

**GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY**

Company number 774934

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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**DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	John Paul Maguire Diego Montauban Michael Stott
<b>Registered office</b>	32 Molesworth Street Dublin 2 D02 Y512 Ireland
<b>Company Secretary and Registrar</b>	MFD Secretaries Limited 32 Molesworth Street Dublin 2 D02 Y512 Ireland
<b>Company Registration Number</b>	774934
<b>Bankers</b>	JP Morgan 60 Victoria Embankment London EC4Y 0JP United Kingdom
<b>Auditors</b>	Deloitte Ireland LLP Chartered Accountants & Statutory Audit Firm 29 Earlsfort Terrace Dublin 2 D02 AY28 Ireland
<b>Solicitors</b>	Maples and Calder 75 St. Stephen's Green Dublin 2 D02 PR50 Ireland
<b>Investment Manager</b>	Waterfall Asset Management, LLC 1251 Avenue of the Americas New York NY 10020 United States of America
<b>Administrator</b>	U.S. Bank Global Fund Services (Ireland) Limited (appointed 24 October 2024) 24-26 City Quay Dublin 2 Ireland
<b>Corporate Administrator</b>	Maples Fiduciary Services (Ireland) Limited 32 Molesworth Street Dublin 2 D02 Y512 Ireland

**DIRECTORS AND OTHER INFORMATION (continued)**

<b>Business Operating Services Provider</b>	Waterfall Asset Management (Ireland) Designated Activity Company 32 Molesworth Street Dublin 2 D02 Y512 Ireland
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## **DIRECTORS' REPORT**

The Directors present the Director's report and audited financial statements of Glencar Investments 57 Designated Activity Company (the "Company") for the financial year ended 31 December 2025. The results for the comparative period relate to the financial year ended 31 December 2024 which were unaudited as the Company had taken an audit exemption. The financial statements have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The comparative figures for the prior period are unaudited.

## **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The Company was incorporated under the Companies Act 2014 on 1 November 2024 with registration number 774934.

The principal activity of the Company is investing in financial assets. "In 2025, the Company entered into an agreement to invest in UK Loans (the "Loans") sourced by KSEYE Ltd. The Loans are purchased pursuant to a loans sourcing and servicing agreement with KSEYE Ltd. Under the terms of this agreement, KSEYE Ltd provides services relating to the sourcing and servicing of the Loans and the Company is the original lender of record. The fair value of the Loans as at 31 December 2025 was GBP 65,907,242 (2024: Nil).

The Company has financed the above investments through the issuance of debt financing. The Company can issue up to GBP 100,000,000 profit participating notes due in 2075 (the "Notes"), constituted by a deed poll executed by the Company on 30 July 2025. In August 2025 the Notes were listed on the Vienna Stock Exchange. The fair value of the Notes as at 31 December 2025 was GBP 62,610,990 (2024: Nil).

The Directors expect the activities to continue for the foreseeable future and will continue to review the management of the existing portfolio of the Company.

## **RESULTS AND DIVIDENDS**

The profit of the Company on ordinary activities for the financial year before taxation amounted to GBP 357 (2024: Nil) and after charging taxation of GBP 89 (2024: Nil), the profit after taxation of GBP 268 (2024: Nil) was transferred to reserves. The Company earned interest income on financial assets at fair value through profit and loss totaling GBP 1,773,026 (2024: Nil).

The results for the Company for the financial year are set out on page 16. No dividends were paid during the financial year and the Directors do not recommend the payment of a dividend for the financial year under review.

## **KEY PERFORMANCE INDICATORS**

Management uses a range of measures to monitor performance and manage the business.

The key financial performance indicators (KPIs) used by management include:

- Interest income – GBP 1,773,026 (2024: Nil).
- Interest expense – GBP 1,050,666 (2024: Nil).

The Directors are satisfied with the performance of the Company by reference to these indicators.

## **FUTURE DEVELOPMENTS**

The Directors have no plans to change the activities and operations of the Company in the foreseeable future. The Directors continue to seek opportunities for the future growth and development of the Company and will monitor the direction of the Company.

## **CHANGE OF DIRECTOR**

There have been no changes in Directors, Secretary or registered office during the financial year.

## **DIRECTORS' REPORT (CONTINUED)**

### **ISSUE OF SHARE CAPITAL**

Authorised share capital consists of 1 ordinary shares of EUR 1 each. MaplesFS Trustees Ireland Limited acquired 1 share in the Company on 1 November 2024. The entire share capital of the Company is held on trust for charitable purposes by MaplesFS Trustees Ireland Limited.

### **DIRECTORS, SECRETARY AND THEIR INTERESTS**

The Directors and Secretary who held office at 31 December 2025 had no direct or beneficial interests in the shares, share options, deferred shares or debentures of the Company at any time during the financial year, requiring disclosures in the Directors' report pursuant to Section 329 of the Companies Act 2014.

In accordance with the Company's Articles of Association, the Directors are not required to retire by rotation.

### **POLITICAL DONATIONS**

The Company made no political donations or incurred any political expenditure during the financial year (2024: Nil).

### **GOING CONCERN**

The Company's financial statements for the financial year ended 31 December 2025 have been prepared on a going concern basis. The Investment Manager engages in active cash management to ensure efficient utilisation of funds and that the Company has sufficient liquidity, which includes utilisation of models on cash flow forecasting. The Company has access to debt financing going forward to help it meet any obligations. The financial liabilities of the Company are limited recourse obligations and are payable solely out of proceeds received by or on behalf of the Issuer in respect of the Company's assets and therefore the claims of Noteholders are limited to the value of the Company's net assets. The Directors anticipate that the assets will generate enough cash flow on an ongoing basis to meet the Company's liabilities as they fall due.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk and uncertainties facing the Company relate to risks arising on its financial instruments which include market risk (interest rate, price and currency risks), operational risk, liquidity risk, credit risk and concentration risk. Further details of the Company's risk management procedures are outlined in note 13.

### **EVENTS DURING THE FINANCIAL YEAR**

The Company commenced operations on 1 August 2025.

### **SUBSEQUENT EVENTS**

At the date of approval of these financial statements, the Directors are not aware of any other matters or circumstances which have arisen that have significantly affected or may affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial year subsequent to 31 December 2025.

### **POWER OF DIRECTORS**

The Board is responsible for managing the business affairs of the Company in accordance with the Company's Constitution. The Board may delegate certain functions to Maples Fiduciary Services (Ireland) Limited (the "Corporate Administrator") and U.S. Bank Global Fund Services (Ireland) Limited (the "Administrator") and other parties, subject to the supervision and direction by the Board. The Board consists of three Directors. The Board have delegated the day-to-day administration of the Company to the Administrator and the investment management and distribution functions to Waterfall Asset Management LLC (the "Investment Manager"). Consequently, none of the Directors are executive Directors of the Company.

## **DIRECTORS' REPORT (CONTINUED)**

### **SHAREHOLDERS' MEETINGS**

The shareholders' rights and the operations of shareholders meetings are defined in the Company's Constitution and comply with the Companies Act 2014. The Company holds a general meeting each financial year as its annual general meeting. The annual general meeting is specified in the notice sent out for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by the Companies Act 2014.

### **ACCOUNTING RECORDS**

The Directors are responsible for ensuring that proper accounting records are kept by the Company, as outlined in Sections 281 to 285 of the Companies Act 2014. The measures taken by the Directors to ensure compliance with the Company's obligation to keep proper accounting records are the use of appropriate systems and procedures and by employing a service provider with appropriate expertise and by providing adequate resources to the financial function. The Administrator is responsible for the preparation and maintenance of the accounting records. The accounting records for the financial year 31 December 2025 are kept at 24-26 City Quay, Dublin 2, Ireland.

### **AUDIT COMMITTEE**

The Board of Directors, having given due consideration to Section 167(1) and Section 167(3) of the Companies Act 2014 and noting the contractual obligations of the Administrator and the limited recourse nature of the Notes issued by the Company, the Board of Directors concluded that there is currently no need for the Company to have an audit committee in order for the Board of Directors to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

### **STATEMENT OF RELEVANT AUDIT INFORMATION**

In the case of the persons who are Directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:

- so far as each Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

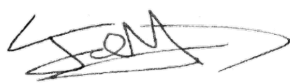
### **INDEPENDENT AUDITOR**

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, were appointed as auditors during the year and have expressed their willingness to continue in the office in accordance with Section 383(2) of the Companies Act 2014.

### **DIRECTORS' COMPLIANCE STATEMENT**

The Company does not meet the qualifying conditions in accordance with Section 225(7) of the Companies Act 2014 for the requirement to provide a "Compliance Policy Statement".

Approved and authorised for issue on 31 March 2026.



**John Paul Maguire**  
Director



**Diego Montauban**  
Director

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("relevant financial reporting framework"). 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 Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

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

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

### Report on the audit of the financial statements

#### Opinion on the financial statements of Glencar Investments 57 Designated Activity Company (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2025 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 18, including material accounting policy information as set out in note 3.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union ("the relevant financial reporting framework").



#### 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 described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to listed entities, 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.

#### Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"><li>• Valuation of financial assets at fair value through profit or loss</li></ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used in the current year was £940k which was determined on the basis of 1.5% of financial liabilities at fair value through profit or loss.</p>
Scoping	<p>We determined the scope of our audit by obtaining an understanding of the Company and its operating environment and assessing the risks of material misstatement.</p>

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

### 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.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We have evaluated the Directors' assessment of the risks and uncertainties related to macro-economic factors and the adequacy of disclosures in relation to the specific risks these pose.
- We have reviewed the Company's ability to raise finance in the future by reviewing the PPN agreements and the amount of drawdown available to the Company.
- We evaluated the completeness and accuracy of the disclosures made in the Notes to the Financial Statements by reference to the understanding we had obtained of the Company's financial performance during the period.

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

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Valuation of financial assets at fair value through profit or loss ⤴

##### Key audit matter description



For the financial period ended 31 December 2025 the value of the financial assets at fair value through profit or loss is £65.9 million which makes up approximately 96.91% of the Company's total assets of £68.01 million.

The valuation of financial assets at fair value through profit and loss is considered a key audit matter as it comprises the most significant number on the Statement of Financial Position and is an area at risk of potential management bias due to the level of subjectivity. The valuation is also a key contributor to the financial performance and has been identified as a significant risk of material misstatement, the risk being that they may not be valued correctly in accordance with IFRS 13. This is applicable both from the perspective of the valuation of these financial assets in the Statement of Financial Position and the movement in fair value that is reported in the Statement of Comprehensive Income.

Refer also to note 3(f) and 8 in the financial statements.

##### How the scope of our audit responded to the key audit matter



Our procedures included the following:

We obtained an understanding, assessed the design and determined the implementation of the key controls that have been implemented over the valuation process for financial assets at fair value through profit or loss.

We challenged whether the valuation policy adopted for the financial assets is in line with IFRS 13, and agreed the principal movements on the financial instruments to the loan servicer reports/bank statements.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

In conjunction with our internal fair value specialists, we developed an independent estimate of the fair value of the financial assets.  
Based on the evidence obtained, we found that the valuations used by management are within a range we consider to be reasonable.

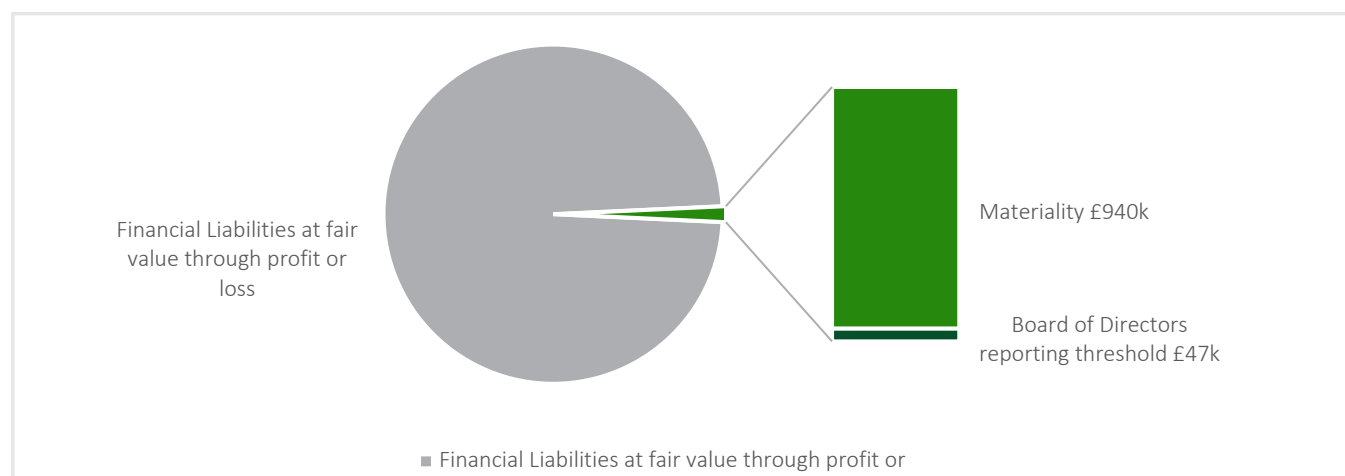
Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

### Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Materiality</b>	£940k
<b>Basis for determining materiality</b>	1.5% of financial liabilities at fair value through profit or loss
<b>Rationale for the benchmark applied</b>	We have considered financial liabilities at fair value through profit or loss to be the critical component for determining materiality because the main objective of the Company is to provide noteholders with a long term risk adjusted return. In determining our benchmark, we have considered quantitative and qualitative factors such as our understanding of the nature of the Company and its environment, the focus of the users of the financial statements, and the industry and economic environment in which the Company operates.



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

Performance materiality was set at 80% of materiality for the 2025 audit. In determining performance materiality, we considered the following factors:

- our understanding of the Company; and
- the quality of the control environment.

We agreed with the Board of Directors that we would report to them all audit differences in excess of £47k as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### An overview of the scope of our audit

Our audit is a risk based approach taking into account the structure of the Company, types of financial assets, the involvement of the third party service providers, the accounting processes and controls in place, and the industry in which the Company operates. We have conducted our audit based on the books and records maintained by the administrator, U.S. Bank Global Fund Services (Ireland) Limited. We focused our audit scope, and the extent of our testing, based on our assessment of the risks of material misstatement and of the materiality determined. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

### Other information

The other information comprises the information included in the Directors' Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Audited Financial Statements.

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 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.

### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### 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.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

#### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the Board of Directors about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

Valuation of financial assets at fair value through profit or loss;  
Accuracy of revenue recognition.

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2014..

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include the listing rules of the Vienna Stock Exchange and tax legislation.

#### **Audit response to risks identified**

As a result of performing the above, we identified 'Valuation of financial Assets at fair value through profit or loss' as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the annual accounts;
- enquiring of management and the Board of Directors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud in Revenue Recognition, independently valuing all securities and completing an unrealised gain/loss reconciliation; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

### Report on other legal and regulatory requirements

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

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Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

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

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Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

#### Other Matters

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As the company was exempt from audit under section 3601 of the Companies Act 2014 in the prior period we have not audited the corresponding amounts for that period.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCAR INVESTMENTS 57 DESIGNATED ACTIVITY COMPANY

### Use of our report

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

*Niamh Geraghty*

Niamh Geraghty  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

01 April 2026

**STATEMENT OF COMPREHENSIVE INCOME**

	Note	For the financial year ended 31 December 2025 GBP	For the financial period ended 31 December 2024 GBP
Interest income on financial assets at fair value through profit or loss	4	1,773,026	-
Bank interest income		18,271	-
Unrealised fair value gain on financial assets at fair value through profit or loss		366,342	-
Unrealised fair value loss on financial liabilities at fair value through profit or loss		(366,357)	-
Interest expense on financial liabilities at fair value through profit or loss	5	(1,050,666)	-
<b>Net investment gain</b>		<b>740,616</b>	<b>-</b>
Other expenses	6	(740,259)	-
<b>Total expenses</b>		<b>(740,259)</b>	<b>-</b>
<b>Net gain for the financial year/period before taxation</b>		<b>357</b>	<b>-</b>
Current tax expense	7	(89)	-
<b>Net gain for the financial year/period after taxation</b>		<b>268</b>	<b>-</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>268</b>	<b>-</b>

All items dealt in arriving at the profit for the financial year ended 31 December 2025 related to continuing operations.

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Note	As at 31 December 2025 GBP	As at 31 December 2024 GBP
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	8	65,907,242	-
Receivable for share capital		1	1
<b>Total non-current assets</b>		<b>65,907,243</b>	<b>1</b>
<b>Current assets</b>			
Cash and cash equivalents	9	308,711	-
Other receivables		1,802	-
<b>Total current assets</b>		<b>310,513</b>	<b>-</b>
<b>Total assets</b>		<b>66,217,756</b>	<b>1</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Interest received in advance		3,070,893	-
Other payables	10	535,604	-
<b>Total current liabilities</b>		<b>3,606,497</b>	<b>-</b>
<b>Non-current liabilities</b>			
Financial liabilities at fair value through profit or loss	8,11	62,610,990	-
<b>Total non-current liabilities</b>		<b>62,610,990</b>	<b>-</b>
<b>Total liabilities</b>		<b>66,217,487</b>	<b>-</b>
<b>Equity</b>			
Share capital	12	1	1
Retained earnings		268	-
<b>Total equity</b>		<b>269</b>	<b>1</b>
<b>Total equity and liabilities</b>		<b>66,217,756</b>	<b>1</b>

On behalf of the Board:



**John Paul Maguire**  
 Director



**Diego Montauban**  
 Director

**Date:** 31 March 2026

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**

**For the financial year ended 31 December 2025**

	<b>Share capital GBP</b>	<b>Retained earnings GBP</b>	<b>Total equity GBP</b>
<b>Balance as at 1 January 2025</b>	1	-	1
Result for the financial year	-	268	268
Issuance of share capital	-	-	-
<b>Balance as at 31 December 2025</b>	<b>1</b>	<b>268</b>	<b>269</b>

	<b>Share capital GBP</b>	<b>Retained earnings GBP</b>	<b>Total equity GBP</b>
<b>Balance as at 1 November 2024 (date of incorporation)</b>	-	-	-
Result for the financial period	-	-	-
Issuance of share capital	1	-	1
<b>Balance as at 31 December 2024</b>	<b>1</b>	<b>-</b>	<b>1</b>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	For the financial year ended 31 December 2025	For the financial period ended 31 December 2024
	GBP	GBP
<b>Cash flows from operating activities:</b>		
Result for the financial year/period from operations after tax	268	-
<i>Adjustments to reconcile results for the financial year/period resulting from operations to net cash used in operating activities:</i>		
Interest income on financial assets at fair value through profit or loss	(1,773,026)	-
Interest expense on financial liabilities at fair value through profit or loss	1,050,666	-
Unrealised fair value gain on financial assets at fair value through profit or loss	(366,342)	-
Unrealised fair value loss on financial liabilities at fair value through profit or loss	366,357	-
Increase in other payables	535,604	-
Increase in other receivables	(1,802)	-
<b>Net cash used in operating activities</b>	<b>(188,275)</b>	<b>-</b>
<b>Cashflow from investing activities</b>		
Payment for financial assets at fair value through profit or loss	(65,540,900)	-
Interest received in advance	4,843,919	-
<b>Net cash used in investing activities</b>	<b>(60,696,981)</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of financial liabilities at fair value through profit or loss	68,393,975	-
Repayment of profit participating notes	(6,149,342)	-
Interest paid	(1,050,666)	-
<b>Net cash provided by financing activities</b>	<b>61,193,967</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>308,711</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of the financial year/period</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of the financial year/period</b>	<b>308,711</b>	<b>-</b>

The accompanying notes form an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. General information**

The Company was incorporated under the Companies Act 2014 on 1 November 2024 with registration number 774934. The principal activity of the Company is investing in financial assets.

The principal activity of the Company is investing in financial assets. "In 2025, the Company entered into an agreement to invest in UK bridge loans (the "Loans") sourced by KSEYE Ltd. The Loans are purchased pursuant to a loans sourcing and servicing agreement with KSEYE Ltd. Under the terms of this agreement, KSEYE Ltd provides services relating to the sourcing and servicing of the Loans and the Company is the original lender of record. The fair value of the Loans as at 31 December 2025 was GBP 65,907,242 (2024: Nil).

The Company has financed the above investments through the issuance of debt financing. The Company can issue up to GBP 100,000,000 profit participating notes due in 2075 (the "Notes"), constituted by a deed poll executed by the Company on 30 July 2025. In August 2025 the Notes were listed on the Vienna Stock Exchange. The fair value of the Notes as at 31 December 2025 was GBP 62,610,990 (2024: Nil)

The Directors expect the activities to continue for the foreseeable future and will continue to review the management of the existing portfolio of the Company.

### **2. Basis of preparation**

#### **(a) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, as applied in accordance with the Companies Act 2014. The comparative figures for the prior period are unaudited.

#### **(b) New and amended standards and interpretations**

##### **New standards, amendments and interpretations effective from 1 January 2025**

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2025 that have a material effect on the financial statements of the Company.

##### **New standards, amendments and interpretations not yet adopted**

IFRS 18 Presentation and Disclosure in Financial Statements, issued in April 2024 and effective for annual periods beginning on or after 1 January 2027, replaces IAS 1 Presentation of Financial Statements. The Company is currently assessing the impact of IFRS 18 on its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures, issued in May 2024 and effective for annual periods beginning on or after 1 January 2027. The Company will assess its eligibility to apply IFRS 19 at the date of initial application.

The Directors have considered the new standards, amendments and interpretations and do not plan to adopt these standards early. The application of all of these standards, amendments or interpretations will be considered in detail in advance of a confirmed effective date by the Company. The Directors do not expect these new standards, amendments and interpretations to have a material impact on the Financial Statements of the Company.

### **3. Material accounting policies**

#### **(a) Going Concern**

The Company's financial statements for the financial year ended 31 December 2025 have been prepared on a going concern basis. The Investment Manager engages in active cash management to ensure efficient utilization of funds and that the Company has sufficient liquidity, which includes utilization of models on cash flow forecasting. The Company has access to debt financing going forward to help it meet any obligations. The financial liabilities of the Company are limited recourse obligations and are payable solely out of proceeds received by or on behalf of the Issuer in respect of the Company's assets and therefore the claims of Noteholders are limited to the value of the Company's net assets. The Directors anticipate that the assets will generate enough cash flow on an ongoing basis to meet the Company's liabilities as they fall due.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Material accounting policies (continued)

#### (b) Basis of measurement

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities at fair value. Income and expenses are recorded on an accrual basis. Realised gains and losses from security transactions are computed on a specific identification basis. Security transactions are recorded on a trade-date basis.

#### (c) Functional and presentation currency

These financial statements are presented in British Pound Sterling ("GBP") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The Company's financial assets at fair value through profit or loss are denominated in GBP and the Company is funded via debt financing denominated in GBP. The performance of the Company is measured and reported to the shareholders in GBP. The Directors of the Company believe that GBP most faithfully represents the economic effects of the underlying transactions, events and conditions.

#### (d) Foreign currency transactions

Transactions in foreign currencies are translated to GBP at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to GBP at the exchange rate ruling at the reporting date. Foreign currency differences arising on translation are recognised as profit or loss in the Statement of Comprehensive Income.

#### (e) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS as issued by the International Accounting Standards Board requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Management's estimates and associated assumptions are based on management's historical experience and various other factors including IFRS accounting prescriptions 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.

##### *Judgements*

In the process of applying the Company's accounting policies, management has not made any judgements, which could have a significant effect on the amount recognised in the financial statements other than those referenced below. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

##### *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in note 3(f).

##### *Fair value of financial instruments*

Where the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, they are determined using valuation techniques, including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. The judgements include considerations of inputs such as discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

The financial instruments held by the Company include the following:

- Financial assets at fair value through profit or loss;
- Financial assets at amortised cost;
- Financial liabilities at amortised cost; and
- Financial liabilities at fair value through profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. Material accounting policies (continued)

#### (f) Financial instruments

##### *Classification*

IFRS 9 establishes specific categories into which all financial assets and financial liabilities must be classified. The classification of financial instruments determines how these financial assets or liabilities are subsequently measured in the financial statements. There are three categories of financial assets: Financial assets at fair value through profit or loss, financial assets at amortised cost and financial assets at fair value through other comprehensive income. There are two categories of financial liabilities: Financial liabilities at fair value through profit or loss and financial liabilities at amortised cost.

The Company classifies financial assets as measured at amortised cost or at fair value through profit or loss. Financial assets measured at amortised cost include cash and cash equivalents, interest receivable and other receivables and prepayments. The Company measures financial assets at fair value through profit or loss upon initial recognition when the assets are managed, evaluated and reported internally on a fair value basis and the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise. Financial assets at fair value through profit or loss relate to the Loans.

##### *Recognition*

The Company recognises all financial assets and financial liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

##### *Measurement*

Financial instruments classified at fair value through profit or loss are initially measured at cost at the time of acquisition, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Subsequent to initial recognition, all instruments classified as at fair value through profit or loss, are measured at fair value, on a monthly basis, with changes in their fair value recognised in the Statement of Comprehensive Income.

##### *Fair Value Measurement Principles*

Purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the financial asset. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire, are extinguished, or if the Company transfers the financial assets to a third party and transfers all the risks and rewards of ownership of the financial asset, or if the Company does not retain control and transfers substantially all the risk and rewards of ownership of the financial asset. The Company accounts for its investments in accordance with IFRS 13, Fair Value Measurement, which defines fair value, establishes a framework for measuring fair value, and requires enhanced disclosures about fair value measurements. In accordance with IFRS 13, investments are reflected in the Statement of Financial Position at fair value, with changes in unrealised gains and losses resulting from changes in fair value reflected in the Statement of Comprehensive Income as net unrealised gain/(loss) on financial assets at fair value through profit and loss. Fair value is the amount that would be received from the sale of an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (i.e. exit price). For investments for which there is no readily available independent pricing information or for which the Investment Manager believes the quoted prices obtained from such external pricing sources do not accurately reflect the fair value of these Notes, the Investment Manager may fair value such investments based on internal valuation models in accordance with the Investment Manager's valuation policy. When data is not available from external data sources or inputs are unobservable, the valuation of investments is based on cash flow models that consider inputs including default rates, prepayment rates, loss severity, expected yield-to-maturity, and other inputs specific to each investment. Investments are categorised in Level 3 of the fair value hierarchy when external pricing data is unobservable and/or based on internal valuation models.

##### *Financial assets and liabilities at amortised cost*

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Subsequent to initial recognition, an expected credit loss allowance is recognised for financial assets measured at amortised cost which results in an accounting loss being recognised in the Statement of Comprehensive Income when an asset is newly originated.

Financial assets measured at amortised cost include cash and cash equivalents, interest receivable and other receivables and prepayments. Financial liabilities measured at amortised cost include interest payable and other payables.

The carrying amount of financial assets measured at amortised cost approximates their fair value.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. Material accounting policies (continued)**

**(f) Financial instruments (continued)**

*Impairment*

The Company assesses the expected credit losses associated with its financial assets carried at amortised cost using both historical analysis and forward-looking information. Where applicable, the Company recognises a loss allowance for such losses at each reporting date. The Directors have assessed the likelihood of incurring credit losses using probability of default, exposure at default and loss given default, based on all current financial information available and, where applicable, reports provided by the investment manager. As at 31 December 2025 cash and cash equivalents are held with a counterparties with a credit rating of at least A-1+. Applying the requirements of IFRS 9, the expected credit loss is immaterial for the Company and, as such, no expected credit loss has been recognised within the financial statements.

*De-recognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or have expired.

*Offsetting*

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

*Cash and cash equivalents*

The Company has defined cash and cash equivalents as cash, demand deposits and short-term, highly liquid investments with original maturities of three months or less and are subject to insignificant risk of changes in their fair value. Cash and cash equivalents are carried at amortised cost in the Statement of Financial Position.

**(g) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle obligations. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance expense.

**(h) Taxation**

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

Current tax liability is the expected tax payable on the taxable income for the period, using the tax rates applicable to the Company's activities enacted or substantially enacted at the Statement of Financial Position date, and any adjustments to tax payable in respect of previous periods.

The Company is an Irish registered company and qualifies as a securitisation company under Section 110 of the Taxes Consolidation Act, 1997. As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

The Company is a close company under Section 440 of the Taxes Consolidation Act, 1997 and is liable to a surcharge of 20% on undistributed investment and estate income. The surcharge is included in the current tax expense in the Statement of Comprehensive Income for the earliest accounting period which ends at a time which is 12 months or more after the end of the accounting period in which the surcharge arose.

**(i) Share capital**

Share capital is issued in EUR. Dividends are recognised as liabilities in the financial year in which they are approved.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Material accounting policies (continued)

(j) Interest income and expense

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable and recognised in the Statement of Comprehensive Income.

Interest expense on the Notes is calculated as a profit participation mechanism. The Company accrues interest expenses equal to its available profits for the year, less a reserved amount of EUR 1,000. This accrued interest is satisfied through a sweep of available cash at the year-end in accordance with the priority of payments set out in the Notes deed poll.

(k) Cash and cash equivalents

Cash and cash equivalents include cash held with banks which are subject to insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

(l) Other income and expenses

Other income and expenses are accounted for on an accruals basis.

4. Interest income on financial assets at fair value through profit or loss

	For the financial year 31 December 2025	For the financial period 31 December 2024
	GBP	GBP
Interest income	1,773,026	-
	<u>1,773,026</u>	<u>-</u>

5. Interest expense on financial liabilities at fair value through profit or loss

	For the financial year 31 December 2025	For the financial period 31 December 2024
	GBP	GBP
Interest expense	(1,050,666)	-
	<u>(1,050,666)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Other expenses

	For the financial year 31 December 2025	For the financial period 31 December 2024
	GBP	GBP
Success Fee	351,112	-
Legal fees	234,214	-
Due diligence fee	48,937	-
Business operating services fees	30,003	-
Audit fees	16,160	-
Valuation fees	13,102	-
Promotion Fees	5,598	-
Corporate administration fees	12,807	-
Administration fees	11,399	-
Tax compliance fees	7,498	-
Registration fees	4,217	-
MLRO services fees	3,111	-
Foreign exchange (gain)/loss	1,324	-
Bank charges	867	-
Other expenses	(90)	-
	<u>740,259</u>	<u>-</u>

Fees and expenses (excluding VAT) paid to the Company's statutory auditor, in respect of the financial year/period are as follows:

	For the financial period 31 December 2025	For the financial period 31 December 2024
	GBP	GBP
Audit of financial statements	16,160	-
Other assurance services	-	-
Tax advisory services	-	-
Other non-audit services	-	-
	<u>16,160</u>	<u>-</u>

7. Tax on ordinary activities

	For the financial period 31 December 2025	For the financial period 31 December 2024
	GBP	GBP
<b>Analysis of tax charge for the financial year/period</b>		
Current financial year/period	89	-
<b>Total tax charge</b>	<u>89</u>	<u>-</u>
<b>Reconciliation of effective tax rate</b>		
Profit on ordinary activities before taxation	357	-
Tax at statutory rate for Republic of Ireland of 12.5%	45	-
Income subject to taxation at higher tax rate	44	-
<b>Total tax charges</b>	<u>89</u>	<u>-</u>

The Company is taxed at a rate of 25% in accordance with the provisions of Section 110 Taxes Consolidation Act 1997. The Company is liable to a close company surcharge of 20% on undistributed investment and estate income in accordance with the provisions of Section 440 Taxes Consolidation Act 1997. There are no other undisclosed factors expected to impact future tax charges.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Fair value measurements

*Valuation of financial instruments*

The Company adopted the provisions of IFRS 13, *Fair Value Measurement*, which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. IFRS 13 established a fair value hierarchy that prioritises and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment, the characteristics specific to the investment and the state of the marketplace (including the existence and transparency of transactions between market participants). Investments with readily available, actively quoted prices or for which fair value can be measured from actively quoted prices in an orderly market, will generally have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Investments measured and reported at fair value are classified and disclosed into one of the following categories based on the inputs as follows:

**Level 1** — Quoted prices (unadjusted) in active markets for identical assets and liabilities that the Company has the ability to access.

**Level 2** — Pricing inputs are other than quoted prices in active markets including, but not limited to, quoted prices for similar assets and liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs. The Investment Manager subjects these broker quotes to various criteria in making the determination as to whether a particular investment would qualify for treatment as a Level 2 investment including, but not limited to, the number and quality of broker quotes and/or vendor pricing, the standard deviation of obtained broker quotes and/or vendor pricing and the percentage deviation from independent pricing sources and/or vendor pricing.

**Level 3** — Significant unobservable inputs are based on the best information available in the circumstances, to the extent observable inputs are not available, including the Company's own assumptions used in determining the fair value of investments. Fair value for these investments is determined using valuation methodologies that consider a range of factors including, but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment.

The inputs into the determination of fair value require significant judgement by management. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Investment Manager's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The valuation of the Company's financial instruments in accordance with IFRS 13 fair value hierarchy levels as of 31 December 2025 is as follows:

**As at 31 December 2025**

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
Loans	-	-	65,907,242	65,907,242
	-	-	<b>65,907,242</b>	<b>65,907,242</b>

**As at 31 December 2024**

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
Loans	-	-	-	-
	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Fair value measurements (continued)

The changes in financial instruments measured at fair value for which the Company has used Level 3 inputs to determine fair value for the financial year 31 December 2025 as follows:

<i>Financial assets:</i>	<b>The Loan Portfolio GBP</b>	<b>Total GBP</b>
Beginning balance at 1 January 2025	-	-
Purchases	65,540,900	65,540,900
Net change in unrealised gain on financial assets	366,342	366,342
Ending balance at 31 December 2025	<b>65,907,242</b>	<b>65,907,242</b>
		<b>Notes GBP</b>
<i>Financial liabilities:</i>		
Beginning balance at 14 February 2025		-
Proceeds		68,393,975
Repayments		(6,149,342)
Net change in unrealised loss on financial liabilities		366,357
Ending balance at 31 December 2025		<b>62,610,990</b>

The Company's policy is to recognise transfers in and transfers out as of the beginning of the financial year of the event or the change in circumstances that caused the transfer. Transfers between Level 2 and Level 3 generally relate to whether there were changes in the significant relevant observable and unobservable inputs that are available for the fair value measurements of such financial instruments. There were no transfers into or out of Level 3 for the financial year ended 31 December 2025.

**Valuation Process for Fair Value Measurements**

The Company follows valuation processes and procedures reasonably designed to result in the application of fair value measurements which it believes are appropriate and reliable and which are based on observable inputs, when possible. In addition, the Investment Manager endeavours to consistently apply this valuation methodology and make certain that assumptions and inputs are reasonable. The Investment Manager has also implemented processes reasonably designed for the fair, consistent and verifiable valuation of investments. Further, these processes are reasonably designed to provide for segregation of duties and oversight of the Investment Manager's fair value methodologies, techniques and validation procedures.

The following table summarises the valuation techniques and significant unobservable inputs used for the financial assets that are categorised within Level 3 of the fair value hierarchy as of 31 December 2025

	<b>Level 3 Fair Value as of 31 December 2025</b>	<b>Valuation Technique</b>	<b>Unobservable Input</b>	<b>Range*</b>	<b>Weighted Average*</b>
Financial assets	65,907,242	Priced by Independent Valuation Specialist	N/A	N/A	N/A
Financial liabilities	62,610,990	Net available amount disbursable under the PPN by the Company	N/A	N/A	N/A
	<b>Level 3 Fair Value as of 31 December 2024</b>	<b>Valuation Technique</b>	<b>Unobservable Input</b>	<b>Range*</b>	<b>Weighted Average*</b>
Financial assets	-	-	-	-	-
Financial liabilities	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. Cash and cash equivalents

	31 December 2025	31 December 2024
	GBP	GBP
Cash at bank	308,711	-

10. Other payables

	31 December 2025	31 December 2024
	GBP	GBP
Success fees payable	351,112	-
Legal fees payable	123,396	-
Business operating services fees payable	18,014	-
Audit fees payable	16,160	-
Valuations fees payable	10,625	-
Tax compliance fees payable	7,498	-
Promotion Fees Payable	5,598	-
Administration fees payable	2,240	-
Corporate administration fees payable	872	-
Corporation tax payable	89	-
	<b>535,604</b>	<b>-</b>

11. Financial liabilities designated at fair value through profit and loss

The financial liabilities are limited recourse obligations of the Company which are payable solely out of proceeds received by or on behalf of the Issuer in respect of the financial assets held including all available cash applied in accordance with the priority of payments. The claims of Noteholders shall be limited to the value from time to time of the financial assets.

The Notes are measured at fair value and recognised as liabilities in the Statement of Financial Position. For the financial year ended 31 December 2025, the total outstanding Notes balance was GBP 62,610,990 (2024: Nil)

12. Called up share capital presented as equity

	31 December 2025	31 December 2024
	GBP	GBP
<i>Authorised capital</i>		
100 ordinary shares of EUR 1 (GBP 1) each	100	100
	31 December 2025	31 December 2024
	GBP	GBP
<i>Issued share capital</i>		
1 ordinary share of EUR 1 (GBP 1) each	1	1

The entire share capital of the Company is held on trust for charitable purposes by MaplesFS Trustees Ireland Limited. MaplesFS Trustees Ireland Limited is located at 32 Molesworth Street, Dublin 2, Ireland.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**13. Financial instruments and financial risk management**

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. This note presents information about the Company's exposure to each of the significant risks and the Company's management of these risks.

**Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Company consists of a debt instrument issued as disclosed in note 11 and equity comprising issued capital and retained earnings as disclosed in note 12 and in the Statement of Changes in Equity respectively. The Company is not exposed to any externally imposed capital requirements.

**a) Market risk**

Market risk is the risk that changes in market variables, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk is the potential adverse changes in the values of the financial instruments due to unfavourable changes in the level or volatility of interest rates, collateral values or market values of the underlying financial instruments. The Investment Manager manages the Company's exposure to market risk through the use of risk management strategies. The liquidity of the financial asset held by the Company may fluctuate over time and may at times be illiquid. The market for less liquid financial assets may be more volatile than the market for more liquid financial assets. Investments in relatively illiquid financial assets may restrict the ability of the Company to dispose of its holding at a price and times that the Company wishes to do so. If the Company were forced to dispose of an investment at an inopportune time, it might be forced to do so at a substantial discount to market value, resulting in a loss for the Company.

**a) (i) Currency risk**

Foreign exchange risk is the risk that fluctuations in foreign exchange rates will impact the Company's performance. These risks include, among other factors, the potential for unfavourable fluctuations in exchange rates of foreign currencies or devaluation of currencies, less public information with respect to issuers of securities and the level of governmental supervision and regulation of foreign denominated security exchanges, brokers and issuers of securities as well as the possibility of political and economic instability. Both interest income and interest expense are denominated in GBP, the functional currency. The Company incurs certain administrative and professional expenses in EUR. These transactions are not significant and the total exposure to exchange rate fluctuations is not significant, consequently no foreign currency sensitivity analysis has been disclosed.

**a) (ii) Price risk**

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The sensitivity of the total financial assets and financial liabilities at fair value through profit or loss held by the market price movements is highlighted below:

<b>As at financial year ended 31 December 2025</b>	<b>Total GBP</b>	<b>Price Increase of 5% GBP</b>	<b>Price Decrease by 5% GBP</b>
Total financial assets	65,907,242	69,202,604	62,611,880
Total financial liabilities	62,610,990	65,741,540	59,480,441
<b>As at financial period ended 31 December 2024</b>	<b>Total GBP</b>	<b>Price Increase of 5% GBP</b>	<b>Price Decrease by 5% GBP</b>
Total financial assets	-	-	-
Total financial liabilities	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Financial instruments and financial risk management (continued)

a) (iii) Interest rate risk

At the reporting date the interest rate profile of the Company's financial instruments was as follows.

<b>As at 31 December 2025</b>	<b>Fixed rate</b>	<b>Floating rate</b>	<b>Non-interest bearing</b>	<b>Total</b>
<i>Financial assets:</i>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Cash and cash equivalents	-	308,711	-	308,711
Financial assets at fair value through profit or loss	-	65,907,242	-	65,907,242
Other assets	-	-	1,803	1,803
	<b>-</b>	<b>66,215,953</b>	<b>1,803</b>	<b>66,217,756</b>
<i>Financial liabilities:</i>				
Financial liabilities at fair value through profit or loss	-	62,610,990	-	62,610,990
Other liabilities	-	-	3,606,497	3,606,497
	<b>-</b>	<b>62,610,990</b>	<b>3,606,497</b>	<b>66,217,487</b>
<b>As at 31 December 2024</b>	<b>Fixed rate</b>	<b>Floating rate</b>	<b>Non-interest bearing</b>	<b>Total</b>
<i>Financial assets:</i>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
Cash and cash equivalents	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-
Other assets	-	-	1	1
	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<i>Financial liabilities:</i>				
Financial liabilities at fair value through profit or loss	-	-	-	-
Other liabilities	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

A 100bps increase or decrease in interest rates will cause the interest on floating rate assets to increase or decrease by GBP 662,160 (2024: Nil).

A 100bps increase or decrease in interest rates will cause the interest on floating rate liabilities to increase or decrease by GBP 626,160 (2024: Nil).

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations; this arises principally from the Company's investment in the Loans. The Company has sought to mitigate credit risk by conducting their contractual transactions with institutions which are reputable and well established. The Directors engage the services of internal experts who assess the credit risk of the counterparties. In addition, the Directors have appointed Waterfall Asset Management as the Investment Manager. The Investment Manager regularly engages with and monitors the various counterparties, which allows them to assess credit risk as appropriate. The Investment Manager then advises the Board accordingly. The Investment Manager has informed the Board that they have not identified any significant deterioration in credit risk to date.

The Directors have assessed the credit risk associated with the Company's financial assets and are satisfied that these amounts are recoverable and the Company's exposure to credit risk is not significant. For the financial year ended 31 December 2025, the maximum exposure to credit risk was related to the financial assets of the Company totaling GBP 66,217,756 (2024: GBP 1).

*Financial assets at fair value through profit and loss*

The Company's primary credit risk is based on the collection of principal and interest payments under the investment in the Loans. As of the financial year end 31 December 2025 the Company held financial assets at fair value through profit and loss of GBP 65,907,242 (2024: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Financial instruments and financial risk management (continued)

b) Credit risk (continued)

*Cash and cash equivalents*

The Company held cash of GBP 308,711 (2024: Nil) which represents its maximum credit exposure on this financial asset type. The cash and cash equivalents are held at JP Morgan with a rating of Aa1 assigned by Moody's to JP Morgan.

Applying the requirements of IFRS 9, the Expected Credit Loss ("ECL") is immaterial for the Company and, as such, no ECL has been recognised within the financial statements.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due or liquidate positions in a timely manner at a reasonable price. If the Company were forced to dispose of an illiquid financial asset at an inopportune time, it might be forced to do so at a substantial discount to the market value, resulting in realised losses. The Company attempts to monitor the liquidity of its financial assets by looking at factors such as the expected exit strategy, the bid-to-offer spread and the number of broker-dealers making an active market in a particular strategy. The Company's approach is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due. The Company manages its liquidity by utilising the proceeds of financial assets to meet its obligations. The Company expects to settle the contractual value of financial liabilities from the proceeds of financial assets. The Company expects to settle other payables by utilising existing cash balances.

The following are the contractual maturities of the Company's financial assets and liabilities:

As at 31 December 2025	Carrying amount GBP	Gross contractual amount GBP	Within 1 year GBP	2-5 years GBP	More than 5 year GBP
<i>Financial assets:</i>					
Financial assets at fair value through profit and loss	65,907,242	65,907,242	-	65,907,242	-
Cash and cash equivalents	308,711	308,711	308,711	-	-
Other assets	1,803	1,803	1,803	-	-
	<b>66,217,756</b>	<b>66,217,756</b>	<b>310,514</b>	<b>65,907,242</b>	<b>-</b>
<i>Financial liabilities</i>					
Financial liabilities at fair value through profit and loss	62,610,990	62,610,990	-	-	62,610,990
Interest received in advance on financial assets at fair value through profit and loss	3,070,893	3,070,893	-	3,070,893	-
Other liabilities	535,604	535,604	535,604	-	-
	<b>66,217,487</b>	<b>66,217,487</b>	<b>535,604</b>	<b>3,070,893</b>	<b>62,610,990</b>
As at 31 December 2024	Carrying amount GBP	Gross contractual amount GBP	Within 1 year GBP	2-5 years GBP	More than 5 year GBP
<i>Financial assets:</i>					
Other assets	1	1	1	-	-
	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
<i>Financial liabilities</i>					
Other liabilities	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The gross contractual cash flow of the financial liabilities and financial assets at fair value through profit and loss only includes the carrying amount. Interest was not included as it will be determined on future profitability and performance.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**13. Financial instruments and financial risk management (continued)**

**d) Concentration risk**

The Company reviews the credit concentration of financial assets at fair value through profit or loss held based on Geographical location.

As at the reporting date, the Company's exposures were concentrated in the following geographical locations.

Location	Exposure	Exposure
	31 December 2025	31 December 2024
	%	%
United Kingdom	100	-

**14. Related party disclosures**

As at 31 December 2025 the Company had engaged in the following related party transactions:

**a. Transactions with Maples Fiduciary Services (Ireland) Limited**

The Company engages Maples Fiduciary Services (Ireland) Limited for various management and administration functions to manage the operational risk of direct or indirect loss arising from a wide variety of causes associated with the 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 behaviour. Maples Fiduciary Services (Ireland) Limited is entitled to receive administrative fees for the services it provides per the terms and conditions of their agreement.

During the financial year the Company incurred a fee of GBP 12,807 (2024: Nil) relating to administration services provided by Maples Fiduciary Services (Ireland) Limited. The directors, as employees of the Corporate Administrator, may be deemed to have an interest in these fees in their capacity as directors.

Pursuant to Section 305A(1)(a) of the Companies Act 2014 (as amended) Maples Fiduciary Services (Ireland) Limited received GBP 2,553 (2024: Nil) as consideration for the making available of individuals to act as directors of the Company.

The terms of the corporate services agreement in place between the Company and Maples Fiduciary Services (Ireland) Limited provides for a single fee for the provision of corporate administration services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. The individuals acting as directors do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as directors of the Company. For the avoidance of doubt, notwithstanding the directors of the Company are employees of Maples Fiduciary Services (Ireland) Limited, they each do not receive any remuneration for acting as directors of the Company.

All remaining categories in Section 305 of the Companies Act 2014 relevant to Directors' remuneration are GBP Nil (2024: Nil) for the financial year.

**b. Directors, Secretary and their interests**

The Directors and Secretary had no interest in the Company during the financial year. The Directors have not been remunerated for their services to the Company or other parties for the financial year under review and this has been considered in the aforementioned Corporate Services Agreement with Maples Fiduciary Services (Ireland) Limited.

**15. Commitments and contingent liabilities**

As at 31 December 2025 the Company had no commitments or contingent liabilities (2024: Nil).

**16. Events during the financial year**

The Company commenced operations on 1 August 2025.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. Subsequent events**

At the date of approval of these financial statements, the Directors are not aware of any other matters or circumstances which have arisen that have significantly affected or may affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial year subsequent to 31 December 2025.

**18. Approval of the financial statements**

The Board of Directors approved the financial statements on 31 March 2026.