567)
Operating profit before taxation		<u>1,000</u>	<u>1,000</u>
Income tax expense	7	(125)	(125)
Profit for the financial year		<u>875</u>	<u>875</u>
Other comprehensive income		-	-
Total comprehensive income for the financial year		<u><u>875</u></u>	<u><u>875</u></u>

All items dealt with in arriving at the total comprehensive income for the financial years ended 31 December 2024 and 31 December 2023 related to continuing operations.

Group statement of financial position
As at 31 December 2024

	Notes	31-Dec-24	31-Dec-23
		€	€
Assets			
Cash and cash equivalents	11	1,662,553	2,593,901
Other receivables	12	442,855	116,009
Inventories	13	1,209,490	1,664,760
Loans and receivables	9	1,030,213	1,676,418
Total assets		<u>4,345,111</u>	<u>6,051,088</u>
Liabilities and equity			
Liabilities			
Other payables	15	351,660	535,685
Debt securities issued at amortised cost	14	3,982,324	5,505,151
Total liabilities		<u>4,333,984</u>	<u>6,040,836</u>
Equity			
Called up share capital presented as equity	16	1	1
Retained earnings		11,126	10,251
Total equity		<u>11,127</u>	<u>10,252</u>
Total liabilities and equity		<u>4,345,111</u>	<u>6,051,088</u>

On behalf of the Board



Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

The accompanying notes on pages 15 to 29 form part an integral part of these financial statements.

Company statement of financial position
As at 31 December 2024

	Note	31-Dec-24	31-Dec-23
		€	€
Assets			
Cash and cash equivalents	11	914,743	1,150,280
Other receivables	12	102,114	53,658
Investment in equity	8	3,100	3,100
Loans and receivables	9	1,030,213	1,676,418
Intercompany loan	10	2,178,458	2,873,649
Total assets		<u>4,228,628</u>	<u>5,757,105</u>
Liabilities and equity			
Liabilities			
Other payables	15	240,678	246,703
Debt securities issued at amortised cost	14	3,982,324	5,505,151
Total liabilities		<u>4,223,002</u>	<u>5,751,854</u>
Equity			
Called up share capital presented as equity	16	1	1
Retained earnings		5,625	5,250
Total equity		<u>5,626</u>	<u>5,251</u>
Total liabilities and equity		<u>4,228,628</u>	<u>5,757,105</u>

On behalf of the Board



Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

The accompanying notes on pages 15 to 29 form part an integral part of these financial statements.

**Group and Company statement of changes in equity
For the financial year ended 31 December 2024**

Group

	Called up share capital presented as equity €	Retained earnings €	Total €
Balance as at 1 January 2023	1	9,376	9,377
<i>Total comprehensive income for the financial year:</i>			
Profit for the financial year - 2023	-	875	875
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2023	1	10,251	10,252
Balance as at 1 January 2024	1	10,251	10,252
<i>Total comprehensive income for the financial year:</i>			
Profit for the financial year - 2024	-	875	875
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2024	1	11,126	11,127

Company

	Called up share capital presented as equity €	Retained earnings €	Total €
Balance as at 1 January 2023	1	4,875	4,876
<i>Total comprehensive income for the financial year:</i>			
Profit for the financial year - 2023	-	375	375
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2023	1	5,250	5,251
Balance as at 1 January 2024	1	5,250	5,251
<i>Total comprehensive income for the financial year:</i>			
Profit for the financial year - 2024	-	375	375
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2024	1	5,625	5,626

The accompanying notes on pages 15 to 29 form part an integral part of these financial statements.

Group statement of cash flows**For the financial year ended 31 December 2024**

	Notes	Financial year ended 31-Dec-24 €	Financial year ended 31-Dec-23 €
Net cash flows from operating activities			
Profit from ordinary activities after taxation		875	875
<i>Adjustments for:</i>			
Gain on sale of inventories		(223,230)	(572,131)
Provision for impairment of loans and receivables	9	321,619	1,091,567
Write down on debt securities issued at amortised cost	14	(712,838)	(1,063,366)
Interest expense	5	291,328	462,283
Net interest income	4	(264,627)	(528,856)
Cash used in operating activities before movements in working capital		<u>(586,873)</u>	<u>(609,628)</u>
(Increase)/decrease in other receivables	12	(326,846)	406,379
Decrease in other payables	15	(184,025)	(71,919)
Decrease in inventories		678,500	1,462,906
Net cash (used in)/generated from operating activities		<u>(419,244)</u>	<u>1,187,738</u>
Cash flows from investing activities			
Proceeds from repayment of loans and receivables	9	589,212	299,202
Net cash generated from investing activities		<u>589,212</u>	<u>299,202</u>
Cash flows from financing activities			
Repayment of interest for debt securities issued at amortised cost	14	(1,101,316)	(1,140,439)
Net cash used in financing activities		<u>(1,101,316)</u>	<u>(1,140,439)</u>
Net (decrease)/increase cash and cash equivalents		(931,348)	346,501
Cash and cash equivalents at beginning of the financial year		2,593,901	2,247,400
Cash and cash equivalents at end of the financial year	11	<u>1,662,553</u>	<u>2,593,901</u>

The accompanying notes on pages 15 to 29 form part an integral part of these financial statements.

Company statement of cash flows
For the financial year ended 31 December 2024

	Note	Financial year ended 31-Dec-24 €	Financial year ended 31-Dec-23 €
Cash flows from operating activities			
Profit from ordinary activities after taxation		375	375
<i>Adjustments for:</i>			
Provision for impairment of loans and receivables	9	321,619	1,091,567
Provision for/(reversal of) impairment on intercompany loan	10	(46,524)	(174,692)
Write down on debt securities issued at amortised cost	14	(712,838)	(1,063,366)
Interest income on intercompany loan	12	(48,456)	(115,952)
Interest expense	5	291,328	462,283
Interest income on loans and receivables	4	(264,627)	(528,856)
Cash used in operating activities before movements in working capital		<u>(459,123)</u>	<u>(328,641)</u>
Decrease in other receivables		-	150
Decrease in other payables	15	(6,025)	(383)
Net cash used in operating activities		<u>(465,148)</u>	<u>(328,874)</u>
Cash flows from investing activities			
Proceeds from repayment of loans and receivables	9	589,212	299,202
Intercompany loans advanced	10	(538,275)	(76,808)
Proceeds from intercompany loans repayments	10	1,279,990	512,727
Interest received on intercompany loans		-	62,294
Net cash generated from investing activities		<u>1,330,927</u>	<u>797,415</u>
Cash flows from financing activities			
Repayment of interest for debt securities issued at amortised cost	14	(1,101,315)	(1,140,439)
Net cash used in financing activities		<u>(1,101,315)</u>	<u>(1,140,439)</u>
Net decrease in cash and cash equivalents		(235,536)	(671,898)
Cash and cash equivalents at beginning of the financial year		1,150,280	1,822,178
Cash and cash equivalents at end of the financial year	11	<u>914,744</u>	<u>1,150,280</u>

The accompanying notes on pages 15 to 29 form part an integral part of these financial statements.

Notes to the financial statements**For the financial year ended 31 December 2024****1 General information**

The Company was incorporated as a special purpose vehicle ("SPV") and registered in Ireland as a private limited company on 23 June 2010 under the registration number 485912. The address of its registered office is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

The principal activity of the Company is the investment in the Certificados de Transmisión Hipotecaria (the "CTHSs") issued by Banco Sabadell CAM (CAM) ("Charged Assets Issuer"). The transaction was financed through the issuance of two tranches of mortgage backed floating rate notes, Classes A and B (the "Notes") to an aggregate nominal amount of €550,600,000. The Notes are due in July 2046 and interest is payable quarterly based on an interest rate determined by the calculation agent as set out in note 14 to the financial statements.

The Company owns the entire share capital of Crofton Invest, S.L (the "Issuer Subsidiary"), a Spanish-registered entity which acquires legal title to certain foreclosed properties located in Spain and therefore the Company has prepared consolidated financial statements incorporating the Issuer Subsidiary's results. The Company, the Issuer Subsidiary and CAM have entered into an agreement under the terms of which the Company has agreed to lend the Issuer Subsidiary the acquisition price for each foreclosed property.

The Company has no direct employees and operates through an appointed corporate service provider as outlined on page 1 of the financial statements.

2 Basis of preparation**(a) Statement of compliance**

These Group and Company financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standard Board (IASB) as adopted by the European Union ("EU"), as applied in accordance with the Act.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2024; the comparative information for the year ended 31 December 2023 presented in these financial statements has been prepared on a consistent basis.

Going concern

The Group's and Company's financial statements for the financial year ended 31 December 2024 have been prepared on a going concern basis. The Directors anticipate that the loans and receivables will continue to generate enough cash flow on an ongoing basis to meet the Group's liabilities as they fall due. The Group made a profit after tax income of €875 (2023: €875) in the current financial year. The facility agreement will mature on 26 July 2046. For these reasons, the Directors believe that the going concern basis is appropriate.

In determining the going concern basis of preparation of the financial statements, the directors have considered the cash position and available resources of the Group and related forecasts, which show that based on the current information that the Group would continue as a going concern for the foreseeable future. The directors continue to keep the situation and the impact on the Group under review, with the support of key service providers.

Statement of Comprehensive Income of the Company

In accordance with Section 304(2) of the Act, a separate Statement of Comprehensive Income for the Company has not been presented. The total profit and comprehensive income of the Company for the year ended was €375 (2023: €375).

(b) Basis of consolidation

A subsidiary is an entity controlled by the Company in accordance with IFRS 10. Control exists when the Company has the power, directly or indirectly, to govern the operating and financial policies of an entity in order to gain economic benefits. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. Financial statements of the subsidiary are made up to the reporting date.

Name of entity	Domicile	Registered office	% of holdings	Nature of business	
				31-Dec-24	31-Dec-23
Crofton Invest, S.L	Spain	Calle Principe de Vergara, 131, 29603 Marbella, Málaga, Spain	100		Foreclosed properties
				€	€
Loss after tax				(276,913)	(1,332,963)
Net assets				1,222,987	499,441

All intra-group transactions and balances and any income, expenses or unrealised profits are eliminated while preparing the consolidated financial statements.

IFRS 10 established a new control-based model for consolidation that replaced the previous requirement of both IAS 27 and SIC 12 Consolidation - Special Purpose Entities. To meet the definition of a subsidiary under the single control of IFRS 10, the investor has to control the investee. The determination of control involves an assessment of power, exposure to variability of returns and a linkage between the two:

- (i) The investor has existing rights to give it the ability to direct the relevant activities that significantly affect the investee's returns;
- (ii) The investor has exposure or rights to variable returns from its involvement with the investee; and
- (iii) The investor has the ability to use its power over the investee to affect the amount of the investor's returns.

For the purpose of making this IFRS 10 assessment of power in (ii) above, the 'relevant activities' are the management activities of the real estate asset portfolio as these are the activities that significantly affect investor returns. These activities are performed by Hipoges Iberia S.L ("the Servicer"), as agent, effectively for the Company.

Power over the relevant activities is determined by contractual agreements between the Subsidiary and the Servicer. The Subsidiary has a narrow and well defined objective and is operated for the sole benefit of the shareholder. Applying the principal versus agent guidance in IFRS 10, the Directors consider that the Servicer is an agent acting on behalf of the Company and that the Company has effectively delegated power over its activities when it made its investment in the Subsidiary.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

2 Basis of preparation (continued)

(b) Basis of consolidation (continued)

Furthermore, IFRS 10 requires that where an entity is a parent in line with IFRS 10, it assesses whether it meets the definition of an Investment Entity ("IE"). If the parent meets the IE definition, it shall not consolidate certain of its subsidiaries; instead, it is required to measure its investments in these subsidiaries at fair value through profit or loss ("FVTPL").

In determining whether the Company met the definition of an IE as set out in IFRS 10, the Directors considered all facts and circumstances of the Company, including its purpose and design.

The Directors are of the opinion that the Company does not qualify as an IE, as it does not meet one of the three mandatory characteristics, namely that is set out in IFRS 10.27(c) requiring the measurement and evaluation of the performance of substantially all of its investments on a fair value

(c) Net standards, amendments or interpretations

(i) Standards effective for annual periods beginning on or after 1 January 2024

The following standards were effective during the financial year:

Description	Effective date :
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 Leases: Lease liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 Statement of Cash Flows	1 January 2024
IFRS 7 Financial Instruments Disclosures: Supplier Finance Arrangements	1 January 2024

Standards applicable to future reporting years

Description	Effective date :
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to IFRS 7 and 9 - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements **	1 January 2027

**Not endorsed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the upcoming requirements are applicable to the Group, it will apply them from their EU effective date.

The Directors have considered the new standards as detailed in the above table and does not plan to adopt these standards early. The application of the above standards will be considered in detail in advance of a confirmed effective date by the Group. The Directors do not expect these standards to have a material impact on the disclosures in the financial statements.

(d) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Loans and receivables are measured at amortised cost;
- Inventories are stated at the lower of cost and net realisable value;
- Debt securities issued Class A are measured at amortised cost;
- Debt securities issued Class B measured at fair value through profit or loss;
- Investment in equity is measured at cost less impairment; and
- Intercompany loan measured at amortised cost.

(e) Functional and presentation currency

These financial statements are presented in Euro ("€") which is the Company functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The issued share capital of the Company is denominated in Euro and the loans and receivables, inventories and debt securities issued are also primarily denominated in Euro and the Directors of the Company believe that these most faithfully represent the economic effects of the underlying transactions, events and conditions. Transactions in currencies other than Euro are recorded at the rate of exchange prevailing on the dates of transactions.

(f) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are disclosed in note 3 (e) - note 21 to the financial statements. Fair value disclosures in the financial statements involve significant judgements and could be materially different if a different set of assumptions are used by a third party.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

3 Material accounting policies

(a) Net income and expense

Net income and expense are recognised in the Statement of Comprehensive Income for all instruments measured at amortised cost using the effective interest rate method.

(b) Expenses

All other expenses are accounted for on an accruals basis.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short term commitments.

(d) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Group's and Company's activities enacted or substantively enacted at the reporting date, and adjustment to tax payable in respect of previous financial years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries, associates and joint arrangements to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

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

(e) Financial instruments

The financial instruments held by the Group and Company include the following:

- Loans and receivables;
- Debt securities issued;
- Other receivables and payables;
- Investment in equity;
- Intercompany loan.

Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities at fair value on the trade date which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

The Company has determined that it has the business model as described below.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Classification of financial assets

On initial recognition, the Company classifies financial assets as measured at amortised cost or FVOCI.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

3 Material accounting policies (continued)

(e) Financial instruments (instruments)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the servicer is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity; and
- financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

The Company has determined it has the following business model:

Held-to-collect business model: this includes cash and cash equivalents, other receivables, intercompany loan and loans and receivables. These financial assets are held both to collect contractual cash flows.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest ("SPPI")

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities at amortised cost:

- This includes other payables and debt securities issued (Class A Notes) at amortised cost.

Financial liabilities at FVTPL:

- This includes debt securities issued (Class B Notes) at FVTPL.

Financial liabilities measured at amortised cost are measured using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

3 Material accounting policies (continued)

(e) Financial instruments (continued)

Impairment

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and are charged to profit or loss.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(f) Provision and Contingent Liabilities

The Group recognizes a provision for potential loss only when there is a present obligation arising from a past event that is probable to result in an economic outflow that can be reliably estimated. Where a reliable estimate cannot be made for such an obligation, no provision is recognized and the obligation is deemed a contingent liability. Contingent liabilities also include possible obligations for which the possibility of future economic outflow is more than remote but less than probable.

In determining for which claims the possibility of a loss is probable, or less than probable but more than remote, and then estimating the possible loss for those claims, the Group takes into consideration a number of factors, including but not limited to the nature of the claim and its underlying facts.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

3 Material accounting policies (continued)

(g) Loans and receivables

The Group classifies its financial assets of Certificados de Transmisión Hipotecaria (the “CTHs”) as Loans and Receivables.

The CTHs were initially measured at fair value. Subsequently to initial recognition, they were measured at amortised cost in accordance with IFRS 9. Interest income is calculated on an effective interest rate method and any ECL allowance will be recognised in the statement of comprehensive

(h) Debt securities issued

Debt securities issued measured at amortised cost - Class A Notes

The debt securities issued are initially measured at fair value adjusted for initial direct costs and are subsequently measured at amortised cost using the effective interest rate method.

Subsequent to initial recognition, these interest-bearing borrowings are stated at amortised cost with any difference between cost and estimated redemption value being recognised in the Statement of Comprehensive Income over the financial year of the borrowings on an effective interest rate basis.

The amortised cost of the liability is the amount at which the liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount recognised and the estimated maturity amount.

Debt securities issued measured at fair value through profit or loss - Class B Notes

The debt securities issued are initially measured at fair value and are designated as liabilities at fair value through profit or loss as they contain an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

(i) Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on re-translation of monetary assets and liabilities at year end and on settlement of foreign currency transactions are recognised in the Statement of Comprehensive Income.

(j) Share capital

The share capital is issued in Euro.

(k) Other receivables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(l) Trade and other payables

Trade and other payables are not interest-bearing and are stated at amortised cost.

(m) Intercompany loan

Intercompany loans are generally measured at amortised cost. On initial recognition, these will be measured at fair value discounted at the market rate of interest for similar debt instrument. Interest is then recognised in profit or loss as the discount unwinds over the life of the loan.

A loan below the market interest rate is recorded on initial recognition at less than its nominal amount. The difference between the amount initially recognised and the amount payable on the maturity of the loan will be recognised directly in equity, as a transaction with the shareholder. If the loan is from the parent to the subsidiary, this difference is treated as a capital contribution, whereas if the loan is from the subsidiary to the parent then it is treated as a distribution.

(n) Inventories

When the Company's CTHs fall into default, the Company forecloses upon the underlying real estate assets. The Group's inventories include foreclosed-upon real estate assets held for sale in the ordinary course of business.

Inventories are stated at the lower of cost and net realisable value.

When inventories are sold and income is recognised, the carrying amount of those inventories is recognised as an expense. Any write-down to net realisable value and any inventory losses are also recognised as an expense when they occur.

(o) Investment in equity

The Company's investment in its Issuer Subsidiary is stated at cost less any provision for impairment.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

4 Interest income calculated using the effect interest rate method	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	€	€
Interest income on loans and receivables	264,627	528,856

5 Interest expense	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	€	€
Interest expense on debt securities issued at amortised cost	(291,328)	(462,283)

6 Other expenses	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	€	€
Subsidiary expenses	(416,911)	(761,171)
Professional fees	(298,331)	(242,226)
Audit fees	(67,650)	(76,992)
Servicer fee	(73,333)	(5,267)
VAT expenses	(18,750)	(738)
Tax compliance fees	(6,765)	(6,150)
Bank charges	-	(759)
	(881,740)	(1,093,303)

Apex Corporate Services (Ireland) Limited has been appointed as Administrator and accordingly the Company has no employees (2023: none).

The Directors are not remunerated for their services. The Directors are employees of the Administrator.

Auditor's remuneration (excluding VAT)	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	€	€
Statutory audit*	(85,000)	(92,595)
Tax advisory services	(5,591)	(5,083)
	(90,591)	(97,678)

*Statutory audit fee for 2024 of €55,000 is due to Forvis Mazars Ireland (2023: €62,595 due to KPMG Ireland). The Issuer Subsidiary financial statements audit fees amounted to €30,000 as per KPMG Madrid (2023: €30,000).

7 Income tax expense	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
<i>Recognised in the statement of comprehensive income</i>		
Irish corporation tax	(125)	(125)
	(125)	(125)
Reconciliation of effective tax rate		
Profit before taxation	1,000	1,000
Income tax expense	(125)	(125)
Profit after taxation	875	875
Tax using the Irish corporation tax rate of 12.5% (2023: 12.5%)	(125)	(125)
Effect of tax rates in foreign jurisdictions	-	-
Total tax expense included in profit or loss	(125)	(125)

Foreign tax and effect of tax rates in foreign jurisdictions relates to corporation tax charged on profits earned by the Issuer Subsidiary in Spain at a rate of 25% (2023: 25%)

8 Investment in equity	31-Dec-24	31-Dec-23
	€	€
Investment in equity undertakings	3,100	3,100

The Company owns the entire share capital of Crofton Invest, S.L (the "Issuer Subsidiary"). The Company acquired 3,100 ordinary shares at €1 each in the Issuer Subsidiary. The Directors have reviewed the carrying value of investments in the subsidiary undertaking at the financial year end and are satisfied that the carrying value is appropriate and that no indicators of impairment exist. Investment in equity is non-current.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

8 Investment in equity (continued)

Group undertakings

The Subsidiary undertaking of the Group is Crofton Invest, S.L (the “Issuer Subsidiary”), a Spanish-registered entity. The Company has acquired 100% of the share capital of the Issuer Subsidiary. The Company shall be entitled to exercise the voting rights attached to the shares. The principal activity of the Issuer Subsidiary is the investment in foreclosed properties located in Spain.

The Company’s investment in its Subsidiary is stated at cost less any provision for impairment.

	Group and Company	
	31-Dec-24	31-Dec-23
	€	€
9 Loans and receivables	<u>1,030,213</u>	<u>1,676,417</u>
Loans and receivables		
Balance at beginning of the financial year	1,676,417	814,504
<i>Cash transaction:</i>		
Loan repayments during the financial year	(589,212)	(299,202)
<i>Non cash transactions:</i>		
Interest accrued	264,627	528,856
Provision for impairment of loans and receivables	(321,619)	(1,091,567)
Balance at end of the financial year	<u>1,030,213</u>	<u>1,676,417</u>

10 Intercompany loan

	Company	Company
	31-Dec-24	31-Dec-23
	€	€
Balance at start of the financial year	2,873,649	3,134,876
<i>Cash transactions</i>		
Loans advanced during the financial year	538,275	76,808
Loan repayments during the financial year	(1,279,990)	(512,727)
(Provision for)/reversal of impairment during the financial year	46,524	174,692
Balance at end of the financial year	<u>2,178,458</u>	<u>2,873,649</u>

The enforcement of rights under the CTHs are initiated and subsequently awarded to the Company. Once this occurs, the foreclosed properties are transferred to the Issuer Subsidiary for which the Company grants a loan to the Issuer Subsidiary to fund this purchase. Alternatively, the Issuer Subsidiary can also bid for the property underlying the CTHs through public auction directly, pursuant to the foreclosure process, by means of a cash bid. For these the cash bids, additional funds may be required and occasionally requested as additional advances under the intercompany loan. The intercompany loan is non-current.

The Company has issued an intercompany loan to the Issuer Subsidiary controlled and consolidated by the Group.

11 Cash and cash equivalents

	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	€	€	€	€
Cash at banks	<u>1,662,553</u>	<u>914,743</u>	<u>2,593,901</u>	<u>1,150,280</u>

Cash and cash equivalents are current.

12 Other receivables

	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	€	€	€	€
Other receivables	442,855	-	116,009	-
Interest income receivable on intercompany loan	-	102,114	-	53,658
	<u>442,855</u>	<u>102,114</u>	<u>116,009</u>	<u>53,658</u>

Prepayments and other receivables mainly includes prepaid expenses and cash on deposit with Spanish Courts by the Issuer Subsidiary and Company. All other receivables are current.

Refer to note 20 to the financial statements for credit risk and currency risk disclosures relating to other receivables.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

13 Inventories

Group	31-Dec-24	31-Dec-23
	€	€
Inventories	1,209,490	1,664,760

Inventories are real estate assets held as a result of foreclosed loans ("CTHs"). Inventories are current.

There was reversal of impairment in relation to inventories including inventories sold recognised of €1,758,566 (2023: €5,634,669).

14 Debt securities issued

	Group and Company	
<i>Debt securities issued measured at amortised cost (Class A Notes)</i>	31-Dec-24	31-Dec-23
	€	€
Movements		
At beginning of the financial year including accrued interest	5,505,151	7,246,673
Interest accrued	291,328	462,283
Repayment of interest during the financial year	(1,101,315)	(1,140,439)
Write down during the financial year	(712,838)	(1,063,366)
Balance at end of the financial year	3,982,326	5,505,151

	Group and Company	
<i>Debt securities issued measured at fair value (Class B Notes)</i>	31-Dec-24	31-Dec-23
	€	€
Movements		
At beginning of the financial year including accrued interest	-	-
Interest accrued	-	-
Repayment of interest during the financial year	-	-
Write down during the financial year	-	-
Balance at end of the financial year	-	-

No amount of principal or interest will be paid in respect of the Class B Notes until such time as the Class A Notes have been redeemed in full. The Class B Notes have a fair value of €Nil (2023: €Nil) due to the fact that the amount available to pay Class A Noteholders as at 31 December 2024 of €3,982,326 (2023: €5,505,151) is lower than the outstanding nominal values of the Class A Notes.

Notes issued	Maturity date	Nominal	Nominal
		31-Dec-24	31-Dec-23
		€	€
Class A	26 July 2046	270,975,249	270,975,249
Class B	26 July 2046	144,750,000	144,750,000
		415,725,249	415,725,249

*Maturity analysis	31-Dec-24	31-Dec-23
	€	€
> 5 years	3,982,326	5,505,151

The Directors consider that the timing of the repayment of the Notes is uncertain given that the timing of such payments is dependent on the receipt of interest and principal amounts yielded by the assets if not otherwise redeemed, purchased or cancelled.

Interest on the debt securities issued, subject to the available interest funds priority of payments, available principal funds priority of payments or as the case may be, the enforcement priority of payments as set out in the trust deed, are payable quarterly in arrears equal to the sum of six months EURIBOR and the applicable margin as defined below:

Class of Notes	Margin
Class A	0.20% per annum
Class B	1.00% per annum

All classes of debt securities issued are collectively linked to the performance of the entire Certificados de Transmisión Hipotecaria. Prior to each quarterly payment date, the Group receives available distribution amounts and then makes payments on the pre-determined priority of payments in the order set out under application of available interest funds in the Trust Deed.

In the case of each class of debt securities issued, an interest amount equal to any shortfall in payment of any quarterly payment date of the interest amount accrued in the preceding quarterly payment period shall be deferred and shall, to the extent of funds available, be payable on the next quarterly payment date in accordance with the available interest funds priority of payments. Debt securities issued are non-current.

15 Other payables

	Group	Company	Group	Company
<i>Creditors - Amounts falling due within one year</i>	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	€	€	€	€
Accrued expenses	348,185	237,203	532,335	243,353
Other payable	3,100	3,100	3,100	3,100
Provision for corporation tax	375	375	250	250
	351,660	240,678	535,685	246,703

All other payables are current.

Refer to note 20 to the financial statements for currency risk and liquidity risk disclosures relating to other payables.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

16 Called up share capital presented as equity	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	€	€	€	€
<u>Authorised</u>				
100,000 shares of €1 each	100,000	100,000	100,000	100,000
<u>Issued and paid</u>				
1 share of €1 each	1	1	1	1

17 Ownership of the Company

The sole shareholder of the Company is Apex Corporate Services (Ireland) Limited holding 100% share in the Company. The share is held on trust for a charity.

The Directors have considered the issue as to who is the controlling party of the Company and as Deutsche Bank holds the Notes issued by the Company it is deemed to control the Company. The results of the Company and Group are consolidated by Deutsche Bank AG. These financial statements are available upon request from Investor Relations, Deutsche Bank, or online at www.db.com. The Company's ultimate controlling party is Deutsche Bank (the "Sole Noteholder"). On 30 December 2014, Deutsche Bank acquired 100% of the debt securities issued.

18 Charges

The Notes issued by the Company are principally secured by way of a deed of charge over the Company's bank account and a deed of pledge over its credit rights arising from the agreements in place between the Company, the Issuer Subsidiary, and the Noteholder.

19 Transactions with related parties

The Group and Company have identified the following transactions and balances which are required to be disclosed in accordance with the criteria set out in International Accounting Standards 24 "Related Party Transactions".

For the Group and Company

Transactions with the administrator

The Company has entered into a Corporate Services Agreement ("CSA") with Apex for the provision of corporate services. Under the terms of the CSA, €33,315 (2023: €33,709), was paid to the Administrator for these services during the financial year.

Transactions with Directors

There were no direct transactions which arose with the Directors and the Directors received no remuneration during the financial year (2023: €nil). Refer to note 6 to the financial statements.

Transaction with Deutsche Bank

The Company is controlled by Deutsche Bank.

Deutsche Bank is the sole noteholder of the debt securities issued by the Company. On 30 December 2014, Deutsche Bank acquired 100% of the debt securities issued.

The outstanding closing nominal balance of Class A Notes and Class B Notes were €270,975,249 (2023: €270,975,249) and €144,750,000 (2023: €144,750,000), respectively. During the year, the Company paid interest on Class A Notes amounting to €1,101,315 (2023: €1,140,439) and partially repaid principal of €nil (2023: €nil).

During the financial year, interest expense on debt securities amounted to €291,328 (2023: €462,283) of which €nil (2023: €nil) was paid.

Transactions with Crofton Invest, S.L (the "Issuer Subsidiary")

The Company has advanced €538,275 (2023: €76,808) as an intercompany loan to its Issuer Subsidiary during the financial year. The Issuer Subsidiary repaid principal of €1,279,990 (2023: €512,727) and interest of €nil (2023: €62,294) to the Company during the financial year. The closing balance of the intercompany loan was €2,178,458 (2023: €2,873,649) as at 31 December 2024 including accrued interest of €102,114 (2023: €53,658).

The carrying value of the investment in the Issuer Subsidiary at the financial year end was €3,100 (2023: €3,100).

There were no other related party transactions during the financial year.

20 Financial risk management

Introduction and overview

The Company was incorporated with the purpose of participating in the securitisation of a portfolio of receivables, which was financed by the issuance of Notes. The Company is not engaged in any other activities.

The risk profile of the Company is such that market, credit, liquidity and other risks of its investments and the Subsidiary's investments are borne fully by the holders of the debt securities issued.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the Company's risk management framework.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

20 Financial risk management (continued)

The Group and Company have exposure to the following risks from their use of financial instruments:

- Credit risk;
- Market risk; and
- Liquidity risk.

Credit risk

Credit risk is the risk of the financial loss to the Group and Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group and Company's credit linked assets.

The exposure to any credit risk is substantially hedged by the Noteholders. Any reduction in the value of the CTH will be matched by a reduction in the repayment obligations of the Notes. The carrying amount of financial assets represents the maximum credit exposure.

Please refer to note 3(e) to the financial statements for the Group and Company's credit risk management policies.

During the financial year, a reversal of provision for impairment on loans and receivables of €130,892 (2023: a provision of impairment on loans and receivables of €1,091,567) was recorded for the Group and Company.

Impairment provisions as at 31 December 2024 and 31 December 2023 were as follows:

	Group and 31-Dec-24 Company	Group and 31-Dec-23 Company
ECL provisions:		
Purchased or credit impaired on initial recognition ("POCI").	(321,619)	(1,091,567)
	<u>(321,619)</u>	<u>(1,091,567)</u>
ECL provisions reconciliation:		
Opening loss allowance	(153,653,659)	(152,562,092)
Movement during the year	(321,619)	(1,091,567)
Closing loss allowance	<u>(153,975,278)</u>	<u>(153,653,659)</u>

Since the loans and receivables were purchased as an CTH portfolio from Banco Sabadell CAM (CAM) during 2010, these have been deemed as purchased or credit impaired financial assets that are credit impaired on initial recognition ("POCI").

There were no purchases/acquisitions of loans and receivables during the year which contributed to the loss allowance for the year end 31 December 2024 (2023: none).

At 31 December 2024, the loan to value (LTV) ratio of the principal balance of the CTH to the underlying collateral amounted to 326.70% (2023: 465.67%).

For a reconciliation of credit impaired financial assets during the year, please refer to note 9 to the financial statements.

The maximum exposure to credit risk at the reporting date was:

	Group 31-Dec-24	Company 31-Dec-24	Group 31-Dec-23	Company 31-Dec-23
	€	€	€	€
Loans and receivables	1,030,213	1,030,213	1,676,418	1,676,418
Intercompany loan	-	2,178,458	-	2,873,649
Cash and cash equivalents	1,662,553	914,743	2,593,901	1,150,280
Other receivables	442,855	102,114	116,009	53,658
	<u>3,135,621</u>	<u>4,225,528</u>	<u>4,386,328</u>	<u>5,754,005</u>

Loans and receivables

The Group has invested in a portfolio of Certificados de Transmisión Hipotecaria. As at 31 December 2024, the geographical concentration of the loans and receivables is 100% (2023: 100%) in Spain and they are not rated.

Other receivables

Other receivables mainly includes prepayments and cash on deposit with Spanish Courts which are not rated.

Cash and cash equivalents

Cash and cash equivalents are mainly held with Deutsche Bank AG which is rated A (2023: A) by Standard and Poor's (S&P).

The policy of the Company in relation to credit risk is to expose itself to the credit risk in relation to CTH however ultimately this risk is borne by the Noteholders.

Any reduction in the value of the loans and receivables will be matched by a reduction in the repayment obligations on the Notes.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

20 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The Noteholders are exposed to the market risks of the asset portfolio.

The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimising the return on the market.

Market risk embodies the potential for both gains and losses and includes (i) interest rate risk, (ii) currency risk and (iii) price risk.

(i) Interest rate risk

The interest rate profile of financial instruments at 31 December 2024 and 2023 is as follows:

Group	Fixed		Non interest bearing		Total
	31-Dec-24	31-Dec-24	31-Dec-24	31-Dec-24	
	€	€	€	€	
Loans and receivables	-	1,030,213	-	-	1,030,213
Cash and cash equivalents	-	-	1,662,553	-	1,662,553
Other receivables	-	-	442,855	-	442,855
Debt securities issued at amortised cost	-	(3,982,324)	-	-	(3,982,324)
Other liabilities	-	-	(351,660)	-	(351,660)
Net interest rate risk exposure	-	(2,952,111)	1,753,748	-	(1,198,363)

Group	Fixed		Non interest bearing		Total
	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	
	€	€	€	€	
Loans and receivables	-	1,676,418	-	-	1,676,418
Cash and cash equivalents	-	-	2,593,901	-	2,593,901
Other receivables	-	-	116,009	-	116,009
Debt securities issued at amortised cost	-	(5,505,151)	-	-	(5,505,151)
Other liabilities	-	-	(535,685)	-	(535,685)
Net interest rate risk exposure	-	(3,828,733)	2,174,225	-	(1,654,508)

Company	Fixed		Non interest bearing		Total
	31-Dec-24	31-Dec-24	31-Dec-24	31-Dec-24	
	€	€	€	€	
Loans and receivables	-	1,030,213	-	-	1,030,213
Intercompany loan	-	2,178,458	-	-	2,178,458
Cash and cash equivalents	-	-	914,743	-	914,743
Other assets	-	-	102,114	-	102,114
Debt securities issued at amortised cost	-	(3,982,324)	-	-	(3,982,324)
Other liabilities	-	-	(240,678)	-	(240,678)
Net interest rate risk exposure	-	(773,653)	776,179	-	2,526

Company	Fixed		Non interest bearing		Total
	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23	
	€	€	€	€	
Loans and receivables	-	1,676,418	-	-	1,676,418
Intercompany loan	-	2,873,649	-	-	2,873,649
Cash and cash equivalents	-	-	1,150,280	-	1,150,280
Other assets	-	-	53,658	-	53,658
Debt securities issued at amortised cost	-	(5,505,151)	-	-	(5,505,151)
Other liabilities	-	-	(246,703)	-	(246,703)
Net interest rate risk exposure	-	(955,084)	957,235	-	2,151

Sensitivity analysis

The sensitivity analysis below has been determined based on the Company's and Group's exposure to interest rates for interest bearing assets and liabilities (included in the interest rate exposure tables above) at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year in case of instruments that have floating rates.

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

20 Financial risk management (continued)

Market risk (continued)

(i) Interest rate risk (continued)

A change of 100 basis points in interest rates at the reporting date would have decreased the net asset position of the Group and Company by €14,161 (2023: €38,892) and €11,765 (2023: €9,014) respectively. For variable instruments, this analysis assumes that all other variables, in particular foreign currency rates, remains constant. The analysis is performed on the same basis for 2024.

(ii) Currency risk

Currency risk is the risk which arises due to the assets and liabilities of the Group held in foreign currencies, which will be affected by fluctuations in foreign exchange rates. The Notes issued by the Company are denominated in Euro. The assets of the Group and Company are also denominated in Euro and therefore the Group and Company are not exposed to any significant currency exchange fluctuation. Hence, no sensitivity analysis has been presented in the financial statements.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

Other price risk may include risks such as equity price risk, commodity price risk, prepayment risk (i.e. the risk that one party to a financial asset will incur a financial loss because the other party repays earlier or later than expected), and residual value risk.

In relation to the Group's portfolio of CTH and real estate assets, these are not subject to equity price risk, commodity price risk or residual value risk. In relation to prepayment risk, the Directors do not consider this to be a significant risk as any fluctuation in the value of the loans held by the Company is borne by the Noteholders. Hence, no sensitivity analysis has been presented in the financial statements.

Liquidity risk

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. The Company's obligations under the Notes are matched with the receipts of accrued interest and proceeds from the collection of the CTH.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

All substantial risks and rewards associated with the financial assets and liabilities are ultimately borne by the Noteholders.

The maturity profile of the Company's financial assets and liabilities as 31 December 2024 is as follows;

Group-2024	Carrying Amount	Gross contractual cash flows					More than 5 years
		Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years		
	€	€	€	€	€	€	
Debt securities issued at amortised	3,982,324	498,474,394	10,541,728	10,541,728	31,654,064	445,736,874	
Debt securities issued at fair value	-	291,613,547	6,805,281	6,805,281	20,434,486	257,568,500	
Other liabilities	351,660	351,660	351,660	-	-	-	
Net amount	4,333,984	790,439,601	17,698,668	17,347,008	52,088,550	703,305,374	

Group-2023	Carrying Amount	Gross contractual cash flows					More than 5 years
		Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years		
	€	€	€	€	€	€	
Debt securities issued at amortised	5,505,151	509,045,003	10,570,609	10,541,728	31,654,064	456,278,602	
Debt securities issued at fair value	-	298,437,472	6,823,925	6,805,281	20,434,486	264,373,780	
Other liabilities	535,685	535,685	535,685	-	-	-	
Net amount	6,040,836	808,018,160	17,930,219	17,347,008	52,088,550	720,652,382	

Company-2024	Carrying Amount	Gross contractual cash flows					More than 5 years
		Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years		
	€	€	€	€	€	€	
Debt securities issued at amortised	3,982,324	498,474,394	10,541,728	10,541,728	31,654,064	445,736,874	
Debt securities issued at fair value	-	291,613,547	6,805,281	6,805,281	20,434,486	257,568,500	
Other liabilities	240,678	240,678	240,678	-	-	-	
Net amount	4,223,002	790,328,619	17,587,686	17,347,008	52,088,550	703,305,374	

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

20 Financial risk management (continued)

Liquidity risk (continued)

Company-2023	Carrying Amount €	Gross contractual cash flows				More than 5 years €
		Less than 1 year €	1 to 2 years €	2 to 5 years €	€	
Debt securities issued at amortised	5,505,151	509,045,003	10,570,609	10,541,728	31,654,064	456,278,602
Debt securities issued at fair value	-	298,437,472	6,823,925	6,805,281	20,434,486	264,373,780
Other liabilities	246,703	246,703	246,703	-	-	-
Net amount	5,751,854	807,729,178	17,641,237	17,347,008	52,088,550	720,652,382

*Gross contractual cashflows are computed based on actual outstanding amounts of the debt securities inclusive of expected interest expense based on the final contractual maturity date. The gross contractual cashflows presented for the debt securities in the table represent the best estimate of obligations outflow to the Noteholder at the reporting date and represent the earliest contractual repayment dates for the debt securities. As returns to the Noteholder are collectively linked to the performance of the underlying loan portfolio and sale of the foreclosed properties at the Issuer Subsidiary level, the actual cashflows could be materially different to carrying values and gross contractual cash flows presented above.

21 Fair value measurement

The fair value of a financial asset and financial liability is the price that would be received from the sale of an asset or paid from the settlement of a liability in an orderly transaction between market participants at the measurement date. The fair value of a liability reflects its non-performing risk.

Fair value measurement principles

The Company's accounting policy on fair value measurements is discussed in note 3(e). The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in active markets for an identical instrument.
- Level 2: Valuation techniques based on observable inputs either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group's financial instruments not measured at fair value through profit or loss are financial assets and financial liabilities whose carrying values approximate their fair values.

The following table analyses, within the fair value hierarchy, the Group and Company's assets and liabilities not measured at fair value at the reporting date but for which fair value is disclosed.

Group	31-Dec-24			
	Level 1	Level 2	Level 3	Total fair value
Loans and receivables	-	-	1,117,642	1,117,642
Cash and cash equivalents	1,662,553	-	-	1,662,553
Other receivables	-	442,855	-	442,855
Other payables	-	(351,660)	-	(351,660)
Debt securities issued at amortised cost	-	-	(4,069,753)	(4,069,753)
	1,662,553	91,195	(2,952,111)	(1,198,363)
Group	31-Dec-23			
	Level 1	Level 2	Level 3	Total fair value
Loans and receivables	-	-	1,944,817	1,944,817
Cash and cash equivalents	2,593,901	-	-	2,593,901
Other receivables	-	116,009	-	116,009
Other payables	-	(535,685)	-	(535,685)
Debt securities issued at amortised cost	-	-	(5,773,550)	(5,773,550)
	2,593,901	(419,676)	(3,828,733)	(1,654,508)
Company	31-Dec-24			
	Level 1	Level 2	Level 3	Total fair value
Loans and receivables	-	-	1,117,642	1,117,642
Intercompany loan	-	-	2,178,458	2,178,458
Cash and cash equivalents	914,743	-	-	914,743
Other receivables	-	102,114	-	102,114
Investment in equity	-	-	3,100	3,100
Other payables	-	(240,678)	-	(240,678)
Debt securities issued at amortised cost	-	-	(4,069,753)	(4,069,753)
	914,743	(138,564)	(770,553)	5,626

Notes to the financial statements (continued)
For the financial year ended 31 December 2024

21 Fair value measurement (continued)

Company	31-Dec-23			Total fair value
	Level 1	Level 2	Level 3	
Loans and receivables	-	-	1,944,817	1,944,817
Intercompany loan	-	-	2,873,649	2,873,649
Cash and cash equivalents	1,150,280	-	-	1,150,280
Other receivables	-	53,658	-	53,658
Investment in equity	-	-	3,100	3,100
Other payables	-	(246,703)	-	(246,703)
Debt securities issued at amortised cost	-	-	(5,773,550)	(5,773,550)
	1,150,280	(193,045)	(951,984)	5,251

Cash and cash equivalents include cash balances held with banks and are classified under Level 1 considering the liquidity of these balances. For other receivables and other payables, the carrying amounts approximates their fair value due to their immediate or short-term nature and have been classified under Level 2 of the fair value hierarchy. In relation to the loans and receivables and the intercompany loan, the Directors have determined the fair value using an internal discounted cash flow technique. The key unobservable inputs comprised of the expected cash flows of the foreclosed properties, estimated future expenses and the discount rate. The loans and receivables and intercompany loan have been classified as Level 3. Since the debt securities issued are a limited recourse obligation of the Company, the debt securities issued have been classified as Level 3. The Directors have determined the fair value of debt securities issued using an internal discounted cash flow technique based on discount factor at the investor level which includes the unobservable inputs mentioned above.

Accounting classifications and fair values of financial assets and liabilities

Although the Directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement e.g. interest rates, volatility, credit spreads, probability of defaults, estimated cashflows etc and therefore, cannot be determined with precision.

For recognised fair values measured using significant unobservable inputs, changing one or more assumptions used to reasonably possible alternative assumptions might impact on the value attributable to noteholders, but would not have any effect on the profit or loss or on equity as any change in fair value will be borne by the Noteholders due to the limited recourse nature of the debt issued by the Company.

*No reconciliation and sensitivity analysis for Level 3 has been provided as these instruments are carried at amortised cost.

Fair value measurement sensitivity analysis

The estimated fair value would increase/decrease if there are changes within the carrying value of the loans and receivables, inventories, real estate assets and intercompany loan.

Due to the limited recourse nature of the structure, the fair value of the debt securities issued measured at fair value is based on the carrying value of the loans and receivables, inventories, real estate assets and intercompany loan and is sensitive to the changes to the underlying balances. The key unobservable inputs in determining the fair value of the debt securities issued comprised of discounted cash flows, carrying value of the loans and receivables, inventories and intercompany loan.

22 Capital risk management

The Company views its issued debt as its core capital. Capital is managed by ensuring that investment securities and issued Notes are matched in terms of cash flow and level of recourse.

23 Subsequent events

After the reporting period, Mark Kinsella resigned from the Board of Directors on 28 February 2025. Brian Kelleher was appointed to the Board of Directors on the same date. Niall Vaughan resigned from the Board of Directors on 31 October 2025. Clara Doyle was appointed to the Board of Directors on the same date.

KPMG resigned as auditors on 28 May 2025. On the same date, Forvis Mazars Chartered Accountants and Statutory Audit Firm were appointed as independent auditors.

There have been no other significant subsequent events since the end of the reporting period that require disclosure or adjustment to the financial statements.

24 Commitments and contingent liabilities

As at 31 December 2024, the Group did not have any other commitments, contingencies or guarantees.

25 Approval of the financial statements

The Board approved and authorised for issue these financial statements on 19 December 2025.