

Carpathian Investments Designated Activity Company

Directors' report and audited consolidated financial statements

For the financial year ended 31 December 2023

Registered number: 664946

Carpathian Investments Designated Activity Company

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Directors and other information

Directors	Shane Coman Bronwyn Wright Udit Choudhari (<i>resigned on 3rd April 2025</i>)	
Registered Office	2nd Floor Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Administrator & Company Secretary	Apex Corporate Services (Ireland) Limited 2nd Floor Block 5 Irish Life Centre Abbey Street Lower Dublin 1 Ireland	
Paying Agent, Cash Manager and Account Bank	Deutsche Bank AG London Winchester House 1 Great Winchester Street London EC2N 2DB	
Security Trustee	The Law Debenture Trust Corporation P.L.C Fifth Floor, 100 Wood Street London, EC2V 7 EX	
Independent Auditor	Forvis Mazars (<i>as from 24 April 2025</i>) Block 3 Harcourt Centre Harcourt Road Dublin 2, D02 A339 Ireland	KPMG (<i>up to 23 April 2025</i>) Chartered Accountants, Statutory Audit Firm 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Registrar	Deutsche Bank Luxembourg S.A 2, Boulevard Konrad Adenauer L-1115 Luxembourg	
Solicitor	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland	
Peruvian Servicer	Copernicus Peru S.A.C Calle Chinchon N° 601 Urb Jardin Lima San Isidro Peru	

Directors' report

The Directors present their annual report and audited consolidated financial Statements of Carpathian Investments Designated Activity Company (the "Company") and its subsidiaries (together the "Group") for the financial year ended 31 December 2023.

Principal activities

The Company was incorporated as a special purpose vehicle (the "SPV") incorporated and registered in Ireland with limited liability under the Companies Act 2014, on 24 January 2020 with registered number 664946. The Company holds 99.99% of the shares in SPV I Sociedad Anonima Cerrada ("SPV I S.A.C.") and 0.02% of the shares, in SPV II Sociedad Anonima Cerrada ("SPV II S.A.C") at the end of the financial year (both together the "subsidiaries" and Peruvian incorporated companies).

In February 2020, the Company acquired 99.99% of the share capital of SPV I S.A.C, a Peruvian incorporated entity which acquires real property assets located in Peru. This transaction was funded by the Company through the issuance of Profit Participating Notes (the "PPN issued at FVTPL"), maturing in February 2030, to Deutsche Bank Luxembourg S.A (the "Note Subscriber"). The Company also owns 0.2% of the share capital of SPV II S.A.C, a Peruvian incorporated entity. SPV II S.A.C owns 0.01% of the share capital of SPV I S.A.C which in turn owns 99.8% of the share capital of SPV II S.A.C. Therefore, the Directors have concluded that the Company has control of these securitization vehicles and as such has prepared consolidated financial statements incorporating the results of its subsidiaries.

SPV I S.A.C has entered into a facility agreement, with Deutsche Bank Luxembourg S.A., on 3 January 2020 and used part of the proceeds from the loans (the "loans payable at FVTPL") taken from Deutsche Bank Luxembourg S.A. and funds received from the Company to acquire the Portfolio from Banco del Credito Peru.

Business review

The Group consists of Carpathian Investments DAC, SPV I S.A.C and SPV II S.A.C and its principal activity is the investment in a loan portfolio from funding received through issuance of PPN and facility agreement.

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 814 (2021: EUR 843);
- SPV I S.A.C acquired a NPL portfolio amounting to EUR Nil; (2022: EUR Nil)
- SPV I S.A.C issued Loans payable of EUR Nil; (2022: EUR Nil) and
- SPV I S.A.C repaid Loans payable of EUR Nil (2022: EUR Nil 5,593,273).
- Carpathian Investments DAC issued EUR Nil of PPN (2022: EUR Nil);
- Carpathian Investments DAC repaid EUR Nil (2022: EUR Nil) of PPN;

As at 31 December 2023:

- the Group's total assets was EUR 12,055,303 (2022: EUR 14,353,668);
- the carrying value of the Group's total PPN was EUR 2,817,558 (2022: EUR 5,125,296);
- the carrying value of the Group's Loans payable was EUR 6,746,105 (2022: EUR 6,537,125) and
- the Group's net equity was EUR 3,222 (2022: EUR 2,408).

Key performance indicators

	31-Dec-22	31-Dec-21
	EUR	EUR
Profit for the financial period after tax	814	843
Group total equity	3,222	2,408
Group financial assets at fair value through profit or loss	6,884,089	11,017,011

Future developments

The Directors do not anticipate any material changes to the nature or volume of the business in the foreseeable future as the loans payable will mature in 2037 and the PPN issued will mature in 2030. The Board will continue to seek new opportunities for the Group and will continue to ensure proper management of the current portfolio of financial assets, loans payable and PPN Issued by the Group.

Going Concern

The Group's and Company's financial statements for the financial period ended 31 December 2023 have been prepared on a going concern basis. The Directors anticipate that the financial assets 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 814 (2022: EUR 843) in the current financial period. The Loans payable due under the facility agreement will mature in December 2037 and the PPN will mature in 2030. For these reasons, the Directors believe that the going concern basis is appropriate.

Impact of Middle Eastern conflicts on the Company/Group

On 7 October 2023, Hamas and several other Palestinian militant groups launched an attack on Israel. In the following weeks and months, the results of this attack and the Israeli military operations in Gaza have increased tensions in the Middle East. More recently, on 14 April 2024, Iran launched a missile attack against Israel in response to an Israeli attack on an Iranian diplomatic compound in Syria. At the time of writing, it is unclear if the conflict between Israel and Palestine will grow into a broader Middle Eastern conflict and the Iranian strike on Israel is a new and fluid aspect of this situation.

The current political and financial uncertainty surrounding Russia and Ukraine and the war between Israel and Hamas may increase market volatility and the economic risk of trading in these countries and other impacted countries within the region. To date the Company has seen minimal impact in the markets in which it operates, however there could be an impact on the wider Irish economy including rising costs, customer confidence and demand, and customers' ability to meet their financial obligations and consequently the Company's financial performance.

Directors' report (continued)

Going Concern (continued)

Impact of Middle Eastern conflicts on the Company/Group (continued)

The economic impact of these tensions remain uncertain, but may impact global economic conditions, asset valuations, interest rate expectations and exchange rates.

The extent of these impacts on the Group/Company are unclear at this stage and the Directors continue to actively monitor the situation.

Results and dividends for the financial period

The results for the financial period of the Group are set out on page 9. The Directors have not recommended the payment of a dividend for the period under review.

Shares and shareholders

The authorized share capital of the Company is EUR 100 divided into 100 ordinary shares of EUR 1 each, 1 share of which has been allotted, called up and issued. On 3 February 2020, Apex Corporate Services Limited holding 100% of the issued share capital transferred the 1 share in the Company to Deutsche Bank, Frankfurt. As at 31 December 2023, Deutsche Bank, Frankfurt is still the sole shareholder of the Company.

Changes in Directors, secretary and registered office during the financial period

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

Directors and secretary and their interests

The Directors and secretary, who held office during the year ended 31 December 2023 and their families, 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 during the year ended 31 December 2023 are disclosed on page 1 of the financial statements.

Registered office

The Company's registered office is located on 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

Audit committee

As at the date of these financial statements, the Group and the Company are operating within the statement of financial position 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 ending 31 December 2023.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Act. The Company outsources the day to day operations of the Company to the Administrator, Apex Corporate Services (Ireland) Limited ("ACSIL") who employ accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

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 21 of the financial statements.

Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group and Company'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 behavior.

Operational risk arises from all of the Group and Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All management and administration functions were outsourced to ACSIL which has years of experience in this field.

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.

Directors' report (continued)

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 period ended 31 December 2023.

Significant events since the financial year end

The current political and financial uncertainty surrounding Russia and Ukraine and the war between Israel and Hamas may increase market volatility and the economic risk of trading in these countries and other impacted countries within the region. To date the Company has seen minimal impact in the markets in which it operates, however there could be an impact on the wider Irish economy including rising costs, customer confidence and demand, and customers' ability to meet their financial obligations and consequently the Company's financial performance.

Statement on 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 Group and 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 Group and Company's auditors are aware of this information.

Directors compliance statement

At this present time the Group and the Company are operating within the statement of financial position and turnover threshold limits as set out under Section 225 (7) of the Act, which enables the Company to avail of an exemption to the Compliance Policy Statement obligations. Accordingly the Directors are not required to include a Compliance Statement in their statutory Directors' report for the current financial year ending 31 December 2023.

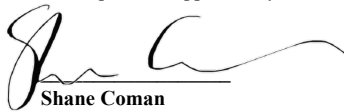
Research and developments costs

The Company did not incur any research and developments costs during the financial year.

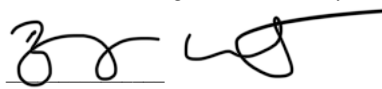
Independent Auditor

Forvis Mazars, Chartered Accountants and Statutory Audit Firm, were appointed as auditor on 24 April 2025 and have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the Board of Directors on 15 December 2025 and signed on its behalf by:



Shane Coman
Director



Bronwyn Wright
Director

Date: 15 December 2025

Directors' responsibility statement

The Directors are responsible for preparing the Director's 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 period. 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:

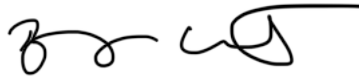
- . select suitable accounting policies and then apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
-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

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Group and Company and 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



Shane Coman
Director



Bronwyn Wright
Director

Date: 15 December 2025

Independent auditor's report to the members of Carpathian Investments Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Carpathian Investments Designated Activity Company ('the Company') and its subsidiaries ('the Group'), for the year ended 31 December 2023, which comprise the Group statement of comprehensive income, Group and Company statement of financial position, Group and Company statement of changes in equity, Group and Company statement of cash flows, and notes to the Company and Group financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Companies Act 2014 and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- The financial statements give a true and fair view of the assets, liabilities and financial position of the Company and the Group as at December 31, 2023, and of the Group's profit for the year then ended;
- The Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- The Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014;
- The Company and the Group financial statements 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 and the Group 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 and the Group'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 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 and the Group 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 of the Company and the Group.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and the Group 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 and the Group. 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 and the Group'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 the Group 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: 16 December 2025

Group statement of comprehensive income
For the financial year ended 31 December 2023

		Group Financial year ended 31-Dec-23 EUR	Group Financial year ended 31-Dec-22 EUR
Income	Note		
Net gains on financial assets at FVTPL	4	(1,014,166)	2,972,822
Net gain/(loss) on financial liabilities designated at FVTPL	5	1,518,369	(1,333,559)
Net foreign exchange loss		(50,547)	(315,881)
Other income	6	901,456	691,004
Net operating income		<u>1,355,112</u>	<u>2,014,386</u>
Expenses			
Other expenses	7	(1,654,493)	(1,716,417)
Profit on ordinary activities before taxation		<u>(299,381)</u>	<u>297,969</u>
Tax expense on profit from ordinary activities	8	300,195	(297,126)
Profit for the financial year		<u>814</u>	<u>843</u>
Other comprehensive income		-	-
Total comprehensive income for the financial year		<u><u>814</u></u>	<u><u>843</u></u>

All items dealt with in arriving at the profit for the year ended 31 December 2023 related to continuing operations.

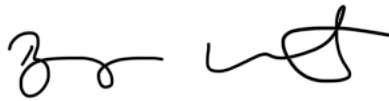
Group statement of financial position
As at 31 December 2023

	Note	31-Dec-23 EUR	31-Dec-22 EUR
Assets			
Cash and cash equivalents	9	3,783,293	1,942,551
Other receivables	10	300,928	709,789
Financial assets at FVTPL	11	6,884,089	11,017,011
Inventories	13	1,086,993	684,317
Total assets		12,055,303	14,353,668
Equity and liabilities			
Equity			
Called up share capital presented as equity	18	1	1
Retained earnings		3,221	2,407
Total equity		3,222	2,408
Liabilities			
Other payables	14	1,087,097	987,050
Deferred tax liabilities	15	1,401,321	1,701,789
Loans payable designated at FVTPL	16	6,746,105	6,537,125
PPN issued designated at FVTPL	17	2,817,558	5,125,296
Total liabilities		12,052,081	14,351,260
Total equity and liabilities		12,055,303	14,353,668

On behalf of the Board



Shane Coman
Director



Bronwyn Wright
Director

Date: 15 December 2025

Company statement of financial position
As at 31 December 2023

	Note	31-Dec-23 EUR	31-Dec-22 EUR
Assets			
Cash and cash equivalents	9	105,232	3,950
Other receivables	10	4,168	99,803
Investment in equity at FVTPL	12	2,870,195	5,164,808
Total assets		<u>2,979,595</u>	<u>5,268,561</u>
Liabilities and equity			
Liabilities			
Other payables	14	158,815	140,857
PPN issued designated at FVTPL	17	2,817,558	5,125,296
Total liabilities		<u>2,976,373</u>	<u>5,266,153</u>
Equity			
Called up share capital presented as equity	18	1	1
Retained earnings		3,221	2,407
Total equity		<u>3,222</u>	<u>2,408</u>
Total liabilities and equity		<u>2,979,595</u>	<u>5,268,561</u>

On behalf of the Board



Shane Coman
Director



Bronwyn Wright
Director

Date: 15 December 2025

Group and Company statement of changes in equity
For the financial year ended 31 December 2023

Group

	Called up share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2022	1	1,564	1,565
<i>Total comprehensive income for the financial year</i>			
Profit for the financial year	-	843	843
Other comprehensive income	-	-	-
Total comprehensive expense for the financial year	-	843	843
Balance as at 31 December 2022	1	2,407	2,408
Balance as at 1 January 2023	1	2,407	2,408
<i>Total comprehensive income for the financial year</i>			
Profit for the financial year	-	814	814
Other comprehensive income	-	-	-
Total comprehensive expense for the financial year	-	814	814
Balance as at 31 December 2023	1	3,221	3,222

Company

	Called up share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2022	1	1,564	1,565
<i>Total comprehensive income for the financial year</i>			
Profit for the financial year	-	843	843
Other comprehensive income	-	-	-
Total comprehensive income for the financial year	-	843	843
Balance as at 31 December 2022	1	2,407	2,408
Balance as at 1 January 2023	1	2,407	2,408
<i>Total comprehensive income for the financial year</i>			
Profit for the financial year	-	814	814
Other comprehensive income	-	-	-
Total comprehensive expense for the financial year	-	814	814
Balance as at 31 December 2023	1	3,221	3,222

Group statement of cash flows

For the financial year ended 31 December 2023

		Financial year ended 31-Dec-23 EUR	Financial period ended 31-Dec-22 EUR
Cash flows from operating activities			
Profit on ordinary activities before taxation		(299,381)	297,969
<i>Adjustments for:</i>			
Net gains on financial assets at FVTPL	4	1,014,166	(2,972,822)
Net (gain)/loss on financial liabilities designated at FVTPL	16, 17	(2,098,758)	593,616
Net foreign exchange loss		50,547	315,881
Operating cash outflow before movements in working capital		<u>(1,333,426)</u>	<u>(1,765,356)</u>
Increase in inventories		(402,676)	(504,811)
Decrease in other receivables		408,861	159,677
Increase in other payables		(81,496)	99,687
Tax Paid		181,270	(282)
Increase in tax payable		-	686,501
Cash generated from/(used in) operations		<u>(1,227,467)</u>	<u>(1,324,584)</u>
Interest received		-	-
Net cash generated from/(used in) operating activities		<u>(1,227,467)</u>	<u>(1,324,584)</u>
Cash flows from investing activities			
Repayments of financial assets at FVTPL	11	3,118,756	4,664,262
Net cash generated from investing activities		<u>3,118,756</u>	<u>4,664,262</u>
Cash flows from financing activities			
Proceeds from loans payable designated at FVTPL	16	-	(5,593,273)
Net cash used in financing activities		<u>-</u>	<u>(5,593,273)</u>
Increase in cash and cash equivalents		1,891,289	(2,253,595)
Cash and cash equivalents at start of the financial year	9	1,942,551	4,512,027
Effects of foreign exchange movements		(50,547)	(315,881)
Cash and cash equivalents at end of the financial year		<u>3,783,293</u>	<u>1,942,551</u>

The accompanying notes on pages 15 to 36 form an integral part of the financial statements.

Company statement of cash flows

For the financial year ended 31 December 2023

	Note	Financial year ended 31-Dec-23 EUR	Financial period ended 31-Dec-22 EUR
Cash flows from operating activities			
Profit on ordinary activities before taxation		1,086	1,136
<i>Adjustments for:</i>			
Fair value loss on investment in equity at FVTPL	12	-	378,497
Net gain on financial liabilities designated at FVTPL	17	(2,307,738)	(379,984)
Foreign exchange loss/(gain)		120	(493)
Operating cash inflow/(outflow) before movements in working capital		<u>(2,306,532)</u>	<u>(844)</u>
(Increase)/decrease in other receivables	10	95,635	(95,066)
Increase in other payables	14	17,947	48,572
Tax paid		(261)	(281)
Net cash generated from/(used in) operating activities		<u>(2,193,211)</u>	<u>(47,619)</u>
Cash flows from investing activities			
Movement in the value of equity	12	2,294,612	-
Net cash generated from investing activities		<u>2,294,612</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from PPN issued designated at FVTPL	17	-	-
Net cash generated from financing activities		<u>-</u>	<u>-</u>
Decrease in cash and cash equivalents		101,401	(47,619)
Cash and cash equivalents at beginning of the financial year	9	3,950	51,076
Effects of foreign exchange movement on bank		(119)	493
Cash and cash equivalents at end of the financial year		<u>105,232</u>	<u>3,950</u>

Notes to the financial statements**For the financial year ended 31 December 2023****1 General information**

The Company was incorporated as a special purpose vehicle (the "SPV") incorporated and registered in Ireland with limited liability under the Companies Act 2014, on 24 January 2020 with registered number 664946. The registered office of the Company is 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, Ireland. The Company holds one 99.99% of the shares in subsidiary at the year end, SPV I Sociedad Anonima Cerrada ("SPV I S.A.C") and one 0.2% of the shares in subsidiary, SPV II Sociedad Anonima Cerrada ("SPV II S.A.C") at the end of the financial period (both together the "subsidiaries" and Peruvian incorporated companies).

On February 2020, the Company acquired 99.99% of the share capital of SPV I S.A.C, a Peruvian incorporated entity which acquires real property assets located in Peru. This transaction was funded by the Company through the issuance of Profit Participating Notes (the "PPN"), maturing in February 2030, to Deutsche Bank Luxembourg S.A (the "Note Subscriber"). The Company also owns 0.2% of the share capital of SPV II S.A.C, a Peruvian incorporated entity. SPV II S.A.C owns 0.05% of the share capital of SPV I S.A.C which in turn owns 99.8% of the share capital of SPV II S.A.C. Therefore, the Directors have concluded that the Company has control on these securitization vehicles and as such has prepared consolidated financial statements incorporating the results of its subsidiaries.

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 2023.

Going concern

The Group's and Company's financial statements for the financial year ended 31 December 2023 have been prepared on a going concern basis. The Directors anticipate that the financial assets 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 814 in the current financial period (2022: EUR 843). The Loans payable under the facility agreement will mature in December 2037 and the PPN issued will mature in 2030. 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 impact of current developments in the Russia/Ukraine conflict and Middle Eastern conflict on the Group and its customers. 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. If the effects of the Russia/Ukraine and Middle Eastern conflicts are deeper or more prolonged than currently expected, that it could have an impact for future reporting periods. The Directors continue to keep the situation and the impact on 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 statement of comprehensive income for the Company has not been presented. The total profit and comprehensive Income of the Company for the financial year was EUR 814 (2022: EUR 843).

(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 subsidiaries are made up to the reporting date.

Name of entity	Domicile	Registered office	% of shares held		Nature of business	
SPV I S.A.C	Peru	Avenida Emilio Cavenecia No. 151 Urbanización Miraflores, Lima, Peru	99.99		Properties	
SPV II S.A.C	Peru	Avenida Emilio Cavenecia No. 151 Urbanización Miraflores, Lima, Peru	0.2		Properties	
			<u>SPV I S.A.C</u>	<u>SPV II S.A.C</u>	<u>SPV I S.A.C</u>	<u>SPV II S.A.C</u>
			31-Dec-2023	31-Dec-2023	31-Dec-2022	31-Dec-2022
			EUR	EUR	EUR	EUR
Profit/(Loss) after tax			(2,074,176)	5,493	(384,761)	(11,508)
Net Assets/(Liabilities)			2,926,296	(56,018)	5,184,995	(50,525)

All intra-group transactions and balances and any income, expenses or unrealized profits are eliminated in preparing financial statements.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

2 Basis of preparation (continued)

(b) Basis of consolidation (continued)

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 the Servicer, as agent, effectively for the Company.

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

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.

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 Company shall consider whether it has the following typical characteristics of an IE:

- (a) it has more than one investment;
- (b) it has more than one investor;
- (c) it has investors that are not related parties of the entity; and
- (d) it has ownership interests in the form of equity or similar interests.

The Directors are of the opinion that the Company does not meet the above typical characteristics and therefore is not deemed an IE.

(c) Functional and presentation currency

These financial statements are presented in Euro ("EUR") which is the Company's functional currency. Transactions in currencies other than EUR are recorded at the rate of exchange prevailing on the dates of transactions. Revenues, costs and non monetary assets and liabilities are translated at the exchange rate ruling at the date of transactions. Foreign exchange gains and losses are included in profit or loss. All figures presented in Euros have been rounded off to the nearest Euro unless specified otherwise. In determining the functional currency, the Group have considered the fact that the transaction structure is designed such that the Group is considered as an extension of Deutsche Bank's own balance sheet. As a result, this mean that revenues and the cash generated from the activities performed by the Group are entirely for the benefit of, and structured in a way such that any amounts can be easily up streamed to Deutsche Bank group and made available upon request.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that may 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 recognized in the financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods. Details of material judgements and estimates have been further described in accounting policy 3(h) "Financial instruments" and note 21 to the financial statements.

(i) Fair value of the NPL Portfolio

Key estimates used by the Group was the Fair value calculation of the NPL Portfolio which involve significant judgements and could be materially different if a different set of assumptions were used by a third party.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

2 Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

(ii) Determination of the Subsidiaries' functional currency

Given the nature and overall structure put in place for the purchase of the NPL Portfolio, the Company has judged that the Primary Indicators as per IAS 12 should carry less weight when determining the functional currency of the subsidiaries. The actions performed in relation to the transaction as a whole (including all underlying pricing of the Portfolio Purchase and subsequent servicing) are conducted on the instruction of the Deutsche Bank parent under the anticipation of the entities in the structure being considered as an extension of the Deutsche Bank Parent. Given this, pricing, sales and other revenue affecting factors are done in accordance with and calculated on the basis of the profitability as determined in the functional currency of the parent (i.e. EUR) for reporting purposes. Even though settlement of the transactions performed within the entity are in USD and PEN, given the reasons stated above this indicator should not be considered as a key primary indicator and the functional currency should align with that of the parent which in this case is EUR.

(e) New standards, amendments or interpretations

(i) Effective for annual periods beginning after 1 January 2023

The following standards and interpretations apply for the first time to financial reporting years commencing on or after 1 January 2023:

Definition of Accounting Estimates - Amendments to IAS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are intended to provide preparers of financial statements with greater clarity as to the definition of accounting estimates, particularly in terms of the difference between accounting estimates and accounting policies. Although the amendments are not expected to have a material impact on entities' financial statements, they should provide helpful guidance for entities in determining whether changes are to be treated as changes in estimates, changes in policies, or errors.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments aim to help entities provide accounting policy disclosures that

a) Replacing the requirement for entities to disclose their 'significant accounting policies' with a requirement to disclose 'material accounting policy information'.

b) Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The standards do not have material impact on the financial result of the Company.

(i) New standards applicable to future reporting years

The following standards and amendments to standards are required to be applied for annual years beginning after 1 January 2024 and earlier application is permitted:

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 IAS 21 The effects of changes in foreign exchange rates: Lack of exchangeability	1 January 2025
IFRS 18: Presentation and disclosures in Financial Statements	1 January 2027

*Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the upcoming requirements are applicable to the Company, it will apply them from their EU effective date.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

3 Significant accounting policies

(a) Basis of measurement

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

- Financial assets are measured at fair value through profit or loss;
- Investment in equity is measured at fair value through profit or loss; and
- Financial liabilities are measured at fair value through profit or loss;

(b) Net gain on financial assets at FVTPL

Net gain on financial assets at FVTPL relates to the fair value movements on financial assets, coupon income and all realized and unrealized fair value changes and is recognized in the Statement of Comprehensive Income.

(c) Net gain on financial liabilities at FVTPL

Net gain on financial liabilities relates to the fair value movements on financial liabilities and includes all realized and unrealized fair value changes, as well as interest expense and is recognized in the statement of comprehensive income.

(d) Other income and expenses

All other income and expenses are recorded on an accrual basis.

(e) Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the Group Statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized 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 realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

(f) 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.

There are no restrictions on cash and cash equivalents.

Cash and cash equivalents are measured at amortized cost in the Statement of financial position.

(g) Inventories

Inventories include property assets acquired for sale in the ordinary course of business.

Inventories are measured at the lower of cost or net realizable value.

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

(h) Financial instruments

The financial instruments held by the Group include the following:

- Financial assets measured at FVTPL;
- Other receivables and payables;
- Investment in equity;
- Cash and cash equivalents;
- Loans payable at FVTPL; and
- PPN at FVTPL

Financial assets and financial liabilities

IFRS 9 : Financial Instruments

IFRS9, the new financial instrument standard issued by the IASB in July 2014, replaces IAS 39, and was endorsed for adoption in the European Union on 22 November 2016. IFRS 9 has been implemented by the Group in line with the Standard's requirements.

Recognition and initial measurement

The Group initially recognizes financial assets and financial liabilities at fair value on the trade date at which the Group becomes a party to the contractual provisions of the instruments. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

3 Significant accounting policies (continued)
(h) Financial instruments (continued)

A financial asset or financial liability is measured initially at fair value including transaction costs that are directly attributable to its acquisition or issue unless the financial assets or financial liabilities is carried at FVTPL, in which case the transaction costs are immediately recognized in profit or loss.

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

Classification of financial assets

On initial recognition, the Company classifies its financial assets as measured at fair value through profit or loss or at amortized cost.

A financial asset is measured at amortized cost if it meets both 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 amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income (FVOCI) as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Group 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 realizing cash flows through the sale of the financial 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 the business model) and how those risks are managed;
- how the arranger is compensated: e.g. whether the 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 financial 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 Group has determined it has the following business model:

- *Held-to-collect business model*: this includes the financial assets held at FVTPL; cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flow.

Assessment whether contractual cash flows are sole payments of principal and interest ("SPPI")

The Group holds a portfolio of non performing loans. The Group has concluded that the NPL portfolio failed its SPPI test and as such the financial assets have been classified at FVTPL.

For the purposes of this assessment, 'principal' is defined as the fair value of 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 financial period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group 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 Group considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Group'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 rate).

A prepayment feature is consistent with the SPPI 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 amounts plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to the financial statements (continued)

For the financial year ended 31 December 2023

3 Significant accounting policies (continued)**(h) Financial instruments (continued)****Assessment whether contractual cash flows are sole payments of principal and interest ("SPPI") (continued)**

However, this is not applicable for the Group and the Company.

The NPL portfolio failed its SPPI test as the Loan to Value Ratio (LTV) for some loans in the portfolio fell outside the set threshold.

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

Financial assets - subsequent measurement and gains and losses*Financial assets at Fair value through profit or loss*

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses are recognized in profit or loss. Any fair value gain and loss is recognized in profit or loss.

Financial assets at amortized cost

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

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss is also recognized in profit or loss.

Financial liabilities at FVTPL includes:

- PPN issued at FVTPL.
- Loans payable at FVTPL

The PPN and loans payable have been designated at FVTPL in order to avoid an accounting mismatch between the investment in financial assets at FVTPL and the investment in equity.

Financial liabilities at amortized cost include:

- Other payables

(i) Called up share capital presented as equity

Called up share capital presented as equity is issued in EUR. Dividends are recognised as a liability in the financial year in which they are declared.

(j) Other receivables

Other receivables do not carry any interest, are short-term in nature and have been reviewed for any evidence of impairment. Other receivables are accounted at amortized cost. Other receivables are discounted when the time value of money is considered material. For trade receivables and other contract assets, the Company applies a simplified approach in calculating expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses at each reporting date.

(k) Other payables

Other payables are short-term in nature, not interest-bearing and are measured at amortized cost.

(l) Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in the statement of comprehensive income.

(m) Investment in equity

Investment in equity is managed and its performance is evaluated, on a fair value basis. The fair value of the investment in the subsidiary at the financial period end represents the net asset value of the Subsidiaries.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

4 Net gains on financial assets at FVTPL	Group Financial year ended 31-Dec-23 EUR	Group Financial year ended 31-Dec-22 EUR
Net fair value gain/(loss) on financial assets at FVTPL	(2,096,474)	719,693
Coupon income on financial assets at FVTPL	1,126,379	1,529,464
Foreign exchange (loss)/gain on financial assets at FVTPL	(44,071)	723,665
	<u>(1,014,166)</u>	<u>2,972,822</u>
5 Net gain/(loss) on financial liabilities designated at FVTPL	Group Financial year ended 31-Dec-23 EUR	Group Financial year ended 31-Dec-22 EUR
Net fair value movement on PPN designated at FVTPL	276,574	(64,019)
Coupon expense on loans payable designated at FVTPL	(618,493)	(955,552)
Foreign exchange gain/(loss) on PPN designated at FVTPL	2,269,801	(295,940)
Foreign exchange gain/(loss) on loans payable designated at FVTPL	(409,513)	(18,048)
	<u>1,518,369</u>	<u>(1,333,559)</u>
6 Other income	Group Financial year ended 31-Dec-23 EUR	Group Financial year ended 31-Dec-22 EUR
Income from disposal of inventories	741,996	573,672
Other income	152,369	94,598
Bank interest	6,005	1,218
Corporate benefit	1,086	1,124
Dividend income	-	20,392
	<u>901,456</u>	<u>691,004</u>
7 Other expenses	Group Financial year ended 31-Dec-23 EUR	Group Financial year ended 31-Dec-22 EUR
Legal and professional fees	(634,974)	(687,064)
Servicer fees	(261,734)	(310,467)
Other expenses	(251,979)	(204,136)
Administration fees	(215,430)	(269,554)
VAT Payments	(141,089)	(155,199)
Audit fees	(94,825)	(56,142)
Directors fees	(26,639)	(24,885)
Tax fees	(8,241)	(4,920)
Trustee fees	(7,460)	(3,930)
Cash manager fees	(7,319)	-
Issuer account bank fees	(4,573)	-
Registrar fees	(230)	-
Notary fees	-	(120)
	<u>(1,654,493)</u>	<u>(1,716,417)</u>
	31-Dec-23	31-Dec-22
Auditor's remuneration in respect of the financial period (excluding VAT):	EUR	EUR
Statutory audit*	(48,000)	(55,500)
Tax advisory services	-	(4,920)
	<u>(48,000)</u>	<u>(60,420)</u>

* Statutory audit fee of EUR 33,000 (2022: EUR 33,000 due to KPMG) is due to Forvis Mazars. Audit fees for the underlying subsidiaries amounted to EUR 15,000 (2022: EUR 22,500 due to KPMG Peru) and is due to Forvis Mazars Peru.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

8 Tax expense on profit from ordinary activities

	Group	Group
	Financial year	Financial year
	ended	ended
	31-Dec-23	31-Dec-22
	EUR	EUR
(a) <i>Recognized in the statement of comprehensive income</i>		
Irish corporation tax	(272)	(281)
<i>Deferred tax</i>		
Total deferred tax income/(expense)	300,467	(296,845)
Taxation credit/(charge) on ordinary activities	300,195	(297,126)
	<u>300,195</u>	<u>(297,126)</u>
(b) <i>Reconciliation of effective tax rate</i>		
Result before income tax	(299,381)	297,969
Tax using the Irish corporation tax rate of 25%	(272)	(281)
Effect of tax rates in foreign jurisdictions	300,467	(296,845)
Total tax credit/(expense) included in profit or loss	300,195	(297,126)
	<u>300,195</u>	<u>(297,126)</u>

Foreign tax and effect of tax rates in foreign jurisdictions relates to corporation tax charged on profits earned by the Subsidiary in Peru at a rate of 29.5%.

9 Cash and cash equivalents

	Group	Company	Group	Company
	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
	EUR	EUR	EUR	EUR
Cash at banks	3,783,293	105,232	1,942,551	3,950
	<u>3,783,293</u>	<u>105,232</u>	<u>1,942,551</u>	<u>3,950</u>

Cash and cash equivalents are current.

10 Other receivables

	Group	Company	Group	Company
	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
	EUR	EUR	EUR	EUR
Other receivables	300,516	3,756	612,657	2,671
Deferred Income	-	-	94,192	94,192
Prepayments	412	412	2,940	2,940
	<u>300,928</u>	<u>4,168</u>	<u>709,789</u>	<u>99,803</u>

Other receivables of EUR 319,892 includes payments made by the SPV I S.A.C during the participation in judicial auctions. All other receivables are current.

Refer to note 21 for currency risk and liquidity risk disclosures relating to other receivables.

11 Financial assets at FVTPL

	Group and	Group and
	Company	Company
	31-Dec-23	31-Dec-22
	EUR	EUR
Financial assets at FVTPL	6,884,089	11,017,011
Movement in financial assets		
At beginning of the financial year	11,017,011	12,708,451
<i>Cash transactions:</i>		
Additions during the financial year	-	-
Repayments during the financial year	(3,118,756)	(4,664,262)
<i>Non cash transactions:</i>		
Capitalized interest during the financial year	1,126,379	1,529,464
Fair value movement during the financial year	(2,096,474)	719,693
Foreign exchange gains during the financial year	(44,071)	723,665
At end of the financial year	<u>6,884,089</u>	<u>11,017,011</u>

Maturity analysis

EUR 1,407,782 (2022: EUR 3,159,650) of the financial assets at FVTPL is expected to be received within one year, by the 31 December 2023 and EUR 5,476,307 (2022: EUR 7,818,414) of the financial assets at FVTPL will be received after one year.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

12 Investment in equity at FVTPL

	Company 31-Dec-23 EUR	Company 31-Dec-22 EUR
Investment in subsidiary undertakings	2,870,196	5,164,808
<i>Movement during the financial year:</i>		
At beginning of the financial year	4,252,394	4,252,394
Investments during the financial year	-	-
Write down during the financial year	(2,294,612)	-
At end of the financial year	1,957,782	4,252,394
<i>Fair value movement during the financial year:</i>		
At beginning of the financial year	912,414	1,290,911
Net changes in fair value during the financial year	-	(378,497)
At end of the financial year	912,414	912,414

Group undertakings

On the 12 January 2021, the Company acquired 7,035,260 shares at 1 Peruvian Sol ("PEN") each in SPV I S.A.C., a company incorporated in Peru, representing 99.997% of the share capital of the Peruvian registered entity as at year end. The Company shall be entitled to exercise the voting rights attached to the shares.

On 5 May 2020, the Company acquired 1 share at PEN 1 (representing 0.2% of the share capital) in SPV II S.A.C, a Peruvian company, whose principal activity is the investment in real property assets. The share class acquired by the Company do not have voting rights and is not entitled to receive dividend. The remaining 499 shares, representing 99.8% of the share capital of SPV II S.A.C are owned by SPV I S.A.C, the Company's subsidiary, and thus the Company control SPV II S.A.C.

The fair value of the investment in subsidiaries at the financial year end represents the Company's share of the Net asset values held in the subsidiaries.

13 Inventories

	Group 31-Dec-23 EUR	Group 31-Dec-22 EUR
Inventory properties	1,086,993	684,317

Inventories relate to property in which the subsidiary has acquired and are carried at the lower of cost or net realizable value. The Directors have reviewed the inventory balance at year end and there is no impairment charge as at 31 December 2023 (2022: nil). The cost of inventories amounting to EUR 250,693 were sold during the year ended 31 December 2023 (2022: EUR 203,973).

14 Other payables

	Group 31-Dec-23 EUR	Company 31-Dec-23 EUR	Group 31-Dec-22 EUR	Company 31-Dec-22 EUR
Accrued expenses	218,839	118,214	300,335	100,267
Other payables	-	40,590	-	40,590
Deferred income	-	-	-	-
Deferred income tax	-	-	-	-
Corporation tax payable	868,258	11	686,715	-
	1,087,097	158,815	987,050	140,857

All other payables are current.

Refer to note 21 for currency risk and liquidity risk disclosures relating to other payables.

15 Deferred tax liabilities

	Group 31-Dec-23 EUR	Company 31-Dec-23 EUR	Group 31-Dec-22 EUR	Company 31-Dec-22 EUR
<i>Income tax assets/liabilities</i>				
Opening balance	1,701,789	-	1,404,945	-
Movement during the financial year	(300,468)	-	296,844	-
Closing balance	1,401,321	-	1,701,789	-

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

16 Loans payable at FVTPL	Group	Group
	31-Dec-23	31-Dec-22
	EUR	EUR
Loans payable	6,746,105	6,537,125
Movement in loans payable at FVTPL		
	Group	Group
	31-Dec-23	31-Dec-22
	EUR	EUR
Balance at beginning of financial year	6,537,125	11,156,798
<i>Cash transactions:</i>		
Loans repaid during the financial year	-	(5,593,273)
<i>Non cash transactions:</i>		
Coupon expense during the financial year	618,493	955,552
Foreign exchange (loss)/gain during the financial year	(409,513)	18,048
Balance at end of financial year	6,746,105	6,537,125

Pursuant to a Senior Facility Agreement dated 23 January 2020 among SPV 1 S.A.C (the borrower), Deutsche Bank Luxembourg S.A (the original lender), Global loan agency services Limited (the Agent) and the Law debenture trust Corporation Plc (the Assets Agent) , the Lender made available a US term loan facility of USD 15,000,000, to SPV 1 S.A.C. On 29 January 2020, SPV 1 S.A.C drawdown USD 11,750,000 from the lender for the purpose of acquiring the NPL portfolio from Banco Del Peru. The loan is repayable in quarterly instalments as per the Amortization schedule and carries a total interest rate of 7% (margin) plus the Benchmark Screen rate per annum. The loan is repayable by 19 December 2037.

As per the terms and conditions of the Senior Facility Agreement, the commitments are limited recourse obligations in nature and repayable solely from only the amounts available for such payment from the available distribution amount in accordance with the priorities of payment of SPV I S.A.C. The Loans Payable are both current and non-current and EUR 6,293,259 (USD 6,955,310) of the loan and interest is expected to repay within the next 12 months with the reminder expected to be repaid after the next 12 months.

17 PPN issued designated at FVTPL	Group	Company	Group	Company
	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
	EUR	EUR	EUR	EUR
Profit Participating Note	2,817,558	2,817,558	5,125,296	5,125,296
Movement in PPN issued				
Balance at beginning of financial year	5,125,296	5,125,296	5,505,280	5,505,280
Fair value loss/(gain) during the financial year	(2,307,738)	(2,307,738)	(379,984)	(379,984)
Balance at end of financial year	2,817,558	2,817,558	5,125,296	5,125,296
Maturity analysis				
	31-Dec-23	31-Dec-23	31-Dec-21	31-Dec-21
	EUR	EUR	EUR	EUR
Within 1 year	-	-	-	-
More than 1 year and less than 2 years	-	-	-	-
More than 2 years and less than 5 years	-	-	-	-
More than 5 years	2,817,558	2,817,558	5,125,296	5,125,296
	2,817,558	2,817,558	5,125,296	5,125,296

Pursuant to the Notes Issuance Deed dated 18 February 2020, Deutsche Bank Luxembourg S.A, (the "Noteholder") subscribed to a Principal Amount of the PPN of EUR 10,012,743 (USD 11,000,000) issued by the Company on the 20 February 2020. The legal Maturity of the PPN will be on the 20 February 2030. On the 8 January 2021, the Company subscribed to a further EUR 1,533,455 (USD 1,950,000) to the PPN. As at 31 December 2023, the outstanding nominal amount issued is EUR 4,216,946 (2022: 4,522,144) (USD 5,142,582 (2022: 5,142,582)). The maximum authorized issuance under the Notes Deed is USD 15,000,000.

The Directors consider that the timing of the repayment of the PPN issued is uncertain given that the proceeds of the PPN have been used to subscribe to shares in SPV I S.A.C., which in turn have invested in a portfolio of non-performing loans ("NPL") and that the timing of such payments is dependent on the receipt of interest and principal amounts collected by the NPL assets if not otherwise redeemed, purchased or cancelled.

The PPN is collectively linked to the performance of assets of the Company and the NPL portfolio of SPV I S.A.C purchased from Banco Credito Del Peru.

As per the terms and conditions of the Notes Issuance Deed, the PPN issued is limited recourse in nature. Upon redemption of the PPN, should the value of the assets of the Company be lower than the value of the PPN issued, the noteholder will be entitled to the value of the underlying assets of the Company in accordance with the priority of payments as per the Notes Issuance Deed.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

18 Called up share capital presented as equity

Authorized:

100 ordinary shares of EUR1 each

Group and Company 31-Dec-23	Group and Company 31-Dec-22
EUR	EUR
100	100

Issued and unpaid

1 ordinary shares of EUR1 each

Group and Company EUR	Group and Company EUR
1	1

19 Ownership of the Company

The sole shareholder of the Company is Deutsche Bank AG, Frankfurt holding 100% of the issued shares in the Company.

The Directors have considered the issue as to who is the controlling party of the Company. The results of the Company and Group are consolidated by Deutsche Bank AG, who is the ultimate beneficiary of the loans Payable and PPN issued by the Group. 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.

20 Transactions with related parties and other key contracts

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

For the Group and Company

Transactions with the subsidiaries

On 5 May 2020, the Company acquired 1 share in SPV II S.A.C from Estrela Investments No 1 Designated Activity Company with a face value of PEN 1.

On 12 January 2021, the Company acquired Nil 7,035,260 shares in SPV I S.A.C for EUR 1,606,922, PEN equivalent of 7,035,260 (2021: EUR 2,645,472 (PEN 9,954,868)) which represent in total 99.997% (2021: 99.997%) of the share capital of SPV I S.A.C and funded this transaction through the issuance of Profit Participating Notes (the "PPN"), maturing in February 2030, to Deutsche Bank Luxembourg S.A (the "Note Subscriber").

The fair value of the investment in subsidiaries at end of financial year was EUR 3,623,016 (2022: EUR 5,164,808).

Transaction with Directors

During the financial year ended 31 December 2023, Shane Coman and Bronwyn Wright were paid a total of EUR 26,639 (2022: EUR 24,885) as Directors fees. No Directors fees were outstanding as at 31 December 2023 (2022: Nil).

Udit Choudhari, who is also an employee of Deutsche Bank, had no direct transactions which arose with the Company and the Director received no remuneration during the financial year (2022: nil). Udit Choudhari resigned from his position of Director on 3rd April 2025.

Transactions with Deutsche Bank Luxembourg S.A

Deutsche Bank Luxembourg is the sole lender and noteholder to the Group.

The carrying value of the loans payable and PPN issued were EUR 6,746,105 (2022: EUR 6,537,125) and EUR 2,817,559 (2022: EUR 5,125,296) respectively as at 31 December 2023.

During the financial year ended 31 December 2023, the Group issued EUR Nil (2022: EUR Nil) of PPN and received loans of EUR Nil (2022: EUR Nil) and repaid the principal amounts of EUR Nil (2022: EUR 5,593,273) and EUR Nil (2022: EUR Nil) on the loans payable and the PPN issued respectively. Interest of EUR 618,493 (2022: EUR 955,552) was capitalized on the loans payable during the financial year. Interest on the loans payable of EUR nil was paid during the financial year.

Other key contracts

The Company has entered into a Corporate Services Agreement ("CSA") with ACSIL for the provision of Corporate services. Under the terms of the CSA, EUR 33,165 (2022: EUR 30,674) was paid to ACSIL for these services during the financial year. EUR 124 (2022: EUR 135) was payable to ACSIL at the financial year end.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management

Introduction and overview

The Company has been established for the purpose of purchasing a portfolio of Non performing loans through its subsidiaries. The Company is not engaged in any other activities.

Risk management framework

The risk profile of the Company is such that market, credit, liquidity and other risks of its investments and the Subsidiaries' investments are borne fully by the Noteholder.

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

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Company has exposure to the following risks from its use of financial instruments:

- (a) Market risk;
- (b) Credit risk; and
- (c) Liquidity risk;

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of its holding of financial instruments.

Market risk embodies the potential for both losses and gains and includes interest rate risk, currency risk and price risk.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the returns on risk.

(i) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate risk profile of the Group and the Company's financial instruments was:

Group	Fixed rate	Floating rate	Non- interest bearing	Total
31-Dec-23	EUR	EUR	EUR	EUR
Financial assets at FVTPL	-	6,884,089	-	6,884,089
Other receivables	-	-	300,928	300,928
Cash and cash equivalents	-	3,783,293	-	3,783,293
Total assets	-	10,667,382	300,928	10,968,310
Loans payable at FVTPL	-	(6,746,105)	-	(6,746,105)
PPN issued at FVTPL	-	(2,817,558)	-	(2,817,558)
Other payables	-	-	(1,087,097)	(1,087,097)
Total liabilities	-	(9,563,663)	(1,087,097)	(10,650,760)
Net interest rate risk exposure	-	1,103,719	(786,169)	317,550
Company	Fixed rate	Floating rate	Non- interest bearing	Total
31-Dec-23	EUR	EUR	EUR	EUR
Other receivables	-	-	4,168	4,168
Cash and cash equivalents	-	105,232	-	105,232
Total assets	-	105,232	4,168	109,400
PPN issued designated at FVTPL	-	(2,817,558)	-	(2,817,558)
Other payables	-	-	(158,815)	(158,815)
Total liabilities	-	(2,817,558)	(158,815)	(2,976,373)
Net interest rate risk exposure	-	(2,712,326)	(154,647)	(2,866,973)

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

Group 31-Dec-22	Fixed rate	Floating rate	Non- interest bearing	Total
	EUR	EUR	EUR	EUR
Financial assets at FVTPL	-	11,017,011	-	11,017,011
Other receivables	-	-	709,789	709,789
Cash and cash equivalents	-	1,942,551	-	1,942,551
Total assets	-	12,959,562	709,789	13,669,351
Loans payable at FVTPL	-	(6,537,125)	-	(6,537,125)
PPN issued designated at FVTPL	-	(5,125,296)	-	(5,125,296)
Other payables	-	-	(987,050)	(987,050)
Total liabilities	-	(11,662,421)	(987,050)	(12,649,471)
Net interest rate risk exposure	-	1,297,141	(277,261)	1,019,880
Company 31-Dec-22	Fixed rate	Floating rate	Non- interest bearing	Total
	EUR	EUR	EUR	EUR
Investment in equity	-	-	5,164,808	5,164,808
Other receivables	-	-	99,803	99,803
Cash and cash equivalents	-	3,950	-	3,950
Total assets	-	3,950	5,264,611	5,268,561
PPN issued designated at FVTPL	-	(5,125,296)	-	(5,125,296)
Other payables	-	-	(140,857)	(140,857)
Total liabilities	-	(5,125,296)	(140,857)	(5,266,153)
Net interest rate risk exposure	-	(5,121,346)	5,123,754	2,408

Sensitivity analysis

The sensitivity analysis below has been determined based on the Group and Company'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 period and held constant throughout the reporting financial period in the case of instruments that have floating rates.

The Directors of the Company has estimated that a 0.5% change in interest rate could reasonably be expected and a change of 0.5% in interest rates at the reporting date would have increased the fair value of loans payable of the Group by EUR 5,519 (2022: EUR 6,486) and would have decreased fair value of PPN issued of the Company by EUR 13,562 (2022: EUR 25,606). For variable instruments, this analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The Group has limited exposure to interest rate risk as the interest risk associated with the loans payable and the PPN issued by the Group is minimized by entering into the Senior loan facility agreement and the Notes issuance deed respectively whereby interest is payable only to the extent there is sufficient funds available.

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's balances and transactions are denominated in EUR, the functional and reporting currency.

The Company is exposed to movements in exchange rates between EUR, its functional currency and certain foreign currencies namely Pound Sterling (GBP), United States Dollar (USD) and Peruvian Sol (PEN).

Sensitivity analysis

The following tables show the currency of the transactions of the Group and the Company, including a sensitivity analysis to show the impact on the assets and liabilities of the Group and the Company denominated in GBP, USD and PEN if FX rates were to increase/decrease by 10%:

The impact of any change in exchange rates is borne by the lender and ultimately by the noteholder.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

Group

31-Dec-23	GBP	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
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Liabilities

		EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
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Other payables	5,976	5,248	7,486	2,238
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Group

31-Dec-23	USD	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
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Assets

Financial assets at FVTPL	(542,880)	(503,065)	(540,326)	(37,261)
Cash and cash equivalents	1,373,813	1,278,213	1,367,349	89,136
Other receivables	111,118	103,649	110,595	6,946

Liabilities

Other payables	-	-	-	-
Loans payable at FVTPL	-	-	-	-
PPN issued at FVTPL	-	(2,817,558)	-	2,817,558

31-Dec-23

	PEN	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
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Assets

Financial assets at FVTPL	32,127,320	8,318,303	6,723,447	(1,594,855)
Cash and cash equivalents	9,950,068	2,505,053	2,082,301	(422,752)
Other receivables	266,375	67,063	55,746	(11,317)

Liabilities

Other payables	(7,820,945)	(2,290,439)	(1,636,729)	653,710
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Company

31-Dec-23	GBP	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
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Liabilities

Other payables	(5,976)	(5,248)	7,486	2,238
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Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

31-Dec-23

	USD	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
Assets				
Cash and cash equivalents	116,273	105,205	4,346	395
Liabilities				
Other payables	(1,979)	(999)	(2,040)	2,098
PPN issued at FVTPL	-	(2,817,558)	(5,637,826)	(2,820,268)

Company

31-Dec-23

Assets

			Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
	PEN	EUR		
Investment in equity	16,990,128	2,870,195	3,555,610	685,415

A weakening of the Euro against the above currencies would have resulted in an equal but opposite effect to the amounts shown above.

Group

31-Dec-22

Assets

Other receivables

	USD	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
Assets				
Financial assets at FVTPL	(107,946)	(106,245)	(111,248)	(5,003)
Cash and cash equivalents	710,136	698,739	731,859	33,120
Other receivables	430,508	423,720	443,677	19,957
Liabilities				
Other payables	(1,157)	(1,013)	(1,192)	(179)
Loans payable at FVTPL	(7,461,222)	(6,537,125)	(7,689,459)	(1,152,334)
PPN issued at FVTPL	(5,470,485)	(5,125,296)	(5,637,826)	(512,530)

Assets

	PEN	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
Assets				
Financial assets at FVTPL	42,885,189	11,084,308	8,974,801	(2,109,507)
Cash and cash equivalents	4,812,311	1,243,813	1,007,097	(236,716)
Other receivables	445,025	115,024	93,133	(21,891)

Liabilities

Other payables	(8,945,248)	(2,407,184)	(1,872,017)	535,167
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Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

	USD	EUR	Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
<i>Assets</i>				
Cash and cash equivalents	4,217	3,951	4,346	395
<i>Liabilities</i>				
Other payables	(1,979)	(4,138)	(2,040)	2,098
PPN issued at FVTPL	(5,470,485)	(5,125,296)	(5,637,826)	(512,530)
<i>Assets</i>				
			Revised Total if FX Rates increase by 10%	Impact on P&L/Net assets if FX rates increase by 10%
	PEN	EUR		
Investment in equity	16,990,128	5,164,808	3,555,610	(1,609,198)

A weakening of the Euro against the above currencies would have resulted in an equal but opposite effect to the amounts shown above.

(iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its Company or all factors affecting all 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 non performing loans, this is not subject to any equity price risk, commodity price risk and 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 NPL portfolio of EUR 12,708,451 (2022: EUR 11,017,011) held by the Group will be ultimately borne by the Lender and the Noteholder due to the fact that the PPN issued and loans payable by it are limited recourse to the investments acquired with the issuance proceeds. Consequently, any price gains or losses on the financial assets will be offset by corresponding gains or losses on the PPN issued and loans payable with no loss to the Company.

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 subsidiaries. Therefore, any fluctuation in the net assets value of the subsidiary will affect the fair value of the investment in equity.

For the investment in equity classified as at FVTPL, the impact of a 10% increase in the net asset value of the Subsidiaries at the reporting date on the profit or loss would have been an increase of EUR 287,028 (2022: EUR 513,447). A decrease of 10% would have had an equal but opposite effect.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk of the financial loss to the Group and the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and the Company's financial assets. The Group's principal financial assets are financial assets measured at FVTPL, cash and cash equivalents and other receivables, which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group is exposed to credit risk. The exposure to any credit risk is substantially borne by the lender and the Noteholder. Any reduction in the value of the NPL will be matched by a reduction in the repayment obligations of the loans payable and ultimately on the PPN issued. The carrying amount of financial assets represents the maximum credit exposure.

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations as at 31 December 2023 in relation to each class of recognized financial assets is set out below:

	The Group	The Company	The Group	The Company
	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
	EUR	EUR	EUR	EUR
Financial assets at FVTPL	6,884,089	-	11,017,011	-
Cash and cash equivalents	3,783,293	105,232	1,942,551	3,950
Other receivables	300,928	4,168	709,789	99,803
	<u>10,968,310</u>	<u>109,400</u>	<u>13,669,351</u>	<u>103,753</u>

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

As at 31 December 2023, the loan to value (LTV) ratio of the principal balance of the NPL to the underlying collateral amounted to 142% (2022: 190%).

Other receivables

Other receivables mainly include receivables from third parties and prepayments which are not rated. Exposure to credit risk is considered to be minimal and therefore the expected credit loss on other receivables is considered to be immaterial.

Cash and cash equivalents

The Group held cash and cash equivalents of EUR 3,783,293 (2022: EUR 1,942,551) as at 31 December 2023 which represents its maximum credit exposure on these assets.

Cash and cash equivalents are held with Banco Credito Del Peru and Deutsche Bank AG, London Branch respectively and have the following ratings.

Banks	Name of rating agencies	Long term	Short term	Long term	Short term
		31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
Banco Credito Del Peru	Fitch	BBB	F2	BBB	F2
Deutsche Bank, AG, London branch	Standard and Poor	A	A-1	A	A-1

(c) 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 Group and Company's obligations under the Loans and PPN payable are matched with the receipts of accrued interest and proceeds from the collections of the NPL portfolio.

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 below table relates to the contractual cashflows linked to the maturity of the PPN issued and loans payable and the actual timing of the repayment may differ depending on the receipt of the cashflow from the NPL portfolio.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

21 Financial risk management (continued)

(c) Liquidity risk (continued)

The maturity profile of the Group and the Company's financial liabilities as 31 December 2023 are as follows:

The Group 31-Dec-23	Carrying	Gross	Less than one	Between one to	More than five
	amount	contractual cash	year	five years	years
		flows			
	EUR	EUR	EUR	EUR	EUR
Loans payable designated at FVTPL	6,746,105	12,236,013	6,293,259	5,942,754	-
PPN issued designated at FVTPL	2,817,558	4,216,946	-	-	4,216,946
Other payables	1,087,097	1,087,097	1,087,097	-	-
Net exposure	10,650,760	17,540,056	7,380,356	5,942,754	4,216,946

The Company	Carrying	Gross	Less than one	Between one to	More than five
	amount	contractual cash	year	five years	years
		flows			
	EUR	EUR	EUR	EUR	EUR
PPN issued designated at FVTPL	2,817,558	4,216,946	-	-	4,216,946
Other payables	158,815	158,815	158,815	-	-
Net exposure	2,976,373	4,375,761	158,815	-	4,216,946

The Group 31-Dec-22	Carrying	Gross	Less than one	Between one to	More than five
	amount	contractual cash	year	five years	years
		flows			
	EUR	EUR	EUR	EUR	EUR
Loans payable designated at FVTPL	6,537,125	12,669,923	6,516,429	6,153,494	-
PPN issued designated at FVTPL	5,125,296	4,522,144	-	-	4,522,144
Other payables	987,050	987,050	987,050	-	-
Net exposure	12,649,471	18,179,117	7,503,479	6,153,494	4,522,144

The Company 31-Dec-22	Carrying	Gross	Less than one	Between one to	More than five
	amount	contractual cash	year	five years	years
		flows			
	EUR	EUR	EUR	EUR	EUR
PPN issued designated at FVTPL	5,125,296	4,522,144	-	-	4,522,144
Other payables	140,857	140,857	140,857	-	-
Net exposure	5,266,153	4,663,001	140,857	-	4,522,144

22 Fair value

Fair value is 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.

The Directors consider that the carrying amount of the financial assets and financial liabilities recognized at fair value in the financial statements approximate their fair value due to their immediate or short-term nature. The Directors have also taken into consideration the impairment of the financial assets balances in determining their fair values in these financial statements. The financial liabilities are limited recourse loans and therefore the fair value is determined by reference to the corresponding financial assets.

The Company's financial assets and liabilities that are not earned at fair value on a recurring basis are analyzed below:

- 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.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

22 Fair value

Fair values of financial assets and financial liabilities that are traded in active markets, Level 1, are based on quoted market prices or dealer price quotations.

At financial year end, the Company had financial assets and financial liabilities measured at fair value through profit and loss. The fair value of the financial assets is the net realizable value should the asset have been disposed on 31 December 2023. The fair value of the financial liabilities is the net residual amount that is left and that should be paid to the lender.

At the reporting date, the carrying amounts of financial assets and financial liabilities issued by the Company are as follows:

Group

	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23
	Level 1	Level 2	Level 3	Total fair value
Financial assets at FVTPL	-	-	6,884,089	6,884,089
Loan payable at FVTPL	-	-	(6,746,105)	(6,746,105)
PPN issued at FVTPL	-	-	(2,817,558)	(2,817,558)
	-	-	(2,679,574)	(2,679,574)

	31-Dec-22	31-Dec-22	31-Dec-22	31-Dec-22
	Level 1	Level 2	Level 3	Total fair value
Financial assets at FVTPL	-	-	11,017,011	11,017,011
Loan payable at FVTPL	-	-	(6,537,125)	(6,537,125)
PPN issued at FVTPL	-	-	(5,125,296)	(5,125,296)
	-	-	(645,410)	(645,410)

Company

	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23
	Level 1	Level 2	Level 3	Total fair value
Investment in equity	-	-	2,870,196	2,870,196
PPN issued at FVTPL	-	-	(2,817,558)	(2,817,558)
	-	-	52,638	52,638

Company

	31-Dec-22	31-Dec-22	31-Dec-22	31-Dec-22
	Level 1	Level 2	Level 3	Total fair value
Investment in equity	-	-	5,164,808	5,164,808
PPN issued at FVTPL	-	-	(5,125,296)	(5,125,296)
	-	-	39,512	39,512

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, estimates cashflows, etc and therefore, cannot be determined with precision.

Financial assets measured at Fair Value based on Level 3

Level 3 reconciliation

	Group 31-Dec-23 EUR	Company 31-Dec-23 EUR	Group 31-Dec-22 EUR	Company 31-Dec-22 EUR
Balance at beginning of the financial year	11,017,011	-	12,708,451	-
Repayment during the financial year	(3,118,756)	-	(4,664,262)	-
Capitalized interest during the financial year	1,126,379	-	1,529,464	-
Fair value movement during the financial year	(2,096,474)	-	719,693	-
Foreign exchange losses during the financial year	(44,071)	-	723,665	-
Balance at the end of the financial year	6,884,089	-	11,017,011	-

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

22 Fair value (continued)

The NPL portfolio comprises of defaulted loans across 880 Borrowers for which the Group cannot obtain independent pricing. Therefore, the investment in financial assets at FVTPL has been valued internally using unobservable inputs and is categorized in Level 3 of the fair value hierarchy.

At year ended, the unobservable inputs used to derive the fair value of the NPL portfolio and its relative sensitivities are as follows:

(i) Discount rate

The discount rate of 18.40% was determined by taking into account observed IRRs on comparable NPL portfolios originated in Spain and hedging cost along with risk premium for a new country/transaction.

Sensitivity analysis

For the financial assets classified as at FVTPL, the impact of a 1% increase in the discount rate at the reporting date on the profit or loss would have been a decrease of EUR 213,879 (2022: EUR 218,925). A decrease of 1% would have had an increase in profit of EUR 221,199 (2022: EUR 227,715).

(ii) Expected cash flows

The Arranger, Deutsche Bank ("DB") have benchmarked the deal with its experience in other jurisdictions, mainly in Spain. Cash flow methodology was also in line with other Spanish transactions in the wider DB portfolio, which is mainly based realization of the underlying real estate collateral. Additionally, the Servicer valuation methodology was relied upon to determine the underlying collateral price and associated workout times. These assumptions are the Directors' best estimate at year end and these assumptions are being constantly evaluated based on actual experience in Peru.

Sensitivity analysis

For the financial assets classified as at FVTPL, the impact of a 1% increase in the cashflows at the reporting date on the profit or loss would have been an increase of EUR 173,588 (2022: EUR 109,780). A decrease of 1% would have had a decrease in profit of EUR 173,588 (2022: EUR 109,780).

Investment in equity at Fair Value based on Level 3

	Group 31-Dec-23	Company 31-Dec-23	Group 31-Dec-22	Company 31-Dec-22
	EUR	EUR	EUR	EUR
Balance at beginning of the financial year	-	5,164,808	-	5,543,305
Additions during the year	-	-	-	-
Unrealized loss/(gain) during the year	-	(2,294,612)	-	(378,497)
Balance at the end of the financial year	-	2,870,196	-	5,164,808

The Company's investment in equity is an unlisted equity for which it is unable to obtain independent pricing. Therefore, the investment in equity is categorized in Level 3 of the fair value hierarchy.

The fair value of the investment in equity at the financial period end represents the net asset value of the subsidiaries which is the unobservable input used to derive the fair value of the investment in equity.

Sensitivity analysis

For the investment in equity classified as at FVTPL, the impact of a 1% increase in the share of net asset value of the subsidiaries at the reporting date on the profit or loss would have been an increase of EUR 36,230 (2022: EUR 51,648). A decrease of 1% would have had an equal but opposite effect.

Loans payable measured at Fair Value based on Level 3

	Group 31-Dec-23	Company 31-Dec-23	Group 31-Dec-22	Company 31-Dec-22
	EUR	EUR	EUR	EUR
Balance at the beginning of the financial year	6,537,125	-	11,156,798	-
Repayments during the year	-	-	(5,593,273)	-
Capitalized interest during the financial year	618,493	-	955,552	-
Foreign exchange (gains)/loss during the financial year	(409,513)	-	18,048	-
Balance at the end of the financial year	6,746,105	-	6,537,125	-

Due to the limited recourse nature of the senior loan facility, the fair value of the loans payable is based on the carrying values of the financial assets at FVTPL and is sensitive to the changes to the underlying balances and is therefore classified under Level 3.

Notes to the financial statements (continued)
For the financial year ended 31 December 2023

22 Fair value (continued)

Sensitivity analysis (continued)

The unobservable input for the loans payable at FVTPL is the contractual interest rate payable which cannot be reasonably observed on the market. For such loans payable issued as at FVTPL, the impact of a 1% increase in the contractual interest rate at the reporting date on the profit or loss would have been a decrease of EUR 114,561 (2022: EUR 275,101). A decrease of 1% would have had an increase of EUR 110,597 (2022: EUR 442,064) on profit.

No circumstances have arisen which would indicate a change in the overall credit quality of the Company, the Directors therefore deem that any fair value movement attributable to credit risk on the Loans payable is immaterial.

PPN measured at Fair Value based on Level 3

	Group	Company	Group	Company
	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-22
	EUR	EUR	EUR	EUR
Balance at the beginning of the financial year	5,125,296	5,125,296	5,505,280	5,505,280
Unrealized loss/(gain) during the financial year	(2,307,738)	(2,307,738)	(379,984)	(379,984)
Balance at the end of the financial year	<u>2,817,558</u>	<u>2,817,558</u>	<u>5,125,296</u>	<u>5,125,296</u>

Due to the limited recourse nature of the structure, the fair value of the PPN issued is measured at fair value is based on the carrying values of the investment in equity and is sensitive to the changes to the underlying balance and is therefore classified under Level 3.

Sensitivity analysis

The unobservable inputs for the PPN issued are fair value of the investment in equity. For such PPN issued as at FVTPL, the impact of a 1% increase in the fair value of investment in equity at the reporting date on the profit or loss would have been an increase of EUR 22,946 (2022: EUR 3,785). A decrease of 1% would have had an equal but opposite effect.

No circumstances have arisen which would indicate a change in the overall credit quality of the Company, the Directors therefore deem that any fair value movement attributable to credit risk on the PPN is immaterial.

23 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider the carrying amounts of financial assets and financial liabilities earned at amortized cost, recognized in the financial statements approximate their fair values due to their immediate nature.

At amortized cost

	Group		Company	
	31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-23
	Fair value	Carrying value	Fair value	Carrying value
	EUR	EUR	EUR	EUR
Assets				
Other receivables	300,928	300,928	4,168	4,168
Cash and cash equivalents	3,783,293	3,783,293	105,232	105,232
	<u>4,084,221</u>	<u>4,084,221</u>	<u>109,400</u>	<u>109,400</u>
Liabilities				
Other payables	(1,087,097)	(1,087,097)	(158,815)	(158,815)
	<u>2,997,124</u>	<u>2,997,124</u>	<u>(49,415)</u>	<u>(49,415)</u>

At amortized cost

	Group		Company	
	31-Dec-22	31-Dec-22	31-Dec-22	31-Dec-22
	Fair value	Carrying value	Fair value	Carrying value
	EUR	EUR	EUR	EUR
Assets				
Other receivables	709,789	709,789	99,803	99,803
Cash and cash equivalents	1,942,551	1,942,551	3,950	3,950
	<u>2,652,340</u>	<u>2,652,340</u>	<u>103,753</u>	<u>103,753</u>
Liabilities				
Other payables	(987,050)	(987,050)	(140,857)	(140,857)
	<u>1,665,290</u>	<u>1,665,290</u>	<u>(37,104)</u>	<u>(37,104)</u>

The Company's financial assets and financial liabilities that are not measured at fair value on a recurring basis are analyzed below by valuation method. The different levels have been defined in note 22 to the financial statements.

Notes to the financial statements (continued)

For the financial year ended 31 December 2023

23 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (continued)

Group	Level 1	Level 2	Level 3	Total
31-Dec-23	EUR	EUR	EUR	EUR
<i>Financial assets</i>				
Other receivables	-	300,928	-	300,928
Cash and cash equivalents	3,783,293	-	-	3,783,293
	<u>3,783,293</u>	<u>300,928</u>	<u>-</u>	<u>4,084,221</u>
<i>Financial liabilities</i>				
Other payables	-	(1,087,097)	-	(1,087,097)
	<u>-</u>	<u>(1,087,097)</u>	<u>-</u>	<u>(1,087,097)</u>
Company				
31-Dec-23	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
<i>Financial assets</i>				
Other receivables	-	99,803	-	99,803
Cash and cash equivalents	105,232	-	-	105,232
	<u>105,232</u>	<u>99,803</u>	<u>-</u>	<u>205,035</u>
<i>Financial liabilities</i>				
Other payables	-	(158,815)	-	(158,815)
	<u>-</u>	<u>(158,815)</u>	<u>-</u>	<u>(158,815)</u>
Group				
31-Dec-22	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
<i>Financial assets</i>				
Other receivables	-	709,789	-	709,789
Cash and cash equivalents	1,942,551	-	-	1,942,551
	<u>1,942,551</u>	<u>709,789</u>	<u>-</u>	<u>2,652,340</u>
<i>Financial liabilities</i>				
Other payables	-	(987,050)	-	(987,050)
	<u>-</u>	<u>(987,050)</u>	<u>-</u>	<u>(987,050)</u>
Company				
31-Dec-22	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
<i>Financial assets</i>				
Other receivables	-	4,743	-	4,743
Cash and cash equivalents	3,950	-	-	3,950
	<u>3,950</u>	<u>4,743</u>	<u>-</u>	<u>8,693</u>
<i>Financial liabilities</i>				
Other payables	-	(140,857)	-	(140,857)
	<u>-</u>	<u>(140,857)</u>	<u>-</u>	<u>(140,857)</u>

Cash and cash equivalents include deposits held with banks and are classified under Level 1 considering the liquidity of the market for this instrument.

For financial instruments, including other receivables and other payables, the carrying amount approximates its fair value due to their immediate or short-term nature and have been classified under Level 2 of the fair value hierarchy.

24 Capital risk management

The Company views its PPN issued as its core capital. Capital is managed by ensuring that the investment in equity and PPN issued are matched in terms of cash flow and level of recourse. The Company is not subject to any other externally imposed capital requirements.

25 Subsequent events

With the exception that Udit Choudhari resigned from his position of Director on the 3rd April 2025, there have been no other significant subsequent events since the end of the reporting period that require disclosure or adjustment to the financial statements.

26 Commitments and contingent liabilities

As at 31 December 2023, the Group and the Company did not have any contingencies or guarantees.

27 Charges

The Company has registered a charge on its Book Debts in favor of the Law Debenture Trust Corporation P.L.C (the "Security trustee") for the benefit of Deutsche Bank AG, Luxembourg (the "Noteholder").

28 Approval of financial statements

The Board of Directors approved these financial statements on 15 December 2025.