

Alguer Inversiones Designated Activity Company

Directors' report and audited consolidated financial statements

For the financial year ended 31 December 2024

Registered number 586791

Alguer Inversiones Designated Activity Company

Contents	Page(s)
Directors and other information	1
Directors' report	2 - 4
Directors' responsibilities statement	5
Independent auditor's report to the members of Alguer Inversiones Designated Activity Company	6 - 8
Group Statement of Comprehensive Income	9
Group Statement of Financial Position	10
Company Statement of Financial Position	11
Group and Company Statement of Changes in Equity	12
Group Statement of Cash Flows	13
Company Statement of Cash Flows	14
Notes to the financial statements	15 - 29

Alguer Inversiones Designated Activity Company**Directors and other information**

Directors	Niall Vaughan (<i>resigned 31 October 2025</i>) Clara Doyle (<i>appointed 31 October 2025</i>) Mark Kinsella (<i>resigned 28 February 2025</i>) Brian Kelleher (<i>appointed 28 February 2025</i>)	
Registered Office	2nd Floor Block 5, Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Administrator and 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	Banco Santander SubDirector oficina 1803 C/Serrano 57, 28006 Madrid
Solicitor	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland	
Independent Auditor	Forvis Mazars Chartered Accountants and Statutory Audit Firm (<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, 5ª 28027 Madrid Spain	
Paying Agent and Cash Manager	Deutsche Bank, AG, London Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	

Alguer Inversiones Designated Activity Company

Directors' report

The Directors present their annual report and audited group financial statements of Alguer Inversiones Designated Activity Company (the "Company") and its wholly owned subsidiary Kelona Invest S.L, (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 28 July 2016 under the registration number 586791. The address of its registered office is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, Ireland.

The principal activity of the Group is the investment in the loan portfolio purchased from Caixabank, S.A on 22 June 2017 and the foreclosed properties of the Subsidiary. The transaction was financed through a total return notes issuance agreement in place between the Company and Deutsche Bank AG, London Branch (the "Noteholder") amounting to EUR 261,550,003. The maturity date of the notes (the "Notes") is on 22 June 2037. Further details of the Notes issued is disclosed in note 16 to the financial statements.

The Company owns the entire share capital of Kelona 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 Subsidiary's results. The Company and the Issuer Subsidiary have entered into a revolving credit facility 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:

- the Group made a profit after tax of EUR 900 (2023: EUR 900);
- there were no credit events that affected the Group; and
- interest income amounted to EUR 3,988,377 (2023: EUR 4,263,565).

As at 31 December 2024:

- the Group's total assets was EUR 56,214,816 (2023: EUR 74,983,023);
- the carrying value of the Group's total notes issued was EUR 55,323,944 (2023: EUR 73,096,725); and
- the Group's net assets was EUR 6,676 (2023: EUR 5,776).

Key performance indicators

The Group	31-Dec-24	31-Dec-23
	EUR	EUR
Results for the year after tax	900	900
Net assets	6,676	5,776
Loans and receivables	37,469,090	38,137,377

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 2037. The Board will continue to seek opportunities for the Company and will continue to ensure proper management of the current portfolio of loans and receivables and notes issued of the Company and the Group.

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 of EUR 900 (2023: EUR 900) in the current financial year. The facility agreement will mature on 22 June 2037. For these reasons, the Directors believe that the going concern basis is appropriate.

In determining the going basis of preparation of the financial statements, the Directors have considered the cash position and available resources to the Group and related forecasts, which show that based on 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 the key service providers.

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: EUR nil).

Changes in Directors, Secretary and registered office

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.

Directors and 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. 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, as amended (the "Act"), at any time during the financial year. The Directors and Secretary who held office as at 31 December 2024 are disclosed on page 1 of the financial statements.

Alguer Inversiones Designated Activity Company**Directors' report (continued)****Shares and shareholders**

The authorised share capital of the Company is EUR 100,000,000 divided into 100,000,000 shares of EUR 1 each (the "Shares") of which 1 share has been issued and is directly held by Alboran Portfolio Holdings Designated Activity Company. The share is held under the terms of the declaration of trust, under which the relevant share trustee holds the issued share of the Company on trust for a charity. 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 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 ("Apex").

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 of the financial statements.

Research and Development costs

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

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over EUR 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: EUR nil).

Audit committee

As at the date of these financial statements, the Group and Company are 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 current financial year ended 31 December 2024.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Act, adequate accounting records are kept 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 1, Ireland.

Directors compliance statement

At this present time the Group and Company are operating within the 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 current financial year ended 31 December 2024.

Independent auditor

In accordance with Section 383(2) of the Act, Forvis Mazars Chartered Accountants and Statutory Audit Firm were appointed to act as independent auditor on 28th May 2025.

Alguer Inversiones Designated Activity Company

Directors' report (continued)

Statement of relevant audit information

Each Director at the date of approval of this report confirms that:

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

On behalf of the Board



Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

Alguer Inversiones Designated Activity Company**Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") 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 its profit or loss for that financial year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reason for any material departure from those standards;
- 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 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 Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Act.

On behalf of the Board

Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

Independent auditor's report to the members of Alguer Inversiones Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Alguer Inversiones 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

Alguer Inversiones Designated Activity Company

Group Statement of Comprehensive Income
For the financial year ended 31 December 2024

	Note	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Income			
Interest income calculated using the effect interest rate method	4	3,988,377	4,263,565
Gain on sale of inventories	12	346,502	6,811,192
Other income	5	114,401	262,537
Net income		4,449,280	11,337,294
Expenses			
Interest expense	6	(2,811,600)	(3,212,792)
Write down of notes issued at amortised cost		(1,664,489)	(10,171,858)
Other expenses	7	(4,112,557)	(5,163,112)
Reversal of impairment on inventories	12	393,391	1,480,337
Reversal of impairment on loans and receivables	13	3,747,175	5,731,331
Operating profit before taxation		1,200	1,200
Income tax expense	8	(300)	(300)
Profit for the financial year		900	900
Other comprehensive income		-	-
Total comprehensive income for the financial year		900	900

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.

Alguer Inversiones Designated Activity Company

Group Statement of Financial Position
As at 31 December 2024

	Note	31-Dec-24 EUR	31-Dec-23 EUR
Assets			
Cash and cash equivalents	9	5,284,045	7,093,638
Other receivables	10	2,318,338	6,230,006
Inventories	12	11,143,343	23,522,002
Loans and receivables	13	37,469,090	38,137,377
Total assets		<u>56,214,816</u>	<u>74,983,023</u>
Liabilities and equity			
Liabilities			
Other payables	15	884,196	1,880,522
Notes issued at amortised cost	16	55,323,944	73,096,725
Total liabilities		<u>56,208,140</u>	<u>74,977,247</u>
Equity			
Called up share capital presented as equity	17	1	1
Retained earnings		6,675	5,775
Total equity		<u>6,676</u>	<u>5,776</u>
Total liabilities and equity		<u>56,214,816</u>	<u>74,983,023</u>

On behalf of the Board



Clara Doyle
Director



Brian Kelleher
Director

Date: 19 December 2025

Alguer Inversiones Designated Activity Company

Company Statement of Financial Position
As at 31 December 2024

	Note	31-Dec-24 EUR	31-Dec-23 EUR
Assets			
Cash and cash equivalents	9	2,662,920	5,540,208
Other receivables	10	3,797	63,330
Investment in equity	11	14,050,338	16,568,834
Loans and receivables	13	37,469,090	38,137,377
Intercompany loan	14	1,257,660	13,036,960
Total assets		<u>55,443,805</u>	<u>73,346,709</u>
Liabilities and equity			
Liabilities			
Other payables	15	113,185	244,208
Notes issued at amortised cost	16	55,323,944	73,096,725
Total liabilities		<u>55,437,129</u>	<u>73,340,933</u>
Equity			
Called up share capital presented as equity	17	1	1
Retained earnings		6,675	5,775
Total equity		<u>6,676</u>	<u>5,776</u>
Total liabilities and equity		<u>55,443,805</u>	<u>73,346,709</u>

On behalf of the Board


Clara Doyle
Director

Brian Kelleher
Director

Date: 19 December 2025

Alguer Inversiones Designated Activity Company

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

	Called up share capital presented as equity EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2023	1	4,875	4,876
Profit for the financial year	-	900	900
Other comprehensive income	-	-	-
Balance as at 31 December 2023	1	5,775	5,776
Balance as at 1 January 2024	1	5,775	5,776
Profit for the financial year	-	900	900
Other comprehensive income	-	-	-
Balance as at 31 December 2024	1	6,675	6,676

Company

	Called up share capital presented as equity EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2023	1	4,875	4,876
Profit for the financial year	-	900	900
Other comprehensive income	-	-	-
Balance as at 31 December 2023	1	5,775	5,776
Balance as at 1 January 2024	1	5,775	5,776
Profit for the financial year	-	900	900
Other comprehensive income	-	-	-
Balance as at 31 December 2024	1	6,675	6,676

Alguer Inversiones Designated Activity Company

Group Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Net cash flows from operating activities			
Profit from ordinary activities after tax		900	900
<i>Adjustments for:</i>			
Gain on sale of inventories		(346,502)	(6,811,192)
Interest income on loans and receivables	4	(3,976,337)	(4,254,934)
Interest expense on Notes issued	6	2,811,600	3,212,792
Write down of Notes issued	16	649,124	5,601,596
Reversal of impairment on inventories	12	(393,391)	(1,480,337)
Reversal of impairment on loans and receivables	13	(3,747,175)	(5,731,331)
Cash used in operating activities before movements in working capital		<u>(5,001,781)</u>	<u>(9,462,506)</u>
Decrease in other receivables	10	3,911,668	495,483
(Decrease)/increase in other payables	15	(996,327)	42,263
Decrease in inventories		16,396,351	23,463,249
Net cash generated from operating activities		<u>14,309,912</u>	<u>14,538,489</u>
Cash flows from investing activities			
Repayments of loans and receivables	13	5,114,000	7,769,757
Net cash generated from investing activities		<u>5,114,000</u>	<u>7,769,757</u>
Cash flows from financing activities			
Principal repayments on notes during the financial year	16	(21,233,505)	(23,588,933)
Net cash used in financing activities		<u>(21,233,505)</u>	<u>(23,588,933)</u>
Net decrease in cash and cash equivalents		(1,809,593)	(1,280,687)
Cash and cash equivalents at beginning of the financial year		7,093,638	8,374,325
Cash and cash equivalents at end of the financial year	9	<u>5,284,045</u>	<u>7,093,638</u>

Alguer Inversiones Designated Activity Company

Company Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Cash flows from operating activities			
Profit from ordinary activities after tax		900	900
<i>Adjustments for:</i>			
Interest income on loans and receivables	4	(3,976,337)	(4,254,934)
Interest income on intercompany loan	10	(509,998)	(1,193,865)
Interest expense on Notes issued	6	2,811,600	3,212,792
Write down of Notes issued	16	649,124	5,601,596
Reversal of impairment on loans and receivables	13	(3,747,175)	(5,731,331)
Capital contributions during the financial year	11	(1,798,338)	(1,961,859)
Provision for/(reversal of) impairment of investment in equity	11	4,316,834	(1,016,487)
Write down of intercompany loan	14	1,798,338	4,709,376
Cash used in operating activities before movements in working capital		<u>(455,052)</u>	<u>(633,812)</u>
Decrease/(increase) in receivables		30,129	(30,129)
(Decrease)/increase in other payables	15	(131,023)	53,713
Net cash used in operating activities		<u>(555,946)</u>	<u>(610,228)</u>
Cash flows from investing activities			
Repayments of loans and receivables	13	5,114,000	7,769,757
Intercompany loan advanced during the financial year	14	(3,424,351)	(9,321,440)
Repayments of intercompany loans	14	13,405,313	15,666,968
Interest received on intercompany loans		539,402	1,205,096
Proceeds from foreclosure of loans and assignment of property	13	3,277,799	9,328,375
Net cash generated from investing activities		<u>18,912,163</u>	<u>24,648,756</u>
Cash flows from financing activities			
Principal repayments on notes during the financial year	16	(21,233,505)	(23,588,933)
Net cash used in financing activities		<u>(21,233,505)</u>	<u>(23,588,933)</u>
Net (decrease)/increase in cash and cash equivalents		(2,877,288)	449,595
Cash and cash equivalents at beginning of the financial year		5,540,208	5,090,613
Cash and cash equivalents at end of the financial year	9	<u>2,662,920</u>	<u>5,540,208</u>

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

Alguer Inversiones Designated Activity Company

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 28 July 2016 under the registration number 586791. The address of its registered office is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, Ireland.

The principal activity of the Group is the investment in the loan portfolio purchased from CaixaBank, S.A on 22 June 2017 and the foreclosed properties of the Subsidiary. The transaction was financed through a total return notes issuance agreement in place between the Company and Deutsche Bank AG, London Branch (the "Noteholder") amounting to EUR 261,550,003. The maturity date of the notes (the "Notes") is on 22 June 2037. Further details of the Notes issued is disclosed in note 16 to the financial statements.

The Company owns the entire share capital of Kelona 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 Subsidiary's results. The Company and the Issuer Subsidiary have entered into a revolving credit facility 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 financial year ended 31 December 2024 and the comparative information presented in these financial statements for the financial year ended 31 December 2023.

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 and Company's liabilities as they fall due. The Group made a profit after tax of EUR 900 (2023: EUR 900) in the current financial year. The facility agreement will mature on 22 June 2037. For these reasons, the Directors believe that the going concern basis of preparation is appropriate.

In determining the going basis of preparation of the financial statements, the directors have considered the cash position and available resources to the Group and related forecasts, which show that based on 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 of the Group under review, with the support of the key service providers.

Statement of Comprehensive Income of the Company

In accordance with Section 304(2) of the Act, a separate profit and loss account and other comprehensive income for the Company has not been presented. The total profit and comprehensive income of the Company for the financial year was EUR 900 (2023: EUR 900).

(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 subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. Financial statements of subsidiary are made up to the reporting date.

Name of entity	Domicile	Registered office	% of holdings	Nature of business
Kelona Invest, S.L	Spain	Calle Principe De Vergara, 131 Planta Primera, 28002 Madrid	100	Foreclosed properties
			31-Dec-24	31-Dec-23
			EUR	EUR
Loss after tax			(4,268,387)	(5,050,366)
Net assets			22,371,555	26,261,603

All intra-group transactions and balances and any income, expenses or unrealised profits are eliminated in 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.

Alguer Inversiones Designated Activity Company

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

2 Basis of preparation (continued)

(b) Basis of consolidation (continued)

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.

Furthermore, IFRS 10 requires that where an entity is a parent in line with the Standard, 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 basis.

(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 at amortised cost;
- Inventories are stated at the lower of cost and net realisable value;
- Investment in equity at cost less impairment;
- Intercompany loan at cost less impairment; and
- Notes issued are measured at amortised cost.

(e) Functional and presentation currency

These financial statements are presented in Euro ("EUR") which is the Group and the Company's 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 EUR and the loans and receivables and notes issued are also primarily denominated in EUR 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 EUR are recorded at the rate of exchange prevailing on the dates of transactions. All figures presented in EUR have been rounded off to the nearest EUR unless specified otherwise.

(f) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and 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.

The 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 period or in the period of the revision and future financial periods if the revision affects both current and future financial periods. Details of material judgements and estimates have been further described in accounting policy 3(e) "Financial instruments" and note 20 to the financial statements.

Alguer Inversiones Designated Activity Company

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

3 Material accounting policies

(a) Interest income on an effective interest basis and interest expense

Interest income and interest expense are recognised in the profit and loss account and other comprehensive income for all instruments using the effective interest rate method.

(b) Other income and expenses

All other income and expenses are accounted for on an accruals basis.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash held at banks which are subject to insignificant risk of changes in their value and are used by the Group and Company 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 profit and loss account and other 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 financial year end 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 include the following:

- Loans and receivables;
- Notes issued;
- Other receivables and payables;
- Investment in equity;
- Intercompany loan; and
- Cash and cash equivalents.

Recognition and initial measurement

The Group 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 Fair Value Through Profit or Loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

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 Group classifies financial assets as measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVOCI") or FVTPL.

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.

Alguer Inversiones Designated Activity Company

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

3 Material accounting policies (continued)

(e) Financial instruments (continued)

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 arranger 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 models:

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

The loans and receivables passed the SPPI test and as such, have been classified at amortised cost.

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 and loss account and other comprehensive income. Any gain or loss on derecognition is recognised in profit and loss account and other comprehensive income.

Financial liabilities – Classification, subsequent measurement and gains and losses

The Company has classified all of its financial liabilities at amortised cost.

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

Financial liabilities at amortised cost include other payables and Notes issued at amortised cost.

Impairment

The Company recognises loss allowances for expected credit losses ("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 Servicer has been appointed to manage and collect loans and receivables and the Company used the data received from the servicer to assess the ECL.

Alguer Inversiones Designated Activity Company

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

3 Material accounting policies (continued)

(e) Financial instruments (continued)

Impairment (continued)

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 Group 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 is charged to the profit and loss account and other comprehensive income.

Write-off

The gross carrying amount of a financial asset is written off when the Group 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.

There was no offsetting of financial assets and liabilities which were in place during the financial year (2023: none).

(f) Loans and receivables

The Group classifies its financial assets of non-performing loans (the "NPLs") as loans and receivables.

The NPLs 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 Income.

(g) Inventories

When the Company's NPL 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 impairment expense when they occur.

(h) Notes issued at amortised cost

The notes 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 measured 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.

Alguer Inversiones Designated Activity Company

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

3 Material accounting policies (continued)

(i) 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.

(j) Other payables

Other payables are not interest-bearing and are measured at amortised cost.

(k) Share capital

The share capital is issued in EUR. Dividends are recognised as a liability in the period in which they are declared.

(l) Intercompany loan

Intercompany loans are generally measured at amortised cost. On initial recognition, these will be measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument. Interest is then recognised in the Statement of Comprehensive Income as the discount unwinds over the life of the loan.

A fixed term loan with a zero or below 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.

(m) Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of the Group 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 period end and on settlement of foreign currency transactions are recognised in the Statement of Comprehensive Income.

(n) Investment in equity

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

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
	EUR	EUR
Interest income on loans and receivables	3,976,337	4,254,934
Interest income on bank accounts	12,040	8,631
	<u>3,988,377</u>	<u>4,263,565</u>

5 Other income

	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	EUR	EUR
Other income	114,401	262,537

Other income mainly relates to rental income on properties arising at the subsidiary level.

6 Interest write back/(expense) on Notes issued

	Group and Company	
	Financial year ended 31-Dec-24	Financial year ended 31-Dec-23
	EUR	EUR
Interest expense on Notes issued	(2,811,600)	(3,212,792)
	<u>(2,811,600)</u>	<u>(3,212,792)</u>

Interest expense on notes issued relates to interest expense calculated on an Effective Interest Rate ("EIR") basis based on the expected cashflows of the Total Return Notes ("TRN").

Alguer Inversiones Designated Activity Company

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

7 Other expenses	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Independent experts	(1,071,043)	(1,218,803)
Repairs and maintenance	(467,553)	(684,283)
Other local taxes	(467,613)	(504,325)
Property taxes	(422,852)	(504,059)
Other expenses	(88,370)	(442,833)
Professional fees	(779,571)	(779,482)
Servicer fees	(678,324)	(868,260)
Audit fees	(81,430)	(108,718)
Bank charges	(32,137)	(19,821)
Administration fees	(30,344)	-
VAT payment	10,847	(17,309)
Tax compliance fees	-	(10,219)
Cash manager fee	(4,167)	(5,000)
	<u>(4,112,557)</u>	<u>(5,163,112)</u>

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)	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Group		
Statutory audit*	(81,430)	(108,718)
Other financial statements audit	-	-
Other assurance services	-	-
Tax advisory services	-	(8,308)
Other non-audit services	-	-
	<u>(81,430)</u>	<u>(117,026)</u>

*Statutory audit fee for 2024 of EUR 43,000 (2023: EUR 47,447 due to KPMG) is due to Forvis Mazars Ireland. The Issuer Subsidiary financial statements audit fees amounted to EUR 43,000 due to KPMG (2023: EUR 43,000).

8 Income tax expense	Group and Company	
	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
<i>Recognised in the Statement of Comprehensive Income</i>		
Irish corporation tax	<u>(300)</u>	<u>(300)</u>
Reconciliation of effective tax rate		
Profit before income tax	1,200	1,200
Total tax expense	<u>(300)</u>	<u>(300)</u>
Profit after taxation	<u>900</u>	<u>900</u>
Tax using the Irish corporation tax of 25% (2023: 25%)	<u>(300)</u>	<u>(300)</u>
Total tax expense included in profit or loss	<u>(300)</u>	<u>(300)</u>

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%).

9 Cash and cash equivalents	Group 31-Dec-24 EUR	Company 31-Dec-24 EUR	Group 31-Dec-23 EUR	Company 31-Dec-23 EUR
Cash at banks	<u>5,284,045</u>	<u>2,662,920</u>	<u>7,093,638</u>	<u>5,540,208</u>
Cash and cash equivalents are current.				
10 Other receivables	Group 31-Dec-24 EUR	Company 31-Dec-24 EUR	Group 31-Dec-23 EUR	Company 31-Dec-23 EUR
Other receivables*	2,318,338	1	6,230,006	30,130
Interest income receivable on intercompany loan	-	3,796	-	33,200
	<u>2,318,338</u>	<u>3,797</u>	<u>6,230,006</u>	<u>63,330</u>

* Other receivables comprise of VAT pending to be refunded from the Spanish fiscal authorities, client balance of invoices pending to be cashed and payments paid to the Spanish court directly for the acquisition of new properties.

All other receivables are current. Refer to note 20 for currency risk and liquidity risk disclosures relating to other receivables.

Alguer Inversiones Designated Activity Company

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

	Company	
	31-Dec-24	31-Dec-23
	EUR	EUR
11 Investment in equity		
<i>Investment in subsidiary undertakings</i>		
At beginning of the financial year	16,568,834	13,590,488
Capital contributions during the year	1,798,338	1,961,859
(Provision for)/reversal of impairment	(4,316,834)	1,016,487
At end of the financial year	<u>14,050,338</u>	<u>16,568,834</u>

The Company owns the entire share capital of the Issuer Subsidiary. The Company acquired 3,000 ordinary shares at EUR 1 each in the Issuer Subsidiary. The Directors have reviewed the carrying value of investments in the Issuer Subsidiary undertaking at the financial year end and are satisfied that the carrying value is appropriate and that any impairment in the investment equity represents a decrease in the net asset value of the Issuer Subsidiary.

Group undertakings

The Subsidiary undertaking of the Group is 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 acquisition of foreclosed properties located in Spain.

The Company's investment in its subsidiary is measured at cost less any provision for impairment. The Company's investment in its subsidiary is reviewed if events or circumstances indicate that impairment may have occurred by comparing the carrying value of the investment to its recoverable amount. An impairment charge arises if the carrying value exceeds the recoverable amount. Impairment of EUR 4,316,834 (2023: a reversal of impairment of EUR 1,016,487) was identified during the financial year ended 31 December 2024.

	Group	Group
	31-Dec-24	31-Dec-23
	EUR	EUR
12 Inventories		
	<u>11,143,343</u>	<u>23,522,002</u>

Inventories are real estate assets held as a result of foreclosed loans. Inventories are current. There was reversal of impairment in relation to sold inventories recognised of EUR 393,391 (2023: EUR 1,480,337).

	Group and Company	Group and Company
	31-Dec-24	31-Dec-23
	EUR	EUR
13 Loans and receivables		
Loans and receivables	<u>37,469,090</u>	<u>38,137,377</u>
At beginning of the financial year	38,137,377	45,249,244
<i>Cash transactions:</i>		
Loan repayments during the financial year	(5,114,000)	(7,769,757)
Proceeds from foreclosure of loans and assignment of property	(3,277,799)	(9,328,375)
<i>Non cash transactions:</i>		
Interest accrued	3,976,337	4,254,934
Reversal of impairment on loans and receivables	3,747,175	5,731,331
At end of the financial year	<u>37,469,090</u>	<u>38,137,377</u>

	Company	Company
	31-Dec-24	31-Dec-23
	EUR	EUR
14 Intercompany loan		
At beginning of the financial year	13,036,960	24,091,864
<i>Cash transactions</i>		
Loans advanced during the financial year	3,424,351	9,321,440
Intercompany loan repayments during the financial year	(13,405,313)	(15,666,968)
<i>Non cash transactions</i>		
Write down of intercompany loan	(1,798,338)	(4,709,376)
At end of the financial year	<u>1,257,660</u>	<u>13,036,960</u>

The enforcement of rights under the NPLs are initiated and subsequently awarded to the Company. Once this occurs, the NPLs 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 through public auction directly, pursuant to the foreclosure process, by means of a cash bid. For this cash bids, additional funds may be required and occasionally requested as additional advance under the intercompany loan. The intercompany loan is non-current.

The intercompany loan is repayable on demand and bears a floating interest rate of 2.50% plus monthly Euribor.

As per the Revolving Credit Facility Agreement between the Company and the Issuer Subsidiary, the intercompany loan issued to the Issuer Subsidiary, is limited recourse in nature. If the net proceeds arising from the realisation of the intercompany loan are less than the nominal amount of the intercompany loan, the Issuer Subsidiary will not be obliged to pay any shortfall, and the right of the Company to receive any further amounts in respect of the loans shall be extinguished and no further actions will be taken to recover the shortfall.

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

Alguer Inversiones Designated Activity Company

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

15 Other payables	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
<i>Creditors - Amounts falling due within one year</i>	EUR	EUR	EUR	EUR
Accrued expenses	112,975	112,975	243,998	243,998
Other payables	771,221	210	1,636,524	210
	<u>884,196</u>	<u>113,185</u>	<u>1,880,522</u>	<u>244,208</u>

All other payables are current.

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

16 Notes issued at amortised cost	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	EUR	EUR	EUR	EUR
Notes issued at amortised cost	55,323,944	55,323,944	73,096,725	73,096,725
Movement in notes issued:	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	EUR	EUR	EUR	EUR
Balance at beginning of financial year	73,096,725	73,096,725	87,871,270	87,871,270
<i>Cash transactions:</i>				
Principal repayments during the financial year	(21,233,505)	(21,233,505)	(23,588,933)	(23,588,933)
<i>Non cash transactions:</i>				
Interest accrued	2,811,600	2,811,600	3,212,792	3,212,792
Write back/(down) during the financial year	649,124	649,124	5,601,596	5,601,596
Balance at end of financial year	<u>55,323,944</u>	<u>55,323,944</u>	<u>73,096,725</u>	<u>73,096,725</u>

On 22 June 2017, the Company entered into a facility agreement with Deutsche Bank AG, London Branch, which provided a Total Return Notes ("TRN") of EUR 261,550,003 to the Company. The Notes will terminate on 22 June 2037. As at 31 December 2024, the outstanding nominal amount of the Notes issued is EUR 29,321,094 (2023: EUR 50,554,599).

Maturity analysis	Group and Company	Group and Company
	31-Dec-24	31-Dec-23
	EUR	EUR
<1 year	-	-
1-2 years	-	-
2-5 years	-	-
> 5 years	55,323,944	73,096,725
	<u>55,323,944</u>	<u>73,096,725</u>

The Directors consider that the timing of the repayment of the notes issued 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.

The Notes issued is collectively linked to the performance of the entire portfolio of NPLs. Prior to each monthly 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 Facility Agreement.

In the case of the Notes issued, an interest amount equal to any shortfall in payment of any monthly 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 monthly payment date in accordance with the available interest funds priority of payments. Notes issued are non-current.

As per the TRN Issuance Agreement between the Company and "The Noteholder", the TRN is limited recourse in nature. Therefore, the TRN obligations payable will be solely from the net proceeds of the assets of the Company. Once the net proceeds amount of the assets have been used to pay the TRN, any other obligations and claims by the Noteholder against the Company shall be extinguished and shall not be revived.

As per the TRN Issuance Agreement, the Company accrued interest to the TRN Noteholders which represents the surplus of the Company after deducting all costs, expenses and other required repayment in accordance with the TRN Issuance Agreement priority of payments during the year.

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

Alguer Inversiones Designated Activity Company**Notes to the financial statements (continued)
For the financial year ended 31 December 2024****18 Ownership of the Company**

The sole shareholder of the Company is Alboran Portfolio Holdings Designated Activity holding 100% share in the Company.

The Directors have considered the issue as to who is the controlling party of the Company and note that as Deutsche Bank holds the notes issued by the Company that they are 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 www.db.com. The Company's ultimate controlling party is Deutsche Bank AG, London Branch. On 31 December 2024, Deutsche Bank AG held 100% (2023: 100%) of the notes issued by the Company.

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 Administrator**

The Company had entered into a Corporate Services Agreement ("CSA") with Apex for the provision of corporate services. EUR 30,344 (2023: EUR 66,826) was paid to Apex for their services during the financial year.

Transactions with Directors

There were no transactions with the Directors during the current and prior years.

There were no direct transactions which arose with the Directors and the Directors received no remuneration during the financial year (2023: EUR Nil). Refer to Note 7 to the financial statements.

Transaction with Deutsche Bank AG, London Branch

The Company is controlled by Deutsche Bank AG.

Deutsche Bank AG is the sole noteholder of the Notes issued by the Company.

The carrying value of the notes issued was EUR 55,323,944 (2023: EUR 73,096,725) as at 31 December 2024.

During the financial year ended 31 December 2024, the Company repaid EUR 21,233,505 (2023: EUR 23,588,933) of its notes issued at amortised cost. Interest accrued was EUR 2,811,600 (2023: EUR 3,212,792) at the end of the financial year. The Company made no interest repayments (2023: EUR nil) during the financial year.

Deutsche Bank AG, London Branch was also paid an amount of EUR 4,583 (2023: EUR 5,000) as cash manager fees. No amount (2023: EUR 417) was payable as cash manager fees as at the financial year end.

For the Company**Transactions with Kelona Invests, S.L (the "Issuer Subsidiary")**

The Company has advanced EUR 3,424,351 (2023: EUR 9,321,440) as a subsidiary loan to Kelona Invest, S.L during the financial year ended 31 December 2024. Repayments of EUR 13,405,313 (2023: EUR 15,666,968) were received during the financial year. The closing balance of the intercompany loan was EUR 1,257,660 (2023: EUR 13,036,960) as at 31 December 2024.

The Company has acquired 100% of the share capital of the Issuer Subsidiary. The carrying value of investments in the Issuer Subsidiary undertaking at the financial year end was EUR 14,050,338 (2023: EUR 16,568,834).

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 NPLs, which was financed by the issuance of total return notes from the Noteholder. 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 Noteholder.

Risk management framework

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

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

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

Alguer Inversiones Designated Activity Company

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

20 Financial risk management (continued)

*Risk management framework (continued)***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 borne by the Noteholder. Any reduction in the value of the NPLs will be matched by a reduction in the repayment obligations of the notes issued. The carrying amount of financial assets represents the maximum credit exposure.

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

Since the loans and receivables were purchased as an NPL portfolio from CaixaBank, 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 financial year which contributed to the loss allowance for the financial year ended 31 December 2024 (2023: EUR nil).

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

	Group	Company	Group	Company
	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-23
	EUR	EUR	EUR	EUR
Loans and receivables	37,469,090	37,469,090	38,137,377	38,137,377
Intercompany loan	-	1,257,660	-	13,036,960
Cash and cash equivalents	5,284,045	2,662,920	7,093,638	5,540,208
Other receivables	2,318,338	3,797	6,230,006	63,330
	<u>45,071,473</u>	<u>41,393,467</u>	<u>51,461,021</u>	<u>56,777,875</u>

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

	Group and	Group and
	Company	Company
	31-Dec-24	31-Dec-23
	EUR	EUR
ECL allowance:		
Purchased or credit impaired on initial recognition ("POCI")	<u>3,747,175</u>	<u>5,731,331</u>
ECL allowance reconciliation:		
Opening loss allowance	(57,381,626)	(63,112,957)
(Increase)/decrease in impairment during the year	3,747,175	5,731,331
Closing loss allowance	<u>(53,634,451)</u>	<u>(57,381,626)</u>

Loans and receivables

The Group has invested in a portfolio of non performing loans. The geographical concentration of the loans and receivables is 100% in Spain and they are not rated.

As at 31 December 2024, the loan to value (LTV) ratio of the principal balance of the NPL to the underlying collateral amounted to 188% (2023: 228%).

Other receivables

Other receivables comprise of deposits paid to solicitors for judicial auctions, advance payments to vendors, vendor balances and advance payments paid to the Spanish court directly for the acquisition of new properties. The credit risk of these receivables are minimal since they have been deposited with the Spanish Government authorities.

Cash and cash equivalents

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

Intercompany loan

Intercompany loan relates to the loan that the Company provided to the Issuer Subsidiary, Kelona Invest, S.L.

Alguer Inversiones Designated Activity Company

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

20 Financial risk management (continued)

*Risk management framework (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 loan provider is exposed to the market risk of the underlying loans and receivables.

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

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

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

Group	Fixed	Floating	Non interest bearing	Total
	31-Dec-24 EUR	31-Dec-24 EUR	31-Dec-24 EUR	31-Dec-24 EUR
Loans and receivables	-	37,469,090	-	37,469,090
Cash and cash equivalents	-	-	5,284,045	5,284,045
Other receivables	-	-	2,318,338	2,318,338
Notes issued at amortised cost	-	(55,323,944)	-	(55,323,944)
Other payables	-	-	(884,196)	(884,196)
Net interest rate risk exposure	-	(17,854,854)	6,718,187	(11,136,667)

Company	Fixed	Floating	Non interest bearing	Total
	31-Dec-24 EUR	31-Dec-24 EUR	31-Dec-24 EUR	31-Dec-24 EUR
Loans and receivables	-	37,469,090	-	37,469,090
Cash and cash equivalents	-	-	2,662,920	2,662,920
Other receivables	-	-	3,797	3,797
Intercompany loan	-	1,257,660	-	1,257,660
Notes issued at amortised cost	-	(55,323,944)	-	(55,323,944)
Other payables	-	-	(113,185)	(113,185)
Net interest rate risk exposure	-	(16,597,194)	2,553,532	(14,043,662)

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

Group	Fixed	Floating	Non interest bearing	Total
	31-Dec-23 EUR	31-Dec-23 EUR	31-Dec-23 EUR	31-Dec-23 EUR
Loans and receivables	-	38,137,377	-	38,137,377
Cash and cash equivalents	-	-	7,093,638	7,093,638
Other receivables	-	-	6,230,006	6,230,006
Notes issued at amortised cost	-	(73,096,725)	-	(73,096,725)
Other payables	-	-	(1,880,522)	(1,880,522)
Net interest rate risk exposure	-	(34,959,348)	11,443,122	(23,516,226)

Company	Fixed	Floating	Non interest bearing	Total
	31-Dec-23 EUR	31-Dec-23 EUR	31-Dec-23 EUR	31-Dec-23 EUR
Loans and receivables	-	38,137,377	-	38,137,377
Cash and cash equivalents	-	-	5,540,208	5,540,208
Other receivables	-	-	63,330	63,330
Intercompany loan	-	13,036,960	-	13,036,960
Notes issued at amortised cost	-	(73,096,725)	-	(73,096,725)
Other payables	-	-	(244,208)	(244,208)
Net interest rate risk exposure	-	(21,922,388)	5,359,330	(16,563,058)

Alguer Inversiones Designated Activity Company

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

20 Financial risk management (continued)

*Risk management framework (continued)***Market risk (continued)***(i) Interest rate risk (continued)***Sensitivity analysis**

The sensitivity analysis below have 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.

A change of 100 basis points in interest rates at the reporting date would have decreased the net position of the Group and Company by EUR 178,549 (2023: EUR 349,593) and EUR 165,972 (2023: EUR 219,224) respectively. For variable instruments, this analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(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 of the Company are denominated in EUR. The assets of the Group and Company are also denominated in EUR 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 NPLs 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 Noteholder. Hence, no sensitivity analysis has been presented in the financial statements.

The investment in equity is exposed to equity price risk and residual value risk. The fair value of the investment in equity is dependent on the net assets value of the Issuer Subsidiary. Therefore, any fluctuation in the net assets value of the Issuer Subsidiary will affect the fair value of the investment in equity. The Directors do not believe that the Company's exposure to other price risk is material for the current financial period and therefore have not presented any sensitivity analysis. The Company's investment in equity has been measured at cost less impairment in accordance with IAS 27, no sensitivity analysis is required to be presented.

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 issued are matched with the receipts of accrued interest and proceeds from the collection of the NPLs.

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 Noteholder.

The maturity profile of the Company's financial assets and liabilities as 31 December 2024 and 2023 is as follows:

Group-2024	Carrying Amount EUR	Gross		Less than 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	More than 5 years EUR
		contractual cash flows EUR					
Notes issued at amortised cost*	(55,323,944)	(77,294,746)		(2,142,264)	(2,142,264)	(6,432,661)	(66,577,558)
Other payables	(884,196)	(884,196)		(884,196)	-	-	-
Net amount	(56,208,140)	(78,178,942)		(3,026,460)	(2,142,264)	(6,432,661)	(66,577,558)

Company-2024	Carrying Amount EUR	Gross		Less than 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	More than 5 years EUR
		contractual cash flows EUR					
Notes issued at amortised cost*	(55,323,944)	(77,294,746)		(2,142,264)	(2,142,264)	(6,432,661)	(66,577,558)
Other payables	(113,185)	(113,185)		(113,185)	-	-	-
Net amount	(55,437,129)	(77,407,931)		(2,255,449)	(2,142,264)	(6,432,661)	(66,577,558)

Alguer Inversiones Designated Activity Company

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

20 Financial risk management (continued)

Risk management framework (continued)

Liquidity risk (continued)

Group-2023	Carrying Amount EUR	Gross	Less than 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	More than 5 years EUR
		contractual cash flows EUR				
Notes issued at amortised cost*	(73,096,725)	(79,442,879)	(2,148,133)	(2,142,264)	(6,432,661)	(68,719,822)
Other payables	(1,880,522)	(1,880,522)	(1,880,522)	-	-	-
Net amount	(74,977,247)	(81,323,401)	(4,028,655)	(2,142,264)	(6,432,661)	(68,719,822)

Company-2023	Carrying Amount EUR	Gross	Less than 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	More than 5 years EUR
		contractual cash flows EUR				
Notes issued at amortised cost*	(73,096,725)	(79,442,879)	(2,148,133)	(2,142,264)	(6,432,661)	(68,719,822)
Other payables	(244,208)	(244,208)	(244,208)	-	-	-
Net amount	(73,340,933)	(79,687,087)	(2,392,341)	(2,142,264)	(6,432,661)	(68,719,822)

*Gross contractual cashflows are computed based on actual outstanding amounts of the notes issued at amortised cost inclusive of expected interest expense based on the final contractual maturity date. The gross contractual cashflows presented for the notes issued at amortised cost in the table represent the best estimate of obligations outflow to the Noteholder at the financial year end date and represent the earliest contractual repayment dates for the notes issued at amortised cost. 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) - "Financial instruments". 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.

At the reporting date, the carrying amounts of financial instruments which fair values were determined directly, in full or in part, by reference to published price quotations and determined using valuation techniques are as follows:

There were no instruments measured at fair value as at 31 December 2024 and 31 December 2023.

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 31-Dec-24	Level 2 31-Dec-24	Level 3 31-Dec-24	Total fair value 31-Dec-24
Loans and receivables	-	-	37,469,090	37,469,090
Cash and cash equivalents	5,284,045	-	-	5,284,045
Other receivables	-	2,318,338	-	2,318,338
Other payables	-	(884,196)	-	(884,196)
Notes issued at amortised cost	-	-	(55,323,944)	(55,323,944)
	5,284,045	1,434,142	(17,854,854)	(11,136,667)

Group	31-Dec-23			
	Level 1 31-Dec-23	Level 2 31-Dec-23	Level 3 31-Dec-23	Total fair value 31-Dec-23
Loans and receivables	-	-	38,137,377	38,137,377
Cash and cash equivalents	7,093,638	-	-	7,093,638
Other receivables	-	6,230,006	-	6,230,006
Other payables	-	(1,880,522)	-	(1,880,522)
Notes issued at amortised cost	-	-	(73,096,725)	(73,096,725)
	7,093,638	4,349,484	(34,959,348)	(23,516,226)

Alguer Inversiones Designated Activity Company

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

21 Fair value measurement (continued)

Company	31-Dec-24			
	Level 1 31-Dec-24	Level 2 31-Dec-24	Level 3 31-Dec-24	Total fair value 31-Dec-24
Loans and receivables	-	-	37,469,090	37,469,090
Cash and cash equivalents	2,662,920	-	-	2,662,920
Other receivables	-	3,797	-	3,797
Intercompany loan	-	-	1,257,660	1,257,660
Investment in equity	-	-	14,050,338	14,050,338
Other payables	-	(113,185)	-	(113,185)
Notes issued at amortised cost	-	(55,323,944)	-	(55,323,944)
	2,662,920	(55,433,332)	52,777,088	6,676

Company	31-Dec-23			
	Level 1 31-Dec-23	Level 2 31-Dec-23	Level 3 31-Dec-23	Total fair value 31-Dec-23
Loans and receivables	-	-	38,137,377	38,137,377
Cash and cash equivalents	5,540,208	-	-	5,540,208
Other receivables	-	63,330	-	63,330
Intercompany loan	-	-	13,036,960	13,036,960
Investment in equity	-	-	16,568,834	16,568,834
Other payables	-	(244,208)	-	(244,208)
Notes issued at amortised cost	-	-	(73,096,725)	(73,096,725)
	5,540,208	(180,878)	(5,353,554)	5,776

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 approximate their fair value due to their immediate or short-term nature and have been classified under Level 2 of the fair value hierarchy. The Notes issued and intercompany loan have been classified as Level 3 due to the limited recourse obligation of the Company. The Directors have used the internal discounted rate provided by Deutsche Bank AG, London and also the future cash flow provided by the servicer, to calculate the fair value of the loans and receivables and therefore classify the loans and receivables as Level 3 as these inputs are deemed unobservable. The Directors have concluded that the fair value of the notes issued is net of the assets less the liabilities of the Company.

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 the Noteholder, 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 Noteholder due to the limited recourse nature of the notes issued by the Company.

* In relation to the intercompany loan, the Directors have determined that the fair value is driven by the profit or loss of the subsidiary during this financial year.

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

22 Capital risk management

The Company views its Notes issued as its core capital. Capital is managed by ensuring that non-performing loan portfolio and Notes issued are matched in terms of cash flow and level of recourse. The Company is not subject to any other externally imposed capital requirements.

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 and 2023, the Group did not have any contingencies or guarantees.

25 Charges

The Notes issued of the Company are principally secured by way of a Deed of charge over the Company's bank account and a Deed of pledge over Credit Rights arising from the agreements in place between the Company, the Issuer Subsidiary, the Servicer and the Noteholder.

26 Approval of the financial statements

The board of Directors approved and authorised for issue these financial statements on 19 December 2025.