

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

Registered number

595153

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

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TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS AND OTHER INFORMATION

DIRECTORS	Paul Roddy Stephen Kenny Christopher Scott Rowland Robert Blair Tamblyn
COMPANY SECRETARY	Paul Roddy
REGISTERED OFFICE	19 Main Street Blackrock Co.Dublin A94 X8W7 Ireland
ADMINISTRATOR	IQ EQ Corporate Services Limited Suite 6 Rineanna House Shannon Free Zone Co. Clare Ireland
INVESTMENT MANAGER	Timbercreek Asset Management (Ireland) Limited 19 Main Street Blackrock Co.Dublin A94 X8W7 Ireland
TRUSTEE	Computershare Trust Company of Canada 100 University Avenue, 11th Floor Toronto, ON M5J 2Y1 Canada
INDEPENDENT AUDITORS	KPMG Chartered Accountants and Statutory Audit Firm 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
LEGAL ADVISOR	Beauchamps Second Floor Riverside Two Sir John Rogerson's Quay Dublin 2 Ireland McCarthy Tétrault LLP Suite 2400 745 Thurlow Street Vancouver BC V6E 0C5 Canada

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS AND OTHER INFORMATION - (CONTINUED)

BANKERS

Allied Irish Bank
41 Westmoreland Street
Dublin 1
Ireland

LOAN SERVICER

Everyday Finance Designated Activity Company
16 Briarhill Business Park
Ballybrit
Galway
Ireland

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements of Timbercreek Ireland Private Debt Designated Activity Company (the "Company") for the financial year ended 30 September 2025

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company was incorporated in Ireland on 16 December 2016 with registration number 595153. The Company is a special purpose company and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D of the TCA, in respect of taxable profits. The Company has raised finance by issuing senior and junior debentures and has used these funds to invest in or originate senior ranking loans to third parties which are secured by real estate located principally in the Republic of Ireland.

On 20 July 2017, the Directors approved the creation and issue of up to €80 million in senior and junior unsecured subordinated debentures (each a "Debenture" and together the "Debentures") pursuant to a trust deed entered into between the Company and Computershare Share Trust Company of Canada as trustee (the "Trustee") under which the Company would, inter alia, constitute the Debentures and would covenant to the Trustee for the benefit of the holders of the Debentures to make payments due on the Debentures in accordance with their terms.

As at 30 September 2025, the Company has €3,730,125 Debenture issued at fair value (2024: €3,862,741). There were no Debentures issued during the year ended 30 September 2025. The Company repaid €372,737 (2024: €15,709,388) to junior Debentures in the year ended 30 September 2025.

On 21 October 2019, the Company entered into an agreement with Allied Irish Bank P.L.C. to refinance the loan facility held with Deutsche Bank. On 21 October 2019, the Company received €54,185,426 of which €43,409,703 was used to repay Deutsche Bank. The Company repaid a total of €nil (2024: €7,746,884) in the year ended 30 September 2024. The loan facility was repaid in full in the year ended 30 September 2024.

FUTURE DEVELOPMENT

Key performance indicator of the Company is primarily based on income generated by loan investments and its ability to meet financial obligation. As at 30 September 2025, the loan investments are overholding until repayment and there is adequate cash balance to meet financial obligations recognized in the Statement of Financial Position.

Another key performance indicator is the Company's ability to repay any outstanding debt. The Company has an outstanding debt, related to a junior Debenture. The loan facility was repaid in full in the year ended 30 September 2024 and the senior Debentures were repaid in full in March 2023. Repayments on the loan facility in the period were €nil (2024: €7,746,884), junior Debentures €565,000 (2024: €18,929,000). At the financial period end, there was a net loss on the junior Debentures issued at fair value through profit or loss of €432,384 (2024: €2,519,721).

The junior Debentures are expected to be repaid within 12 months of the date of the signing of the Statement of Financial Position.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company relate to the financial instruments held and issued by it. The disclosures in relation to the Company's policies for financial risk management including market risk, credit risk and liquidity risk and the nature of financial instruments used during the financial year to mitigate exposure to these risks, are shown in note 18.

DIRECTORS, SECRETARY AND THEIR INTERESTS

The names of the directors who were in office at any time during the financial year ended 30 September 2025 are set out below. They served as directors for the entire financial year unless otherwise indicated. The Directors and Company Secretary who held office at 30 September 2025 had no interest in the shares or debentures of the Company or any group undertaking of the Company at that date or at any point during the financial year.

Paul Roddy (appointed on 2 November 2017)

Stephen Kenny (appointed on 28 February 2020)

Christopher Scott Rowland (Canadian appointed on 28 February 2020)

Robert Blair Tamblyn (Canadian appointed on 28 February 2020)

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS' REPORT - (CONTINUED)

RESULTS AND DIVIDENDS

During the financial year the Company made a profit after tax of €1,500 (2024: €1,500). The Directors do not recommend the payment of a dividend for the financial year ended 30 September 2025.

GOING CONCERN

In order to form a view as to the most appropriate basis of preparation of these financial statements, the Directors have assessed the likelihood of putting the Company into liquidation. Per the first supplemental indenture dated July 20, 2017, the Company is past its investment period. As repayments from the loan receivables portfolio are not to be reinvested, the Directors resolved to arrange for the orderly wind-up of the affairs of the Company and to arrange for the Company to liquidate. The wind-up process is expected to be completed within 12 months of the date of the approval of the financial statements which will include using cash flows from future loan repayments to repay its creditors and junior Debentures. As a result of this, the Directors have concluded that it is appropriate to prepare the financial statements on a basis other than that of a going concern.

RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 19 of the financial statements.

POLITICAL DONATIONS

There were no political donations made by the Company during the financial year ended 30 September 2025 (2024: Nil).

STATEMENT OF RELEVANT AUDIT INFORMATION

In preparing and approving this Director's report and financial statements and in accordance with Section 330 (1) of the Companies Act, 2014 each of the current Directors of the Company confirm that:

- (i) So far as the Directors are aware, there is no relevant audit information of which the statutory auditors are unaware; and
- (ii) The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

DIRECTORS COMPLIANCE STATEMENT

The Company's turnover does not exceed the thresholds set out in section 225 of the Companies Act 2014 for the year ended 30 September 2025. Therefore, the provisions of section 225 of the Companies Act 2014 do not apply to the Company and the Directors are not required to include a Compliance Statement in their statutory directors' report for the year ended 30 September 2025.

AUDIT COMMITTEE

As at the date of these financial statements, the Company is operating within the turnover threshold limits as set out under Section 167(1) of the Companies Act 2014 (the "Act") and, as such, the Company does not meet the requirements to establish an audit committee for the current financial year ended 30 September 2025.

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of adequate accounting records by engaging a corporate service provider who employs accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. Adequate accounting records of the Company are maintained at Suite 6, Rineanna House, Shannon Free Zone, Co. Clare, Ireland.

SUBSEQUENT EVENTS

Refer to note 22 of the financial statements for details of the subsequent events.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

DIRECTORS' REPORT - (CONTINUED)

INDEPENDENT AUDITORS

KPMG, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with the provisions of Section 382(2) of the Companies Act 2014.

On behalf of the Board of Directors:



Stephen Kenny
Director



Paul Roddy
Director

Date: 30 January 2026

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

Under company law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the company for the financial year.

- 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 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 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 Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the 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 Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

On behalf of the Board of Directors:



Stephen Kenny
Director



Paul Roddy
Director

Date: 30 January 2026



KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Timbercreek Ireland Private Debt Designated Activity Company ('the Company') for the year ended 30 September 2025 set out on pages 12 to 28, which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash flows and related notes, including the summary of material accounting policies set out in note 2. These financial statements have not been prepared on the going concern basis for the reason as set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) 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 as at 30 September 2025 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the 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 in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard 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.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 2 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and the statement of directors' responsibilities. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the

financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- 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.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

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 and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

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.



Gary Fitzpatrick
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

3 February 2026

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Notes	30-Sep-25 €	30-Sep-24 €
Assets			
Cash and cash equivalents	3	1,280	121,166
Interest receivable		44,736	59,465
Trade and other receivables	4	66,058	68,858
Loans and receivables	5	<u>3,746,031</u>	<u>3,686,450</u>
		<u>3,858,105</u>	<u>3,935,939</u>
Liabilities			
Trade and other payables	6	115,978	62,696
Junior debentures at fair value through profit or loss	8	<u>3,730,125</u>	<u>3,862,741</u>
Total liabilities		<u>3,846,103</u>	<u>3,925,437</u>
Equity			
Share capital presented as equity	10	2	2
Retained earnings		<u>12,000</u>	<u>10,500</u>
Total equity		12,002	10,502
Total liabilities and equity		<u>3,858,105</u>	<u>3,935,939</u>

The financial statements were approved and authorised for issue by the Board of Directors on 30 January 2026 and were signed on its behalf by:



Stephen Kenny
Director



Paul Roddy
Director

The notes on pages 16 to 28 form an integral part of these financial statements.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY**STATEMENT OF COMPREHENSIVE INCOME****FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

	Note	30-Sep-25 €	30-Sep-24 €
Income			
Interest income	11	629,200	2,291,405
Other income	12	2,816	267,746
Allowance for expected credit gain		-	590,807
		<u>632,016</u>	<u>3,149,958</u>
Expenses			
Interest expenses	13	-	(249,780)
Operating expenses	14	(197,632)	(378,457)
Net loss on junior debentures issued at fair value through profit or loss	8	<u>(432,384)</u>	<u>(2,519,721)</u>
		<u>(630,016)</u>	<u>(3,147,958)</u>
Operating profit before tax		2,000	2,000
Corporation tax	17	<u>(500)</u>	<u>(500)</u>
Profit after tax for the financial year		1,500	1,500
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u><u>1,500</u></u>	<u><u>1,500</u></u>

The Company has no recognised gains and losses in the financial year other than those dealt with in the Statement of Comprehensive Income. All amounts relate to continuing operations.

The notes on pages 16 to 28 form an integral part of these financial statements.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	Share Capital €	Retained earnings €	Total €
As at 30 September 2023		2	9,000	9,002
Total profit for the financial year		-	1,500	1,500
As at 30 September 2024		2	10,500	10,502
Total profit for the financial year		-	1,500	1,500
As at 30 September 2025		2	12,000	12,002

The notes on pages 16 to 28 form an integral part of these financial statements.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Notes	30-Sep-25 €	30-Sep-24 €
Cash flows from operating activities			
Total comprehensive income for financial year		1,500	1,500
<i>Adjusted for:</i>			
Interest income	11	(629,200)	(2,291,405)
Interest expense	13	-	249,780
Tax expense	17	500	500
Tax paid	17	(500)	(500)
Net loss on junior debentures issued at fair value through profit or loss	8	432,384	2,519,721
Allowances for expected credit gain		-	(590,807)
<i>Changes in working capital:</i>			
Decrease in trade and other receivables		2,800	26,196
Increase/(decrease) in trade and other payables		<u>53,281</u>	<u>(24,190)</u>
		(139,235)	(109,205)
Cash flows used in investing activities			
Interest received		-	1,489,581
Loan repayments	5	<u>584,349</u>	<u>25,723,952</u>
Cash used in investing activities		584,349	27,213,533
Cash flows from financing activities			
Interest paid on loan facility		-	(361,394)
Profit participation payment on junior debentures	8	(192,263)	(3,219,612)
Repayment of loan facility	7	-	(7,746,884)
Repayment on junior debentures	8	<u>(372,737)</u>	<u>(15,709,388)</u>
Net cash generated from financing activities		(565,000)	(27,037,278)
Net increase in cash and cash equivalents		(119,886)	67,051
Cash and cash equivalents at beginning of the financial year		121,166	54,115
Cash and cash equivalents at end of the financial year	3	<u><u>1,280</u></u>	<u><u>121,166</u></u>

The notes on pages 16 to 28 form an integral part of these financial statements.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

1. BACKGROUND TO THE COMPANY

The Company was incorporated in Ireland on 16 December 2016 with registration number 595153. The registered address of the Company is 19 Main Street, Blackrock, Co Dublin, A94 X8W7, Ireland. The Company is a special purpose company and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D of the TCA, in respect of taxable profits. The Company has raised finance by issuing senior and junior debentures and has used the funds to invest in or to originate senior ranking loans to third parties which are secured by real estate located principally in Ireland.

On 20 July 2017 the Directors approved the creation and issue of up to €80 million senior and junior unsecured subordinated debentures (each a "Debenture" and together the "Debentures") pursuant to a trust deed entered into between the Company and Computershare Trust Company of Canada as trustee (the "Trustee") under which the Company would, inter alia, constitute the Debentures and would covenant to the Trustee for the benefit of the holders of the Debentures to make payments due on the Debentures.

As at 30 September 2025, the Company has €3,730,125 Debentures issued at fair value (2024: €3,862,741). There were no Debentures issued during the year ended 30 September 2025. The Company repaid €372,737 (2024: €15,709,388) to junior Debentures holders in the year ended 30 September 2025. The senior Debentures were repaid in full in the year ended 30 September 2023.

On 21 October 2019 the Company entered into an agreement with Allied Irish Bank P.L.C. to refinance the loan facility held with Deutsche Bank. On 21 October 2019, the Company received €54,185,426 of which €43,409,703 was used to repay Deutsche Bank. The Company repaid a total of €nil (2024: €7,746,884) in the year ended 30 September 2025. The loan facility was repaid in full in the year ended 30 September 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The accounting policies set out below have been applied in preparing the financial statements for the financial year ended 30 September 2025 and the comparatives have been prepared on a consistent basis.

Basis of preparation

The financial statements have been prepared on a historical cost basis. As at 30 September 2025, the Directors believe that the Company has adequate resources to continue in operational existence. Owing to the limited recourse nature of the junior debenture designated at fair value through profit or loss issued, over the life of the junior debenture designated at fair value through profit or loss, the Company will not realise any losses originating from the loans and receivables since any losses will be ultimately borne by the junior debenture holders. In order to form a view as to the most appropriate basis of preparation of these financial statements, the Directors have assessed the likelihood of putting the Company into liquidation. Per the first supplemental indenture dated July 20, 2017, the Company is past its investment period. As repayments from the loan receivables portfolio are not to be reinvested, the Directors resolved to arrange for the orderly wind-up of the affairs of the Company and to arrange for the Company to liquidate. The wind-up process is expected to be completed within 12 months of the date of the approval of the financial statements which will include using cash flows from future loan repayments to repay its creditors and junior Debentures. As a result of this, the Directors have concluded that it is appropriate to prepare the financial statements on a basis other than that of a going concern.

Use of estimates and judgements

The preparation of the financial statements in accordance with IFRS EU, requires the Directors to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Following are the areas in which the Company used estimates and judgements:

- Fair value of junior debentures.
- Impairment assessment of loans and receivables.

Functional and presentation currency

These financial statements are presented in Euro denominated by the symbol "€" which is the Company's functional currency and presentation currency. This reflects the fact that the majority of the Company's transactions are denominated in this currency and the Directors have determined that this reflects the Company's primary economic environment.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Foreign currency transactions

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

Standards, interpretations and amendments introduced during the financial year

The following new standards, amendments and interpretations issued became effective as of 1 January 2025. None of these had a material impact on the Group and Company's financial statements.

- Amendments to IAS 21 Lack of Exchangeability, which clarify the accounting requirements when a currency is not exchangeable.

Accounting standards and interpretations that are not yet effective and not adopted early

Certain new standards and amendments to standards are effective for annual periods beginning on 1 October 2025 and have not been applied in preparing these consolidated financial statements. The Directors do not believe that these new and amended standard and interpretations will have any material effect on the Financial Statements moving forward.

Financial instruments

Classification

Financial assets are classified as measured at one of the following: (i) Fair Value through Profit or Loss ("FVTPL"); (ii) Fair Value through Other Comprehensive Income ("FVOCI") or; (iii) amortized cost. The classification of financial instruments is outlined below. The Company has no financial assets measured at FVOCI. All financial assets and financial liabilities are measured at fair value on initial recognition plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

The following table outlines subsequent measurement and gains and losses of financial assets:

Financial assets at FVTPL	Measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	Measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	Measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial instruments measured at fair value through profit or loss

Financial assets and financial liabilities at FVTPL are financial instruments that are managed, and their performance is evaluated on a fair value. Financial instruments at FVTPL are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. Financial assets and liabilities at FVTPL are measured at fair value with net gains and losses, including any interest income, recognised in the statement of comprehensive income. These include the junior debentures issued by the Company, as presented in the statement of financial position.

Measured at amortized cost

Financial assets are measured on initial recognition at fair value. Under IFRS 9, the classification and subsequent measurement of financial assets is principally determined by the entity's business model and their contractual cash flow characteristics (where the cash flows represent 'solely payments of principal and interest').

The Company has assessed its business models in order to determine the appropriate IFRS 9 classification for its financial assets. Financial assets are held to collect contractual cash flows and therefore meet the criteria to be classified at amortized cost. In order to be accounted for at amortized cost, it is necessary for individual instruments to have contractual cash flows that are solely payments of principal and interest. These financial assets meet this criteria and are therefore subsequently measured at amortized cost.

Financial assets and liabilities measured at amortized cost are accounted for under the effective interest rate ('EIR') method. This method of calculating the amortized cost of a financial asset or liability involves allocating interest income or expense over the relevant period. The EIR rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability or, where appropriate, a shorter period, to the gross carrying amount on initial recognition. The financial assets are recorded at trade date.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Financial instruments - (continued)

Other financial liabilities

Financial liabilities not classified as measured at FVTPL are classified as measured at amortized cost. Financial liabilities are measured at amortized cost using effective interest method with interest expense and foreign exchange gains and losses recognized in the statement of comprehensive income. Any gain or loss on derecognition is also recognized in profit or loss. These include the credit facility, accounts payable, accrued liabilities, debentures and due to related parties with the exception of the junior debentures, which are classified as FVTPL.

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the objectives for the portfolio and the operation of those policies in practice. These include whether management's 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 assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

The Company also makes an assessment whether contractual cash flows are solely payments for principal and interest. 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

(i) Impairment

The Company recognises loss allowances for Expected Credit Loss ("ECL") on financial assets measured at amortized cost and financial guarantee contracts. The Company applies a three-stage approach to measure allowance for credit losses. The Company measures loss allowance at an amount equal to 12 months of expected losses for performing loans if the credit risk at the reporting date has not increased significantly since initial recognition (Stage 1) and at an amount equal to lifetime expected losses on performing loans that have experienced a significant increase in credit risk since origination (Stage 2) and at an amount equal to lifetime expected losses which are credit impaired (Stage 3).

The determination of a significant increase in credit risk takes into account different factors and varies by nature of investment. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due interest payment or maturity date, and borrower specific criteria as identified by the Investment Manager.

As is typical in shorter duration, structured financing, the Investment Manager does not solely believe there has been a significant deterioration in credit risk or an asset to be credit impaired if loan investments go into overhold position past the maturity date for a period greater than 30 days or 90 days, respectively. The Investment Manager actively monitors these loan investments and applies judgement in determining whether there has been significant increase in credit risk. The Company considers a financial asset to be credit impaired when the borrower is more than 90 days past due and when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest or/and when the Company has commenced enforcement remedies available to it under its contractual agreements.

The assessment of significant increase in credit risk requires experienced credit judgement. In determining whether there has been a significant increase in credit risk and in calculating the amount of expected credit losses, we rely on estimates and exercise judgement regarding matters for which the ultimate outcome is unknown. These judgements include changes in circumstances that may cause future assessments of credit risk to be materially different from current assessments, which could require an increase or decrease in the allowance for credit losses.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Financial instruments - (continued)

(i) Impairment - (continued)

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

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining the expected credit loss provision, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. We consider past events, current market conditions and reasonable forward-looking supportable information about future economic conditions. In assessing information about possible future economic conditions, we utilized multiple economic scenarios including our base case, which represents the most probable outcome and is consistent with our view of the portfolio. In considering the lifetime of a loan, the contractual period of the loan, including prepayment, extension and other options is generally used.

The calculation of expected credit losses includes the explicit incorporation of forecasts of future economic conditions. In determining expected credit losses, we have considered key macroeconomic variables that are relevant to each investment type. Key economic variables include unemployment rate, housing price index and interest rates. The estimation of future cash flows also includes assumptions about local real estate market conditions, availability and terms of financing, underlying value of the security and various other factors. These assumptions are limited by the availability of reliable comparable market data, economic uncertainty and the uncertainty of future events. Accordingly, by their nature, estimates of impairment are subjective and may not necessarily be comparable to the actual outcome.

Should the underlying assumptions change, the estimated future cash flows could vary. The forecast is developed internally by the Investment Manager. We exercise experienced credit judgement to incorporate multiple economic forecasts which are probability-weighted in the determination of the final expected credit loss. The allowance is sensitive to changes in both economic forecast and the probability-weight assigned to each forecast scenario.

We review our loans on an ongoing basis to assess whether any loans carried at amortized cost should be classified as credit impaired and whether an allowance or write-off should be recorded.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the asset.

(ii) Recognition and derecognition

All the financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial liabilities are derecognised when the Company's contractual obligations are discharged or cancelled or expired. Net realised gains and losses on the sale, transfer, discharge, cancellation or expiry of positions are included in the Statement of Comprehensive Income for the period in which they arise.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such transferred financial assets that does not qualify for derecognition that is created or retained by the Company is recognized as a separate asset or liability. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in other comprehensive income is included in the Statement of Comprehensive Income for the period in which they arise.

(iii) Offsetting financial instruments

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 asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards.

Cash and cash equivalents

For the purposes of these financial statements, cash comprises cash on hand and demand deposits while cash equivalents are short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Interest income and interest expense

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

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the Company that are an integral part of the effective interest rate of a financial instrument, including transaction costs and all other premiums or discounts.

Other income and expense

Other income and expense is recognised in the Statement of Comprehensive Income on an accrual basis.

Trade and other receivables

Receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Given the nature of the receivables, however, and the short time involved between their origination and settlement, their amortised cost is the same as their fair value at the date of origination.

Trade and other payables

Payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method. Given the nature of the payables, however, and the short time involved between their origination and settlement, their amortised cost is the same as their fair value at the date of origination.

Taxation

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities. The Company is an Irish tax resident Section 110 qualifying company and is therefore subject to corporation tax in Ireland at 25% of its income.

Tax on the profit or loss for the period comprises of current and deferred tax.

The tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the period as calculated in accordance with Irish Tax Laws. Taxable profit may differ from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period date.

Deferred tax is provided on all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Statement of Financial Position date. Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes. Deferred tax is measured at the tax rates that are expected to apply in the years, in which the timing differences are expected to reverse based on tax rates and levies that have been enacted or substantively enacted at the Statement of Financial Position date. Deferred tax is not discounted.

Share capital presented as equity

Ordinary shares are not redeemable and are classified as equity in accordance with IAS 32. Ordinary shares entitle the holders to receive notice of, and vote at, any general meeting of the Company, to ordinary dividends as may be declared by the Directors from time to time and to participate in the winding up of the Company. No dividend shall exceed the amount recommended by the Directors. Dividends are recognised as a liability in the period in which they are approved. The shares forming the capital may be increased or reduced and be divided into such classes and issued with any special rights, privileges and conditions as set out in the Constitution.

3. CASH AND CASH EQUIVALENTS

	30-Sep-25	30-Sep-24
	€	€
Cash at bank	<u>1,280</u>	<u>121,166</u>

Cash and cash equivalents of the Company are held by AIB Bank. As at 30 September 2025, the Moody's credit rating of AIB Bank was A1 (2024: A1).

Given the short term maturities and low risk of cash and cash equivalents, the Company has measured the loss allowance for the financial year ends presented on a 12 months expected loss basis. For the financial years presented in the financial statements, there is currently no ECL predicted as management considers the ECL provision to be immaterial.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

4. TRADE AND OTHER RECEIVABLES	30-Sep-25	30-Sep-24
	€	€
Prepayments	-	2,800
Share capital receivable	2	2
Trade receivables	66,056	66,056
	<u>66,058</u>	<u>68,858</u>

Trade and other receivables are short-term in nature and primarily relate to prepayments and fees recoverable from a borrower. Given the short term maturities, there is no ECL recorded as the management considers the ECL provision to be immaterial.

5. LOANS AND RECEIVABLES	30-Sep-25	30-Sep-24
	€	€
Opening balance	3,686,450	27,318,664
Capitalised interest	643,930	1,500,931
Repayments of loans and receivables	(584,349)	(25,723,952)
Allowance for expected credit gain /(loss)	-	590,807
	<u>3,746,031</u>	<u>3,686,450</u>

As at 30 September 2025, the Company has concluded that there is no objective evidence of impairment on the loans and receivables.

All the loan receivables are serviced against underlying properties with a weighted average loan to value ("LTV") of 48.71% (2024: 32.1%) as at the year end.

The following table presents the gross carrying amounts of loan investments, subject to IFRS 9 impairment requirements by internal risk ratings used by the Company for credit risk management purposes.

Low risk: Loan investments that exceed the credit risk profile standard of the Company with a below average probability of default. Yields on these investments are expected to trend lower than the Company's average portfolio.

Medium-Low: Loan investments that are typical for the Company's risk appetite, credit standards and retain a below average probability of default. These loan investments are expected to have average yields and would represent a significant percentage of the overall portfolio.

Medium-High: Loan investments within the Company's risk appetite and credit standards with an average probability of default. These loan investments typically carry attractive risk-return yield premiums.

High Risk: Loan investments within the Company's risk appetite and credit standards that have an additional element of credit risk that could result in an above average probability of default. These loan investments carry a yield premium in return for their incremental credit risk. These mortgage and loan investments are expected to represent a small percentage of the overall portfolio.

Default: Loan investments that are 90 days past due and when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest and/or when the Company has commenced enforcement remedies available to it under its contractual agreements.

30-Sep-25	Stage 1	Stage 2	Stage 3	Total
Low risk	-	-	-	-
Medium - Low risk	-	3,746,031	-	3,746,031
Medium - High risk	-	-	-	-
High Risk	-	-	-	-
Default	-	-	-	-
Net	-	<u>3,746,031</u>	-	<u>3,746,031</u>
Allowance for loan losses	-	-	-	-
Loan investments, net of allowance	-	<u>3,746,031</u>	-	<u>3,746,031</u>
30-Sep-24	Stage 1	Stage 2	Stage 3	Total
Low risk	-	-	-	-
Medium - Low risk	-	3,686,450	-	3,686,450
Medium - High risk	-	-	-	-
High Risk	-	-	-	-
Default	-	-	-	-
Net	-	<u>3,686,450</u>	-	<u>3,686,450</u>
Allowance for loan losses	-	-	-	-
Loan investments, net of allowance	-	<u>3,686,450</u>	-	<u>3,686,450</u>

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. LOANS AND RECEIVABLES- (CONTINUED)

The following table presents the movement in each stage during the year, including the transfers between stages:

30-Sep-25	Stage 1	Stage 2	Stage 3	Total
Opening balance	-	3,686,450	-	3,686,450
Advances	-	-	-	-
Capitalized interest	-	643,930	-	643,930
Repayments	-	(584,349)	-	(584,349)
Transfers	-	-	-	-
	-	3,746,031	-	3,746,031

30-Sep-24	Stage 1	Stage 2	Stage 3	Total
Opening balance	5,057,495	5,718,789	16,542,380	27,318,664
Advances	-	-	-	-
Capitalized interest	-	1,131,701	369,231	1,500,932
Repayments	(5,057,495)	(3,164,040)	(17,502,418)	(25,723,953)
Transfers	-	-	-	-
Allowance for expected credit gain	-	-	590,807	590,807
	-	3,686,450	-	3,686,450

6. TRADE AND OTHER PAYABLES

	30-Sep-25	30-Sep-24
	€	€
Accrued audit fee	33,210	33,210
Accrued tax advisory fee	14,020	8,893
Accrued investment management fee	14,126	3,916
Accrued loan servicing fees	800	1,599
Accrued other professional fees	25,000	12,000
Other payables	-	3,078
Payable to related party	28,822	-
	<u>115,978</u>	<u>62,696</u>

7. LOAN FACILITY

	30-Sep-25	30-Sep-24
	€	€
Opening principal balance	-	7,746,884
Drawdowns	-	-
Repayments	-	(7,746,884)
Unamortized transaction costs	-	-
Closing balance	<u>-</u>	<u>-</u>

On 21 October 2019 the Company entered into an agreement with Allied Irish Bank P.L.C. to refinance the loan facility held with Deutsche Bank. The Allied Irish Bank P.L.C. loan facility has a maturity of 5 years and an interest rate of 3.0% plus EURIBOR. The loan facility was repaid in full in the year ended 30 September 2024.

8. JUNIOR DEBENTURES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30-Sep-25	30-Sep-24
	€	€
Opening balance	3,862,741	20,272,020
Payment on junior debentures - principal	(372,737)	(15,709,388)
Payment on junior debentures - profit participation	(192,263)	(3,219,612)
Net loss on junior debentures issued designated at fair value through profit or loss	432,384	2,519,721
Closing balance	<u>3,730,125</u>	<u>3,862,741</u>

The nominal value of junior debentures are €3,375,694 as at 30 September 2025 (2024: €3,748,431).

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

9. NET DEBT RECONCILIATION

Loan Facility	30-Sep-25	30-Sep-24
	€	€
Opening balance	-	7,746,884
Cash movements		
Principal repayments	-	(7,746,884)
Profit participation	-	-
Non-cash movements		
Issue cost amortisation	-	-
Fair value movement through P&L	-	-
Closing balance	<u>-</u>	<u>-</u>
Junior Debenture	30-Sep-25	30-Sep-24
	€	€
Opening balance	3,862,741	20,272,020
Cash movements		
Principal repayments	(372,737)	(15,709,388)
Profit participation	(192,263)	(3,219,612)
Non-cash movements		
Fair value movement through P&L	432,384	2,519,721
Closing balance	<u>3,730,125</u>	<u>3,862,741</u>
10. SHARE CAPITAL PRESENTED AS EQUITY	30-Sep-25	30-Sep-24
	€	€
Authorised:		
500,000,000 Ordinary Shares of €1 each	<u>500,000,000</u>	<u>500,000,000</u>
Allotted, called up and unpaid		
2 ordinary shares issued at €1 each	<u>2</u>	<u>2</u>
11. INTEREST INCOME	30-Sep-25	30-Sep-24
	€	€
Interest income	<u>629,200</u>	<u>2,291,405</u>
Interest income is calculated at 12.0% to 20.3% on the loans drawn down for each interest period.		
12. OTHER INCOME	30-Sep-25	30-Sep-24
	€	€
Exit fee income	<u>2,816</u>	<u>267,746</u>
	<u>2,816</u>	<u>267,746</u>
The exit fee income is calculated based on amount(s) or rate(s) specified in the loan facility agreement(s).		
13. INTEREST EXPENSES	30-Sep-25	30-Sep-24
	€	€
Interest expense - Loan facility	<u>-</u>	<u>249,780</u>
Interest expense	<u>-</u>	<u>249,780</u>
Interest expense is calculated at 3.0% plus, the higher of EURIBOR or 0%, per annum on the AIB loan facility at each interest payment date.		

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. OTHER EXPENSES

	30-Sep-25	30-Sep-24
	€	€
Professional & advisory fees	74,313	110,420
Investment management fee	42,725	171,841
Other operating expenses	80,594	96,196
	<u>197,632</u>	<u>378,457</u>
	30-Sep-25	30-Sep-24
	€	€
Auditor's remuneration (excluding VAT)		
Statutory audit	27,000	27,000
Tax advisory services	11,398	8,755
	<u>38,398</u>	<u>35,755</u>

15. EMPLOYEES

The Company had no employees during the financial year ended 30 September 2025 (2024: nil).

16. DIRECTORS' FEES

The Directors' remuneration in respect of the financial year ended 30 September 2025 was nil (2024: nil).

17. CORPORATION TAX CHARGE

	30-Sep-25	30-Sep-24
	€	€
Corporation tax based on profit for the financial year	<u>500</u>	<u>500</u>

A reconciliation between the total tax charge and the tax charge that would result from applying the standard rate of Irish corporation tax to the profit on ordinary activities is provided below:

	30-Sep-25	30-Sep-24
	€	€
Profit on ordinary activities before taxation	2,000	2,000
Profit on ordinary activities multiplied by the standard rate of Irish corporation tax of 12.5%	250	250
Higher rate tax applicable under Section 110 TCA, 1997	250	250
Total tax charge for the financial year	<u>500</u>	<u>500</u>

The Company is a qualifying Company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such, 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.

18. FINANCIAL RISK MANAGEMENT

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting year. Financial risk comprises of market risk (including interest rate risk, foreign currency risk and other price risk), credit risk, liquidity risk and operational risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The main risks arising from the Company's financial instruments are market risk, credit risk and liquidity risk.

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern while maximising the return to stakeholders.

There were no changes to the policies and procedures during the financial year with respect to the Company's approach to its capital management program. The Company does not have any externally imposed capital requirements.

(i) Market risk

Market risk is the risk that the market price of a financial instrument will fluctuate due to changes in foreign exchange rates, market factors specific to the particular instrument or its issuer or factors affecting all instruments traded in the market. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(a) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The Company declares a profit participation amount to the junior debenture notes in accordance with a junior debenture trust indenture.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

18. FINANCIAL RISK MANAGEMENT - (CONTINUED)

(a) Interest rate risk - (continued)

As at 30 September 2025, the interest rate profile of the Company's financial assets and liabilities is as follows:

	Fixed rate	Floating rate	Non-interest bearing	Total
30 September 2025				
Assets	€	€	€	€
Loans and receivables	-	3,746,031	-	3,746,031
Interest receivable	-	-	44,736	44,736
Trade and other receivables	-	-	66,058	66,058
Cash and cash equivalents	-	1,280	-	1,280
	-	3,747,311	110,794	3,858,105
Liabilities				
Junior debentures issued at fair value through profit or loss	-	-	3,730,125	3,730,125
Trade and other payables	-	-	115,978	115,978
	-	-	3,846,103	3,846,103
30 September 2024				
Assets	€	€	€	€
Loans and receivables	-	3,686,450	-	3,686,450
Interest receivable	-	-	59,465	59,465
Trade and other receivables	-	-	68,858	68,858
Cash and cash equivalents	-	121,166	-	121,166
	-	3,807,616	128,323	3,935,939
Liabilities				
Junior debentures issued at fair value through profit or loss	-	-	3,862,741	3,862,741
Trade and other payables	-	-	62,696	62,696
	-	-	3,925,437	3,925,437

Sensitivity analysis

IFRS 7 requires disclosure of a sensitivity analysis for each type of market risk to which the entity is exposed at the reporting date, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date. Due to the Company's capital structure, there would be no impact on the profit or loss and equity due to a reasonably possible change in interest rates as at 30 September 2025 and 30 September 2024. The following is an interest rate risk sensitivity analysis showing the impact on fair value of junior debentures due to a reasonable change in interest rates on net assets, excluding cash and cash equivalents, which are under a floating interest rate regime:

Net assets on floating interest rate:	30-Sep-25 €	30-Sep-24 €
Loans and receivables	3,746,031	3,686,450
Net assets	3,746,031	3,686,450
1% increase in interest rate	37,460	36,865
1% decrease in interest rate	(37,460)	(36,865)

(b) Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The majority of the assets acquired are matched as to principal and currency with the corresponding Debentures. All the assets and liabilities are denominated in Euro. Any interest receivable on the loans and receivables and any interest payable on the Debentures are also matched as to currency. The Company has no material exposure to foreign currency risk as at 30 September 2025.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

18. FINANCIAL RISK MANAGEMENT - (CONTINUED)

(c) Price risk

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

The Company is not exposed to changes in the market price of the portfolio of loans and receivables which it holds as the Company does not engage in the trading and disposal of these receivables in the ordinary course of its business, nor does the Company measure its portfolio of trade receivables at fair value through the profit and loss.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash, thus the Company will not be able to meet its financial obligations as they fall due. The ability of the Company to meet its obligations under the Debentures and loan facility is dependent on the receipt of interest and principal from its loans and receivables. There have been no liquidity issues experienced by the Company in respect of meeting its obligations to the Debenture holders and to the loan facility provider. The Company did not default on any of its contractual commitments during the financial year. The contracted undiscounted cash flows of all financial liabilities by remaining contractual maturities as at 30 September 2025 and 2024 are as follows:

	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
	€	€	€	€	€
30 September 2025					
Junior debentures issued at fair value through profit or loss	-	3,730,125	-	-	3,730,125
Trade and other payables	115,978	-	-	-	115,978
	<u>115,978</u>	<u>3,730,125</u>	<u>-</u>	<u>-</u>	<u>3,846,103</u>
30 September 2024					
Junior debentures issued at fair value through profit or loss	-	3,862,741	-	-	3,862,741
Trade and other payables	62,696	-	-	-	62,696
	<u>62,696</u>	<u>3,862,741</u>	<u>-</u>	<u>-</u>	<u>3,925,437</u>

(iii) 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, and arises principally from the Company's financial assets. The Company's principal financial assets are cash and cash equivalents and loans and receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The loans and receivables are denominated in EUR and secured on real estate assets principally located in Ireland. The unfavourable performance of a single loan may adversely affect the aggregate return of the Company.

When issuing loans, the Company may also assume the credit risk associated with an agent bank or other financial intermediary administering principal and interest payments and crediting such to the Company as the holder of the loan interest. The Investment Manager balances the magnitude of these risks against the potential investment gain prior to entering into such investment.

For the financial year end presented in the financial statements, the estimated ECL has not been recorded as it is deemed immaterial to the financial statements. Refer to note 3, 4 and 5 for details.

As at 30 September 2025, the loan servicer of the financial assets had the following credit profile as rated by Standard & Poor's:

Loan servicer	Rating	%	Loan €
Everyday Finance Designated Activity Company	Strong	100	3,746,031

As the rating of Everyday Finance Designated Activity Company is not available, the rating provided is that of its parent company, Link Financial Outsourcing Limited.

Cash and cash equivalents of the Company are held by AIB Bank. As at 30 September 2025, the Moody's credit rating of AIB Bank was A1.

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

18. FINANCIAL RISK MANAGEMENT - (CONTINUED)

(iii) Credit risk - (continued)

As at 30 September 2024, the loan servicer of the financial assets had the following credit profile as rated by Standard & Poor's:

Loan servicer	Rating	%	Loan €
Everyday Finance Designated Activity Company	Strong	100	3,686,450

As the rating of Everyday Finance Designated Activity Company is not available, the rating provided is that of its parent company, Link Financial Outsourcing Limited.

Cash and cash equivalents of the Company are held by AIB Bank. As at 30 September 2024, the Moody's credit rating of AIB Bank was A1.

Fair value estimation

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.

IFRS 13 defines a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1: Financial assets and liabilities are measured using quoted market prices (unadjusted) in an active market for an identical instrument;

Level 2: Financial assets and liabilities are measured using valuation techniques which use observable market data, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments when the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses the financial instruments measured at fair value as at the financial year end in the fair value hierarchy into which the fair value measurement is categorised:

30 September 2025	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets	-	-	-	-
	Level 1 €	Level 2 €	Level 3 €	Total €
Financial liabilities	-	-	3,730,125	3,730,125
Junior debentures at FVTPL				
30 September 2024	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets	-	-	-	-
	Level 1 €	Level 2 €	Level 3 €	Total €
Financial liabilities	-	-	3,862,741	3,862,741
Junior debentures at FVTPL				

During the year ended 30 September 2025, no financial instruments were transferred between any levels. The following table shows a reconciliation of the opening and closing balance of financial instruments recorded in Level 3 for the financial year ended 30 September 2025:

	Financial liabilities 30-Sep-25 €	Financial liabilities 30-Sep-24 €
Opening balance	3,862,741	20,272,020
Fair value movement during the year	432,384	2,519,721
Repayment of principal	(372,737)	(15,709,388)
Profit participation payments	(192,263)	(3,219,612)
Closing balance	3,730,125	3,862,741

TIMBERCREEK IRELAND PRIVATE DEBT DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

18. FINANCIAL RISK MANAGEMENT - (CONTINUED)

Financial instruments not measured at fair value

The cash and cash equivalents has been classified under Level 1 considering the liquidity of the market.

Trade receivables, trade payables and accruals have fair values that approximate to their carrying value because of their short term nature thus have been classified as Level 2.

Loans and receivables are carried at amortised cost and are classified within Level 3 of the fair value hierarchy as at 30 September 2025. Management consider the fair value of these instruments to not be materially different from their carrying value, based on the type of the underlying assets and the interest rates associated with them.

(iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the service providers for the Company, 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 investment management behaviour. Operational risks arise from all of the activities of the Company.

The Company's aim is to manage operational risk so as to balance limiting of financial losses and damage to its reputation while achieving its investment objective of generating returns to investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. The Directors' assessment over the adequacy of the controls and processes in place at the service providers with respect to operational risks is carried out via regular board meetings with the service providers.

19. RELATED PARTY TRANSACTIONS

Paul Roddy, Stephen Kenny, Christopher Scott Rowland and Robert Blair Tamblyn, Directors of the Company are also employees of the Investment Manager (or its parent), which provides investment management services for a fee of 1.25% of the senior liabilities of the Company. The total cost of investment management services for the year ended 30 September 2025 was €42,725 (2024: €171,841), of which €14,115 was outstanding at financial year end (2024: €3,916). Christopher Scott Rowland and Robert Blair Tamblyn are also key management personnel of Timbercreek Financial Corporation, which, along with Timbercreek Asset Management Holdings Inc, holds junior debentures in the Company. The balance of the junior debentures with related parties as at 30 September 2025 was €516,387 (2024: €573,405).

20. COMMITMENTS AND CONTINGENCIES

The Company had no contingent liabilities at 30 September 2025.

As at 30 September 2025, the outstanding committed amount was €nil (2024: €nil) in accordance with the facility agreements.

21. CONTROLLING PARTY

The issued shares are held by Timbercreek Ireland Holdco Inc. a parent company of the Investment Manager. Timbercreek Asset Management Holdings Inc is the ultimate parent of the group.

22. SUBSEQUENT EVENTS

There have been no other significant subsequent events identified up to the date of approval of the financial statements which would require adjustment to, or disclosure in the financial statements.

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 January 2026.