

**Company Number: 654568**

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY  
COMPANY**

**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY****COMPANY INFORMATION**

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<b>Directors</b>	Ian Garvan Johannes Zwiendelaar (appointed 6 January 2025) Rosemary Loye (Alternate) (appointed 6 January 2025) Gerard Brennan (Alternate) Ross Dawson (Alternate) (resigned 6 January 2025) Mary Murphy (resigned 6 January 2025)
<b>Company Administrator and Company Secretary</b>	CSC Capital Markets (Ireland) Limited  3rd Floor Fleming Court Fleming's Place Dublin 4 D04 N4X9 Ireland
<b>Company Number</b>	654568
<b>Registered Office</b>	3rd Floor Fleming Court Fleming's Place Dublin 4 D04 N4X9 Ireland
<b>Independent auditors</b>	Grant Thornton Chartered Accountants and Statutory Audit Firm 13-18 City Quay Dublin 2 D02 ED70 Ireland
<b>Bankers</b>	BNY Mellon, London Branch One Canada Square Canary Wharf London E14 5LB United Kingdom  Banco de Sabadell S.A. Alicante Av. Oscar Espla 37 Spain

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**

**COMPANY INFORMATION (CONTINUED)**

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**Servicer** Pepper Spanish Servicing S.L.  
Albasanz Street 15  
Building B, 1st Floor  
28037, Madrid  
Spain

**Asset manager** Intriva Capital Advisors LLP  
25 Maddox Street  
London  
W1S 2QN  
United Kingdom

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY****DIRECTORS' REPORT****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The Directors present their annual report and the audited financial statements for Eastcastle Funding 5 Designated Activity Company (the "Company") for the financial year ended 31 December 2024.

**Director and Company Secretary**

The names of the persons who were Directors at any time during the financial year ended 31 December 2024 and subsequently, are set out below:

Ian Garvan

Johannes Zwiendelaar (appointed 6 January 2025)

Rosemary Loye (Alternate) (appointed 6 January 2025)

Gerard Brennan (Alternate)

Ross Dawson (Alternate) (resigned 6 January 2025)

Mary Murphy (resigned 6 January 2025)

Rosemary Loye and Gerard Brennan act as Alternate Directors to Johannes Zwiendelaar and Ian Garvan respectively. CSC Capital Markets (Ireland) Limited acted as Company Secretary for the financial year ending 31 December 2024.

The Directors and their immediate relatives and the Company secretary did not hold an interest in the Company as at 31 December 2024 or at any time during or since the financial year end, requiring disclosures in the Directors' Report pursuant to Section 329 of the Companies Act 2014 (2023: None).

The Company has no employees. CSC Capital Markets (Ireland) Limited provides corporate services to the Company. CSC Capital Markets (Ireland) Limited receives fees in the amount of €32,874 (2023: €27,361) for corporate administrative services which includes the provision of directorship services by its employees. All of the Directors are employees of CSC Capital Markets (Ireland) Limited. The Directors are not remunerated directly by the Company for their services.

The terms of the corporate services agreement in place between the Company and CSC provide for a single fee for the provision of corporate administration services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. The Directors estimate that approximately less than 10% of the fees relate to provision of Directors to the board of the Company.

**Principal activities**

The Company was incorporated on 2 August 2019 as a special purpose vehicle with limited liability for the purposes of acquiring and managing financial assets, including, principally, purchasing a portfolio of asset backed non-performing loans. The Company is a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended).

On 21 May 2020, the Company and Licata Directorship S.L. (the "Purchasers") entered into a Sale and Purchase Agreement with BankInter S.A. (the "Seller") to purchase the portfolio of asset backed non-performing loans for a transaction price of €25,831,652. The fair value of the portfolio at the date of purchase was €21,792,834. The fair value of these financial assets at the end of this financial year is €11,917,168 (2023: €14,339,018). The majority of the portfolio is secured by properties located in Spain. Pepper Spanish Servicing, S.L. acted as Servicer (the "Servicer") during the financial year. A portion of the purchase price is deferred and payable over the 5 years since acquisition. During the financial year, no portion of the deferred purchase price has been paid (2023: None). No payment has been made as at the signing date of the financial statements as there is ongoing negotiations to extend these instalments under a revised payment structure. The fair value of the deferred purchase price at the purchase date was €16,626,504. The fair value at the end of this financial year is €13,315,304 (2023: €13,315,304).

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**Principal activities (continued)**

Funding for the Company to purchase the portfolio of asset backed non-performing loans was obtained by a private note issuance (the "Note") for €6,109,339. The Company issued the Notes to Eastcastle Funding 5 S.à r.l. on 21 May 2020. The Directors have elected to measure the Note at fair value through profit or loss to avoid an accounting mismatch. The fair value of the Note as at 31 December 2024 is €737,846 (2023: €1,239,808) due to movements outlined in Note 15. During the financial year, the Company made principal repayments on the Note of €650,000 (2023: €2,920,000). On 15 January 2026, the maturity of the Note was extended to 31 December 2027 in line with the Amendment Agreement. Additionally, a revised payment structure with BankInter S.A. for the deferred purchase price is in negotiation. The Directors continue to use the proceeds of collections on the assets to pay the deferred purchase price.

Following the acquisition of the portfolio of asset backed non-performing loans from BankInter S.A. (the "Seller") on 21 May 2020, the Servicer has been unable to complete the registration from the Seller to the Company for certain loans that were acquired under the initial sales purchase agreement. This failure to complete registration has meant that the Company has been unable to initiate any actions to enforce or collect under these loans. Most recently The Bank of Spain ("BoS") has stated that any "lender of a residential loan" should be domiciled in Spain and be registered with the BoS. In order to be able to complete the registration of these loans in line with the regulations and narrative adopted by the BoS, the Company sought advice from its legal and tax advisors on the most efficient way to meet BoS requirements. This resulted in applying to register Licata Directorship SL with the BoS so that they can hold the unregistered loans.

On 18 July 2023, the Company entered into a deferred recovery agreement for the purchase of certain loans by Licata Directorship S.L. This sale was made at the same price as the original sale. As the initial purchase price has been paid by the Company and the deferred purchase price has been agreed with the Seller, there will be no further cash movement between the Seller and Licata Directorship S.L. The Company and Licata Directorship S.L will settle the transaction via an intercompany funding relationship. During the financial year there was transfers of €611,468 (2023: €326,396).

The Directors do not see any changes to the principal activities of the Company for the foreseeable future. The Directors continue to manage the Company's assets within investment and risk parameters that have been established and will continue to evaluate the situation and its impact on financial position and operating results.

**Going concern**

The Company's financial statements for the financial year ended 31 December 2024 have been prepared on a going concern basis. The Directors, with the support of Intriva Resolution Advisors LLP (the "Asset Manager"), consider a number of factors and potential indicators in relation to the Company's ability to continue as a going concern and continuously monitor the performance of the Company and its investments against internal budgets, forecasts and expected rates of return. The Directors are satisfied with the performance and liquidity of the Company noting the past, current and projected performance of investments. There are ongoing negotiations in relation to the repayment schedule for the Deferred Purchase Price, with the view to finalization in early 2026. The Directors are also satisfied with the Company's liquidity position noting that the Note maturity was extended to 31 December 2027. Please see further details around Going Concern in Note 2.2.

**Going concern (continued)**

The net current liability presented in the Statement of Financial Position is not indicative of a going concern issue in the Company. There is an ongoing discussion with the Seller around revisions to the deferred purchase price and it is expected that a new payment structure with revised terms will be finalised in early 2026 as communicated by BankInter S.A..

The new payment structure of the deferred purchase price once negotiations are finalised is projected to be settled from recoveries from the Company portfolio of assets in advance of the due date. As and if required, the Company may issue further Notes for subscription should the need arise.

The Directors are not aware of any evidence to indicate that the Company will cease operations within 12 months of signing these financial statements. The Directors note that on 15 January 2026, the maturity of the Note was extended to 31 December 2027.

Given all the available information and considering no formal decision has yet been made with regards to liquidation, the Directors are satisfied that the going concern basis of preparation is the most appropriate.

**Results and dividends**

The profit for the financial year, after taxation, amounted to €1,000 (2023: €1,000).

The Directors do not recommend the payment of a dividend be paid for the financial year (2023: None)

**Financial key performance indicators**

Given the nature of the Company's activities, the Directors consider the key performance indicators for the Company to be the net gain on financial assets at FVTPL and the net gain on financial liabilities at FVTPL. The Company had a net gain on financial assets of €457,643 (2023: net loss of €1,026,541). There was a net loss on financial liabilities held at FVTPL of €148,038 for the financial year ended 31 December 2024 (2023: net gain of €568,606).

**Political contributions**

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The Directors on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 December 2024 (2023: None).

**Principal risks and uncertainties**

The financial risk management policies of the Company and the associated credit, market and liquidity risks are discussed in detail in Note 16 to the financial statements. The Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

**Accounting records**

The measures taken by the Directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at 3rd Floor Fleming Court, Fleming's Place, Dublin 4, Ireland.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**Events since the end of the year**

On 6 January 2025, Mary Murphy and Ross Dawson resigned from their respective roles as Director and Alternate Director of the Company, with Rosemary Loye and Johannes Zwiendelaar being appointed in their place.

On 15 January 2026, in accordance with the Amendment to the Subscription Agreement for Profit Participating Notes dated 21 May 2020, the maturity of the Note was extended to 31 December 2027.

There have been no other significant events affecting the Company since the financial year end.

**Statement on relevant audit information**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

**Auditors**

The auditors, Grant Thornton Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with section 383(2) of the Companies Act 2014. A resolution to reappoint Grant Thornton will be proposed at the forthcoming Annual General meeting.

This report was approved by the Board on 21 January 2026 and signed on its behalf.



\_\_\_\_\_  
Ian Garvan  
Director  
21 January 2026



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Johannes Zwiendelaar  
Director  
21 January 2026

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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

Irish company law requires the Directors to prepare the financial statements for each financial period. Under the law, the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'*.

Under company law, the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial period end date, of the profit or loss for that financial period and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Signed on behalf of the Board of Directors by:



Ian Garvan  
Director  
21 January 2026



Johannes Zwiegelaar  
Director  
21 January 2026

# Independent auditor's report to the members of Eastcastle Funding 5 Designated Activity Company

## Opinion

We have audited the financial statements of Eastcastle Funding 5 DAC (the “Company”), which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows for the financial year ended 31 December 2024, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (Generally Accepted Accounting Practice in Ireland) (the “relevant accounting framework”).

In our opinion, the Company's 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 or loss and cash flows for the financial year then ended,
- have been properly prepared in accordance with the relevant accounting framework, 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 the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the Company. 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 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.

# Independent auditor's report to the members of Eastcastle Funding 5 Designated Activity Company

## Other information

The Directors are responsible for the other information. Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, including the Directors' report and Directors' Responsibilities Statement. 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.

## Opinion on the matters prescribed by the Companies Act 2014

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

In our opinion:

- the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.

The Statement of Financial Position and Statement of Comprehensive Income are in agreement with the accounting records and returns.

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

- the information given in the Directors' report for the financial year is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements, excluding the requirements on sustainability reporting in Part 28.

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

## Matters on which we are required to report by exception

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

# Independent auditor's report to the members of Eastcastle Funding 5 Designated Activity Company

## **Responsibilities of the Directors and those charged with governance for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, management is 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 they determine 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process and for the preparation of financial statements that give a true and fair view.

## **Auditor's responsibilities for the audit of the financial statements**

The objectives of an auditor 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](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**

This 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.



Sean Ridley  
For and on behalf of  
Grant Thornton  
Chartered Accountants & Statutory Audit Firm  
13-18 City Quay, Dulin 2  
Ireland  
21 January 2026

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	For the financial year ended 31 December 2024	For the financial year ended 31 December 2023
		€	€
Net gain/(loss) on financial assets at FVTPL	4	457,643	(1,026,541)
Net (loss)/gain on financial liabilities at FVTPL	5	(148,038)	568,606
Net gain on deferred purchase price	6	–	897,949
<b>Gross profit</b>		<u>309,605</u>	<u>440,014</u>
Operating expenses	7	(308,882)	(445,898)
Interest income and similar income		277	6,884
<b>Operating profit</b>		<u>1,000</u>	<u>1,000</u>
Taxation	10	–	–
<b>Profit for the financial year</b>		<u><u>1,000</u></u>	<u><u>1,000</u></u>

All amounts relate to continuing activities. All recognised gains or losses in the current year are included in the Statement of Comprehensive Income.

The notes to the financial statements on pages 16 to 30 form an integral part of the financial statements.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**


**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2024**

	Note	As at 31 December 2024 €	As at 31 December 2023 €
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	11	9,565,853	11,211,657
		9,565,853	11,211,657
<b>Current assets</b>			
Financial assets at fair value through profit or loss	11	2,351,315	3,127,361
Cash at bank and in hand	12	2,165,877	387,809
Other debtors	13	243,000	5,180
		4,760,192	3,520,350
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(13,483,637)	(13,388,637)
<b>Net current liabilities</b>		(8,723,445)	(9,868,287)
<b>Total assets less current liabilities</b>		842,408	1,343,370
Financial liabilities at fair value through profit or loss	15	(737,846)	(1,239,808)
<b>Net assets</b>		104,562	103,562
<b>Capital and reserves</b>			
Called up share capital	17	1	1
Share premium account	17	99,999	99,999
Retained earnings	17	4,562	3,562
<b>Total equity</b>		104,562	103,562

The notes to the financial statements on pages 16 to 30 form an integral part of the financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 21 January 2026:



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Ian Garvan  
Director  
21 January 2026



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Johannes Zwiigelaar  
Director  
21 January 2026

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY****STATEMENT OF CHANGES IN EQUITY****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>At 1 January 2023</b>	1	99,999	2,562	102,562
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	–	–	1,000	1,000
<b>At 1 January 2024</b>	1	99,999	3,562	103,562
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	–	–	1,000	1,000
<b>At 31 December 2024</b>	1	99,999	4,562	104,562

The notes to the financial statements on pages 16 to 30 form an integral part of the financial statements.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	For the financial year ended 31 December 2024 €	For the financial year ended 31 December 2023 €
<b>Cash flows from operating activities</b>			
Profit for the financial year		1,000	1,000
<b>Adjustments for:</b>			
Net loss on financial assets at FVTPL	4	(457,643)	1,026,541
Net gain on financial liabilities at FVTPL	5	148,038	(568,606)
Net gain on deferred purchase price	6	–	(897,949)
Increase/(decrease) in other creditors		95,000	(83,228)
Increase in debtors		(237,820)	(5,180)
<b>Net cash used in operating activities</b>		<u>(451,425)</u>	<u>(527,422)</u>
<b>Cash flows from investing activities</b>			
Repayment of financial assets	11	<u>2,879,493</u>	<u>3,743,928</u>
<b>Net cash generated from investing activities</b>		<u>2,879,493</u>	<u>3,743,928</u>
<b>Cash flows from financing activities</b>			
Repayment of Profit Participating Note	15	<u>(650,000)</u>	<u>(2,920,000)</u>
<b>Net cash used in financing activities</b>		<u>(650,000)</u>	<u>(2,920,000)</u>
<b>Net increase in Cash at bank and in hand</b>		1,778,068	296,506
Cash at bank and in hand at the beginning of the financial year	12	<u>387,809</u>	<u>91,303</u>
<b>Cash at bank and in hand at the end of the financial year</b>	12	<u><u>2,165,877</u></u>	<u><u>387,809</u></u>

The notes to the financial statements on pages 16 to 30 form an integral part of the financial statements.

## 1. General information

Eastcastle Funding 5 Designated Activity Company (the “Company”) was incorporated on 2 August 2019 as a special purpose vehicle with limited liability for the purposes of acquiring and managing financial assets, including, principally, purchasing a portfolio of asset backed non-performing loans (the “Financial assets at fair value through profit or loss”). The Company is a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997. The Company was incorporated with registration number 654568 and its registered office is 3rd Floor, Fleming Court, Fleming's Place, Dublin 4, Ireland.

## 2. Accounting Policies

### 2.1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see Note 3).

The following principal accounting policies have been applied:

### 2.2. Going concern

The Directors have prepared the financial statements on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future and will have adequate funds available to meet their obligations as they fall due.

The Company's financial statements for the financial year ended 31 December 2024 have been prepared on a going concern basis. The Directors, with the support of the Asset Manager, consider a number of factors and potential indicators in relation to the Company's ability to continue as a going concern and continuously monitor the performance of the Company and its investments against internal budgets, forecasts and expected rates of return. The Directors are satisfied with the performance and liquidity of the Company noting the past, current and projected performance of investments. The Directors are also satisfied with the Company's liquidity position.

The net liability presented in the Statement of Financial Position is not indicative of a going concern issue in the Company. There is an ongoing discussion with the Seller around revisions to the deferred purchase price and it is expected that a new payment structure with revised terms will be finalised in the coming months.

The Directors note that on 15 January 2026, the maturity of the Note was extended to 31 December 2027.

The Directors are not aware of any evidence to indicate that the Company will cease operations within 12 months of signing these financial statements.

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**2. Accounting Policies (continued)**

**2.2. Going concern (continued)**

Given all the available information and considering no formal decision has yet been made with regards to liquidation, the Directors are satisfied that the going concern basis of preparation is the most appropriate.

**2.3. Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is Euro ("€").

**Transactions and balances**

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

At each financial year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.4. Interest income and expense**

Interest is recognised within the 'Interest income and similar income' and 'Net (loss)/gain on financial liabilities at FVTPL' in the Statement of Comprehensive Income. Accrued interest expenses are recognised in 'Financial liabilities at fair value through profit or loss' on the Statement of Financial Position. All income and expenses are accounted for on an accrual basis. The Company accounts for interest expense on an effective interest rate basis. The effective interest method is a method of calculating the fair value of a financial liability and of allocating the interest expense over the relevant period.

The 'Interest income and similar income' is comprised of interest income earned on the current bank balance.

**2.5. Operating expenses**

The operating expenses recognised in the 'Operating expenses' line in the Statement of Comprehensive Income are comprised of service provider fees and are recognised on an accrual basis.

**2.6. Taxation**

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date in the countries where the Company operates and generates income.

**2. Accounting Policies (continued)**

**2.7. Receivables**

Short term receivables are measured at transaction price, less any impairment.

**2.8. Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.9. Accrued expenses and other liabilities**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10. Provision for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.11. Financial assets and financial liabilities at fair value through profit or loss**

On initial application of FRS102 in accounting for its financial instruments a reporting entity is required to apply either:

- a) the full provisions of section 11 "Basis Financial Instruments" and section 12 "Other Financial Instruments";
- b) the recognition and measurement provision of IAS 39 Financial Instruments Recognition and Measurement ("IAS 39") and only the disclosure requirements of Section 11 and 12 of FRS 102; or
- c) the recognition and measurement provision of IFRS 9 Financial Instruments ("IFRS 9") AND /OR IAS 39 (as amended following the publication of IFRS 9) and only the disclosure requirements of Section 11 and 12 of IFRS 102.

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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## **2. Accounting Policies (continued)**

### **2.11. Financial assets and financial liabilities at fair value through profit or loss (continued)**

The Company is applying option b), the recognition and measurement provisions of IAS 39 and only the disclosure requirements of Section 11 and 12 of FRS 102.

#### ***(a) Classification***

The Directors classify its financial assets and liabilities based on both the Company's business model for managing those financial assets and liabilities and their contractual cash flow characteristics. The Directors are primarily focused on fair value information and uses that information to assess the investments' performance and to make decisions.

#### ***(a) Classification (continued)***

The Company has issued a Profit Participating Note ("the Note") which is limited recourse in nature and the amounts ultimately repayable to the noteholder is restricted to the 'available amount' which is an amount equal to all income and gains earned by the Company from or in respect of the financial assets for the period less any losses suffered, any costs, fees and/or expenses payable by the Company and the Profit Reserve Amount of €1,000 per annum. As such, the Company's financial assets and liabilities are classified as financial assets and financial liabilities at fair value through profit or loss.

#### ***(b) Recognition***

##### ***(i) Financial assets***

The financial assets are initially recognised at fair value, being the issue proceeds (fair value of consideration received) with associated transaction costs incurred being expensed to the Statement of Comprehensive Income. They are subsequently measured at fair value as determined by the servicer at the financial year end. The fair value movement is recognised in the Statement of Comprehensive Income reducing or increasing the carrying value of financial asset as appropriate.

##### ***(ii) Financial Liabilities***

The Notes issued are recognised initially at fair value, being the issue proceeds (fair value of consideration received) net of transaction costs incurred. They are subsequently measured at fair value being the total obligation for the Company in relation to the Note and is recognised as a fair value movement through the Statement of Comprehensive Income.

#### ***(c) Derecognition***

Financial assets and financial liabilities are derecognised when the contractual rights to the cash flows from the asset or liability expire, or it transfers the rights to receive the contractual cash flows on the financial asset or obligations to settle the financial liability expire.

## **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)**

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

The critical accounting judgements and estimates applied by Directors are the estimates of fair value of the financial assets and liabilities designated as held at fair value through profit or loss.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. When available the Company measures the fair value of an instrument using the quoted price in an active market for that instrument.

A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. If there is no quoted price in an active market, then the Directors, with the support of the Asset Manager uses a discounted cash flow model of future projected cash flows and applies a market representative discount rate. The Asset Manager has applied a discount rate of 9% (2023: 9%) in their determination of fair value of the financial assets held at FVTPL representing an expected return for comparable investments of non-performing loan portfolios. A discount rate of 9% (2023: 9%) has been used in the determination of the present value of the Deferred Purchase Price representing the expected rate of borrowing that the Company would be subject to if they were to finance the deferred settlement.

Financial assets and liabilities are categorised into the following fair value hierarchy:

Level 1: Quoted prices (unadjusted) in an active market for identical assets or liabilities;

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs for the assets and liabilities that are not based on observable market data (management estimates based on unobservable inputs).

Refer to Note 16 for further details.

**4. Net gain/(loss) on financial assets at FVTPL**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
Net gain/(loss) on financial assets at FVTPL	457,643	(1,026,541)
	<u>457,643</u>	<u>(1,026,541)</u>

**5. Net (loss)/gain on financial liabilities at FVTPL**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
Net (loss)/gain on financial liabilities at FVTPL	(148,038)	568,606
	<u>(148,038)</u>	<u>568,606</u>

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**6. Net gain on deferred purchase price**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
Net gain on deferred purchase price	–	897,949
	<u>–</u>	<u>897,949</u>

**7. Operating expenses**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
Servicer fees	(113,850)	(156,361)
Audit fees	(36,424)	(35,498)
Corporate service fees	(32,874)	(27,361)
Professional fees	(72,833)	(140,831)
Legal fees	(14,667)	(16,764)
Tax compliance fees	(5,455)	(4,551)
Other expenses	(32,779)	(64,532)
	<u>(308,882)</u>	<u>(445,898)</u>

**8. Auditors' remuneration**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
<b>Included in operating profit is audit fees payable:</b>		
Audit fees	(36,424)	(35,498)
Tax compliance fees	(5,455)	(4,551)
	<u>(41,879)</u>	<u>(40,049)</u>

Other than tax compliance services, no other non-audit services were provided during the financial year (2023: None).

**9. Employees**

The Company has no employees (2023: None). CSC Capital Markets (Ireland) Limited entered into an agreement with the Company to certain corporate administrative services, bookkeeping and accounting services to the Company. CSC Capital Markets (Ireland) Limited also acted as Company Secretary and so had an interest in this fee. Pursuant to Section 305A(1)(a) of the Companies Act 2014 (as amended) CSC Capital Markets (Ireland) Limited received €32,874 (2023: €27,361).

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**9. Employees (continued)**

The terms of the corporate services agreement in place between the Company and CSC provide for a single fee for the provision of corporate administration services (including the making available of individuals to act as directors of the Company). As a result, the allocations of fees between the different services provided is a subjective and approximate calculation. The Directors estimate that approximately less than 10% of the fees relate to provision of Directors to the board of the Company.

**10. Taxation**

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
Current tax on profits for the financial year	—	—
<b>Total current tax</b>	—	—
<b>Taxation on profit on ordinary activities</b>	—	—

**Factors affecting tax charge for the financial year**

The tax assessed for the financial year is higher than the standard rate of corporation tax in Ireland of 12.50% (2023: 12.50%). The differences are explained below:

	<b>For the financial year ended 31 December 2024</b>	<b>For the financial year ended 31 December 2023</b>
	€	€
<b>Profit on ordinary activities before tax</b>	1,000	1,000
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.50% (2023: 12.50%)	125	125
<b>Effects of:</b>		
Higher tax rate applicable under Section 110 TCA, 1997	125	125
Tax losses carried forward	(250)	(250)
<b>Total tax charge for the financial year</b>	—	—

**Factors that may affect future tax charges**

The Company is a qualifying company within the means of Section 110 of the Taxes Consolidation Act 1997. As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**11. Financial assets at fair value through profit and loss**

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
Opening balance	14,339,018	19,109,487
Repayments	(2,879,493)	(3,743,928)
Net loss on financial assets at FVTPL	457,643	(1,026,541)
<b>Closing book value</b>	<u>11,917,168</u>	<u>14,339,018</u>

On 21 May 2020, the Company and Licata Directorship S.L. (the "Purchasers") entered into a Sale and Purchase Agreement with BankInter S.A. (the "Seller") to purchase the portfolio of asset backed non-performing loans (the "Portfolio"). The fair value of the Portfolio at the date of purchase was €21,792,834. The fair value of these financial assets at the end of this financial year is €11,917,168 (2023: €14,339,018). The Portfolio is secured by properties located in Spain. Pepper Spanish Servicing, S.L. was appointed as Servicer. On 30 July 2023, the Company entered into a transfer agreement with Licata Directorship S.L to transfer a portion of the Portfolio of mortgage-backed loans. The fair value of these properties at the year end was €1,072,545 (2023: €1,290,512).

Following the acquisition of the Portfolio from BankInter S.A. the servicer has been unable to complete the registration from the Original Seller to the Company for certain of the loans that were acquired under the initial sales purchase agreement. This failure to complete registration has meant that the Company has been unable to initiate any actions to enforce or collect under these loans. Most recently, the Bank of Spain (or "BoS") has stated that any "lender of a residential loan" should be domiciled in Spain and be registered with the BoS.

In order to be able to complete the registration of these loans in line with the regulations and narrative adopted by the BoS, the Company sought advice from our legal and tax advisors on the most efficient way to meet BoS requirements. This resulted in applying to register Licata Directorship S.L. with the BoS so that they can hold the unregistered loans.

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
<b>Split between</b>		
Non-current	2,351,315	11,211,657
Current	9,565,853	3,127,361
	<u>11,917,168</u>	<u>14,339,018</u>

**12. Cash and cash equivalents**

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
Cash at bank and in hand	2,165,877	387,809
	<u>2,165,877</u>	<u>387,809</u>

The cash on deposit is held with BNY Mellon and Sabadell Banco. BNY Mellon currently holds an AA- long-term counterparty credit rating and A-1+ short-term counterparty credit rating by Standard and Poor's (2023: AA- and A-1+). Sabadell Banco currently holds an A- short-term counterparty credit rating and a A-2 long term counterparty credit rating by Standard and Poor's (2023: A-2 and BBB).

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**13. Other debtors**

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
Intercompany receivable	243,000	–
Prepayments	–	5,180
	<u>243,000</u>	<u>5,180</u>

**14. Creditors: amounts falling due within one year**

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
Deferred purchase price	(13,315,304)	(13,315,304)
Other creditors	(168,333)	(73,333)
	<u>(13,483,637)</u>	<u>(13,388,637)</u>

A portion of the deferred purchase price was deferred and payable over the 5 years since acquisition. During the financial year, no portion of the deferred purchase price has been paid (2023: None). The Company did not discount the deferred purchase price during the financial year. The fair value of the deferred purchase price at the purchase date was €16,626,504. The fair value at the end of this financial year is €13,315,304 (2023: €13,315,304).

Ongoing negotiations continue with the original seller for the repayment schedule of the deferred purchase price. The structure of the repayment schedule has been agreed in principal with documentation expected to be finalised in the fourth quarter of 2025. No further payments have been in 2024 or at the date of signing of the financial statements.

**15. Financial liabilities at fair value through profit and loss**

	As at 31 Dec 2024	As at 31 Dec 2023
	€	€
Opening balance	(1,239,808)	(4,706,274)
Note repayment	650,000	2,920,000
Net gain on financial liabilities	(148,038)	568,606
Reversal of prior period expense accrual	–	(22,140)
	<u>(737,846)</u>	<u>(1,239,808)</u>

As the Issued Note is a profit participating note, the noteholder is entitled to all the economic returns less a profit reserve amount. The Company issued the Note to Eastcastle Funding 5 S.á,r,l. on 21 May 2020. The fair value of the Note at the financial year end was €737,846 (2023: €1,239,808). The principal repayment on the Note during the financial year was €650,000 (2023: €2,920,000) The Note had an initial legal maturity date of 21 May 2025, but this was extended to 31 December 2027 on 15 January 2026.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**16. Financial risk management**

The principal risks arising from the Company's financial instruments are liquidity, credit, market risk and interest rate risk. The Company has established policies for managing these risks as outlined below.

**Credit risk**

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial assets of the Company are the non-performing loan portfolio held at fair value, short term receivables and cash held on deposit. The Company's main income generating activity is the management of the non-performing loan portfolio and credit risk mainly arises from the Company's non-performing loan portfolio, as well as on the other assets and cash balances. The Company considers all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk for risk management purposes.

Credit risk is monitored and managed on a regular basis through preparation and review of quarterly progress reports based on fair values which are reviewed in detail by management. The Asset Manager has been employed to engage directly with the borrowers on a one to one basis to seek resolution.

All loans purchased were non-performing loans secured on properties located in Spain. The credit risk associated with these loans is that the borrower may not repay what they have borrowed. The fair value of the financial assets at FVTPL at the financial year end is €11,917,168 (2023: €14,339,018). Collections on non-performing loans in the financial year amounted to €2,879,493 (2023: €3,743,928). The Portfolio was purchased at a discount and the Servicer has been engaged to work with the borrowers and resolve the loans through individual payment plans. The fair value determined at 31 December 2024 resulted in a decrease in fair value of €457,643 (2023: decrease of €1,026,541). The change in fair value attributable to change in credit risk is determined as the total amount of the change in fair value that is not attributable to changes in the value of the underlying properties, observed benchmark interest rate or other market rates. Due to the non-performing nature of the loan portfolio the fair value movement is primarily due to changes in timing and volume of expected collections rather than changes in credit risk. All of the non-performing loan assets are held at FVTPL are secured on properties.

The maximum exposure to credit risk at the financial year is as follows:

	<b>Carrying Value €</b>	<b>Maximum Exposure €</b>
Financial assets at FVTPL	11,917,168	14,339,018
Other debtors	243,000	5,180
Cash and cash equivalents	2,165,877	387,809
	<u>14,326,045</u>	<u>14,732,007</u>

The credit risk of other exposures is minimised by monitoring the credit rating of counterparties and the loans. The cash on deposit is held with BNY Mellon and Banco Sabadell. BNY Mellon currently holds an AA- long-term counterparty credit rating and A-1+ short-term counterparty credit rating by Standard and Poor's (2023: AA- and A-1+). Sabadell Banco currently holds an A-2 short-term counterparty credit rating and a A- long term counterparty credit rating by Standard and Poor's (2023: A-2 and BBB). Amounts due from collection agents are very short term in nature. Due to the credit ratings of these institutions, the credit risk relating to these amounts is considered to be immaterial.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**16. Financial risk management (continued)**

**Liquidity risk**

Liquidity risk is defined as risk of being unable to fulfil current or future payment obligations in full on the due date. The objective of the Company's liquidity management is to ensure that sufficient funds are available to meet the Company's commitments. Liquidity risk is minimised by the fact that the Note has a maturity date of 31 December 2027, or if earlier, the date on which the Financial assets have been settled. The table below analyses the undiscounted cashflows, on the financial liabilities based on the contractual obligations at the Statement of Financial Position date, into relevant maturity groupings. The calculations have been based on the interest rates effective at the Statement of Financial Position date and are based on the assumption that the Note will not be repaid until the contractual maturity date.

2024	1 to 3 months €	3 months to 1 year €	1 year to 2 years €	2 years to 5 years €
<b>Financial liabilities by type</b>				
Amounts payable on Note	–	–	(737,846)	–
Deferred purchase price	–	(13,315,304)	–	–
Other creditors	(168,333)	–	–	–
	<u>(168,333)</u>	<u>(13,315,304)</u>	<u>(737,846)</u>	<u>–</u>
<b>Financial assets by type</b>				
Financial assets	571,379	1,835,373	3,180,463	7,981,974
Other debtors	243,000	–	–	–
	<u>814,379</u>	<u>1,835,373</u>	<u>3,180,463</u>	<u>7,981,974</u>
<b>2023</b>				
	1 to 3 months €	3 months to 1 year €	1 year to 2 years €	2 years to 5 years €
<b>Financial liabilities by type</b>				
Amounts payable on Note	–	–	–	(724,386)
Deferred purchase price	(13,315,304)	–	–	–
Other creditors	(73,333)	–	–	–
	<u>(13,388,637)</u>	<u>–</u>	<u>–</u>	<u>(724,386)</u>
<b>Financial assets by type</b>				
Financial assets	571,379	1,835,373	3,180,463	7,981,974
Other debtors	5,180	–	–	–
	<u>576,559</u>	<u>1,835,373</u>	<u>3,180,463</u>	<u>7,981,974</u>

The net liability position of €11,479,931 in the '3 months to 1 year' category disclosed above is not indicative of a going concern issue, but presents a material uncertainty as the revised payment structure of the deferred purchase price has yet to be finalised. There is an ongoing discussion with the Seller around revisions to the deferred purchase price, with the view to finalising the revised payment structure in early 2026. No payment was made in 2024 on the deferred purchase price or in the financial period to date. The Directors note that the maturity of the Note was extended to 31 December 2027. The Directors are satisfied that the Company is a going concern.

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**16. Financial risk management (continued)**

**Market risk**

Market risk refers to the potential loss arising from changes in interest rates and foreign currency rates. The Company's financial assets are all denominated in euro and therefore the Company has minimal exposure to foreign currency risk.

**Interest rate risk**

Interest rate risk is the risk that the present value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Directors monitor the interest risk on a regular basis and have the capacity to enter into derivatives to mitigate risk if required.

2024	Fixed interest rate €	Floating interest rate €	Non-interest bearing €	Total €
<b>Assets</b>				
Financial assets	–	11,917,168	–	11,917,168
Other debtors	–	–	243,000	243,000
Cash and cash equivalents	–	–	2,165,877	2,165,877
<b>Total Assets</b>	–	11,917,168	2,408,877	14,326,045
<b>Liabilities</b>				
Note	–	(737,846)	–	(737,846)
Deferred purchase price	–	–	(13,315,304)	(13,315,304)
Other creditors	–	–	(168,333)	(168,333)
<b>Total Liabilities</b>	–	(737,846)	(13,483,637)	(14,221,483)
<b>Interest sensitivity gap</b>	–	11,179,323	(11,074,760)	104,562
<b>2023</b>				
	Fixed interest rate €	Floating interest rate €	Non-interest bearing €	Total €
<b>Assets</b>				
Financial assets	–	14,339,018	–	14,339,018
Other debtors	–	–	5,180	5,180
Cash and cash equivalents	–	–	387,809	387,809
<b>Total Assets</b>	–	14,339,018	392,989	14,732,007
<b>Liabilities</b>				
Note	–	(1,239,808)	–	(1,239,808)
Deferred purchase price	–	–	(13,315,304)	(13,315,304)
Other creditors	–	–	(73,333)	(73,333)
<b>Total Liabilities</b>	–	(1,239,808)	(13,388,637)	(14,628,445)
<b>Interest sensitivity gap</b>	–	13,099,210	(12,995,648)	103,562

**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**16. Financial risk management (continued)**

**Fair value measurements**

The Company measures fair values in accordance with FRS 102, which defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The information set out below provides information about how the Company determines the fair value of the financial assets and financial liabilities.

In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis. A discount rate of 9% has been applied in the valuation of the Financial assets.

**Fair value hierarchy**

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability. The fair value of the assets is calculated as the present value of the cash flows for each loan calculated using the discount rate of 9%.

The discount rate was derived from the discount rate at acquisition adjusted for deal specific and macro- economic factors. There have been no changes in the valuation techniques within the period.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Fair value measurements recognised in the Statement of Financial Position:

**2024**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL	–	–	11,917,168	11,917,168
Financial liabilities at FVTPL	–	–	(737,846)	(737,846)
	–	–	11,179,322	11,179,322

**2023**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL	–	–	14,339,018	14,339,018
Financial liabilities at FVTPL	–	–	(1,239,808)	(1,239,808)
	–	–	13,099,210	13,099,210

There were no transfers between Level 1 and Level 2 in the financial year to 31 December 2024. The fair value of the financial assets are derived from the expected future cash flows on the assets discounted at a rate of 9% (2023: 9%).

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**17. Called up share capital**

	2024	2023
	€	€
Authorised, allotted called up and fully paid		
1 (2023: 1) Ordinary share of €1	<u>1</u>	<u>1</u>
Allotted, called up and not paid:		
1 (2023: 1) Ordinary share of €1 each	<u>1</u>	<u>1</u>

Proceeds received in addition to the nominal value of the shares issued during the prior period have been included in share premium amounting to €99,999.

The 'Retained earnings' line item in the Statement of Financial Position is made up of accumulated profit and loss from each financial year.

**18. Related party transactions**

CSC Capital Markets (Ireland) Limited entered into an agreement with the Company to provide certain corporate services to the Company. CSC Capital Markets (Ireland) Limited also acted as Company Secretary and so had an interest in this fee. The Directors are not remunerated directly by the Company for their services. During the financial year, CSC Capital Markets (Ireland) Limited charged €32,874 (2023: €27,361) as consideration for the services provided.

The Company entered into a subscription agreement for profit participating notes with Eastcastle Funding 5 S.à r.l. (the "Shareholder"). The balance outstanding on the Note at the financial year end was €737,846 (2023: €1,239,808). The principal repayment on the Note during the financial year was €650,000 (2023: €2,920,000) and the Note has a legal revised maturity date of 31 December 2027. The maximum issuance of the note is €15,000,000 and the Company will issue an additional note to the Eastcastle Funding 5 S.à r.l. to pay the deferred purchase price. At the year end, there was interest incurred of €518,397 on the Note (2023: None).

Intriva Resolution Advisors LLP (the Parent of the Company's shareholder) entered into an agreement with the Company to provide Asset Manager services to the Company. During the financial year, the Company incurred asset management expenses of €72,833 (2023: €114,124). As at 31 December 2024, €39,293 (2023: €19,066) was due to Intriva Resolution Advisors LLP. Licata Directorship S.L. is also part of the same group that entered into the above agreement.

On 30 July 2023, Licata Directorship S.L, a related party through common ownership, entered into a Deed of Assignment and deferred recovery agreement with the Company for the acquisition of a portion of mortgage backed loans. As the initial purchase price has already been paid and deferred purchase price arrangements have been made with the Original Seller by the Company, there will be no further cash movement between the Original Seller and Licata. The Company and Licata will settle the transaction via an intercompany funding relationship.

To finance the acquisition by Licata Directorship S.L., the Company provided €326,396 in funding. This balance was fully repaid in 2023. The fair value of these properties at the financial year end was €1,072,545 (2023 €1,290,512).

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**EASTCASTLE FUNDING 5 DESIGNATED ACTIVITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**19. Subsequent events**

On 6 January 2025, Mary Murphy and Ross Dawson resigned from their respective roles as Director and Alternate Director of the Company, with Rosemary Loye and Johannes Zwiegelaar being appointed in their place.

On 15 January 2026, in accordance with the Amendment to the Subscription Agreement for Profit Participating Notes dated 21 May 2020, the maturity of the Note was extended to 31 December 2027.

There have been no other significant events since the reporting date which require disclosure in these financial statements.

**20. Ultimate controlling party**

The Company's immediate parent company is Eastcastle Funding 5 S.à r.l. a company incorporated in the Luxembourg. The entire share capital of Eastcastle Funding 5 S.à r.l. is ultimately held by Intriva Holdings Limited. The shares in Intriva Holdings Limited are held by Simon Finn (77.5%) and Others (22.5%).

**21. Approval of financial statements**

The Board of Directors approved these financial statements for issue on 21 January 2026.