

Telemachus Investments Limited
Annual Report and Financial Statements

31 March 2025

Telemachus Investments Limited
Annual Report and Financial Statements
Period Ended 31 March 2025

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Telemachus Investments Limited

Officers and Professional Advisers

The Board of Directors

G Power
A Kornman
J Zanders
K Hornyak
M Bernard

Secretary

K Jarvie

Registered Office

1st Floor
Connaught House
Dublin 4
Republic of Ireland

Independent Auditors

Azets Audit Services Ireland Limited
3rd Floor
40 Mespil Road
Dublin 4
Republic of Ireland

Bankers

Allied Irish Bank
126/128 Capel Street
Dublin 1
Republic of Ireland

Solicitors

McCann FitzGerald
Riverside One
Sir John Rogerson's Quay
Dublin 2
Republic of Ireland

Telemachus Investments Limited

Directors' Report

Year ended 31 March 2025

The directors present their report and the audited Annual Report and Financial Statements of Telemachus Investments Limited (“the Company”) and its consolidated subsidiaries (“the Group”) for the financial year ended 31 March 2025.

Principal Activities

The Group’s principal activity is the design, build, operation and maintenance of six new centres at Higher Education institutions in Ireland. The Group entered into a concession contract with the Minister of Further and Higher Education, Research, Innovation and Science on 20 December 2022 with a term of 25 years from completion of construction.

Performance Review

Construction commenced on 16 January 2023. 4 of the 6 buildings were completed in the current financial year with the final 2 buildings targeted to complete by 30th June 2025.

The Group’s profit for the financial year, after taxation, amounted to €1,648,000 (2024: profit €1,019,000). This was in line with expectation during this phase of the concession. The directors are satisfied with the overall performance of the Group and do not foresee any significant change in the Group’s activities in the coming financial year.

Key Performance Indicators

The Group’s management produce comparisons of actual cash flows against forecast cash flows from the financial model and analyse any fluctuations. The directors believe that there are no other key performance indicators that require disclosure for an understanding of the development, performance or position of the business.

Going Concern

The Group is in the construction phase of a contract which has a 25-year concession following completion of construction. The Group is contracted to receive revenue from Service Commencement following completion of construction activities. During the construction period the Group has a secured bank facility that will enable it to continue trading for the foreseeable future. The Group is not in breach of its covenant terms. The directors have reviewed the cash flow forecasts and believe that the Group is able to meet all payments as they fall due and therefore consider that it is appropriate to prepare these financial statements on a going concern basis.

Directors

The directors who served during the financial year ended 31 March 2025 are set out below. Unless otherwise indicated, they served as directors for the entire financial year.

A Kornman
J Zanders
G Power
M Bernard
K Hornyak

Directors’ and Secretary’s Interests in Shares

The directors and secretary had no interests in the shares of the company, immediate parent entity or group entities that are required by the Companies Act 2014 to be recorded in the register of interests or disclosed in the Directors’ Report.

Telemachus Investments Limited

Directors' Report (continued)

Year Ended 31 March 2025

Dividends

The directors do not recommend a dividend for the year.

Financial Risk Management

Due to the nature of the Group's business, the financial risks the directors consider relevant are interest rate risk, cash flow and liquidity risk, price risk and credit risk. The credit risk is not considered significant as the client is a governmental organisation.

Interest rate risk

The financial risk management objectives of the Group are to ensure that financial risks are mitigated by the use of financial instruments. The Group uses interest rate swaps to reduce its exposure to interest rate movements. Financial instruments are not used for speculative purposes.

Cash Flow and Liquidity Risk

Many of the Cash Flow risks are addressed by means of contractual provisions. The Group's liquidity risk is principally managed through financing the Group by means of long-term borrowings.

Price Risk

The Group has entered into various contracts which fix the amounts due under contract and therefore there is minimal volatility expected in respect of forecast costs.

Credit Risk

Revenue in the period is a combination of capitalised cost of construction and associated costs, which does not expose the Group to credit risk, and revenue from availability and maintenance of the Higher Education institutions. Cash flows are secured under a long-term contract with the Department of Further and Higher Education, Research, Innovation and Science.

Principal Risks and Uncertainties

The Group is obliged to construct the asset within the timeframe prescribed by the contracts. If the timeframe is not met the Group will incur financial loss. The Group has mitigated this risk by entering into a contract with the construction sub-contractor, the provisions of which pass down this risk to the contractor. The Group's revenue is based on a fixed price, subject to adjustments for Harmonised Index of Consumer Prices. Therefore, profit margins are susceptible to inflation rate fluctuations. In order to manage this risk, the Group has ensured that costs are fixed wherever possible.

The Group is partially financed by a variable rate loan and is therefore exposed to interest rate risk. In order to mitigate this risk, the Group has entered into an interest rate swap arrangement in order to fix interest rates.

Political Donations

The Group made no political donations during the period.

Telemachus Investments Limited

Directors' Report (continued)

Year Ended 31 March 2025

Accounting Records

The measures taken by the directors to secure compliance with the Group's obligation to keep adequate accounting records are the use of appropriate systems and procedures and the procurement of competent persons. The accounting records are held at 13 Middlemuir Road, Lenzie, G664NA, United Kingdom.

Disclosure of Information to Auditors

The directors in office at the date of this report have each confirmed that:

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

Directors' Compliance Statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations and confirm the following matters have been done under section 225(2) in fulfilling these responsibilities:

- Preparing policies appropriate to the company to ensure compliance by the Group with its relevant obligations;
- Putting in place appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the Group's relevant obligations; and
- Conducting a review during the financial year of the arrangements and structures that have been put in place.

Post balance sheet events

There were no significant events affecting the Group since year end.

Statutory Auditor

The auditors, Azets Audit Services Ireland Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board of directors on 15th July 2025 and signed by order of the board by:

Signed by:

D08B3516C781432...
G POWER
Director
15th July 2025

Signed by:

2555629F209D452...
A KORNMAN
Director
15th July 2025

Telemachus Investments Limited

Directors' Responsibilities Statement

Year Ended 31 March 2025

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

Irish 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 the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

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

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

The Directors are responsible for ensuring that the group keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the group, enable at any time the assets, liabilities, financial position and profit or loss of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Telemachus Investments Limited

Independent Auditors' Report to the Members of Telemachus Investments Limited for the year ended 31 March 2024

Opinion

We have audited the financial statements of Telemachus Investments Limited (the 'Company') and its subsidiaries (the 'Group') for the period ended 31 March 2025, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'* issued in the United Kingdom by the Financial Reporting Council.

In our opinion, the accompanying financial statements:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 March 2025 and of the Group's profit for the period then ended;
- the Company balance sheet gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025;
- the Group financial statements have been properly prepared in accordance with Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'*; and
- the Group and Company 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 *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Telemachus Investments Limited

Independent Auditors' Report to the Members of Telemachus Investments Limited for the year ended 31 March 2024

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.

Opinion on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

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

Respective responsibilities and restrictions on use

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group and Company or to cease operations, or has no realistic alternative but to do so.

Telemachus Investments Limited

Independent Auditors' Report to the Members of Telemachus Investments Limited for the year ended 31 March 2024 (continued)

Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <http://www.iaasa.ie>. This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.



David McGarry

For and on behalf of

Azets Audit Services Ireland Limited

3rd Floor

40 Mespil Road

Dublin 4

Date: 15 July 2025

Telemachus Investments Limited
Consolidated Statement of Comprehensive Income
Year Ended 31 March 2025

	Note	2025 €'000	2024 €'000
Turnover	4	113,662	110,673
Cost of sales		(109,201)	(106,583)
Gross result		<u>4,461</u>	<u>4,090</u>
Administrative expenses		(2,912)	(2,741)
Operating result	5	<u>1,549</u>	<u>1,349</u>
Interest receivable and similar income	7	9,367	3,389
Interest payable and similar expenses	8	(9,033)	(3,573)
Result before taxation		<u>1,883</u>	<u>1,165</u>
Tax on result	9	(235)	(146)
Result and total comprehensive income for the year		<u><u>1,648</u></u>	<u><u>1,019</u></u>
Statement of Comprehensive Income			
Result for the year		<u>1,648</u>	<u>1,019</u>
Other comprehensive income			
Change in the value of hedging instrument		4,751	(7,774)
Deferred tax on cash flow hedge	9	(594)	972
Total comprehensive income for the year		<u><u>5,805</u></u>	<u><u>(5,783)</u></u>

All the activities of the Company are from continuing operations.

There are no gains or losses for the current period other than the amounts as stated above.

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited
Consolidated Statement of Financial Position
As at 31 March 2025

	Note	2025 €'000	2024 €'000
Debtors: amounts falling due after more than one year	10	279,090	161,635
Current Assets			
Debtors: amounts falling due within one year	10	1,990	15
Cash at bank and in hand	11	10,854	8,883
		<u>12,844</u>	<u>8,898</u>
Creditors: amounts falling due within one year	12	<u>(20,953)</u>	<u>(356)</u>
Net current (liabilities) / assets		<u>(8,109)</u>	<u>8,542</u>
Total assets less current liabilities		<u>270,981</u>	<u>170,177</u>
Creditors: amounts falling due after more than one year	13	(270,878)	(175,879)
Net (liabilities) / assets		<u>103</u>	<u>(5,702)</u>
Capital and reserves			
Called up share capital	15	50	50
Hedging Reserve	17	(1,626)	(5,783)
Retained earnings	17	1,679	31
Total shareholders' funds / (deficit)		<u>103</u>	<u>(5,702)</u>

The Annual Report and Financial Statements were approved by the board of directors and authorised for issue on 15th July 2025, and are signed on behalf of the board by:

Signed by:

D08B3516C781432...
G POWER
Director
15th July 2025

Signed by:

2555629F209D452...
A KORNMAN
Director
15th July 2025

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited

Company Statement of Financial Position

As at 31 March 2025

	Note	2025 €'000	2024 €'000
Fixed assets			
Investments	10	50	50
		<u>50</u>	<u>50</u>
Net assets		<u>50</u>	<u>50</u>
Capital and reserves			
Called up share capital	15	50	50
Retained earnings	17	-	-
Total shareholders' funds		<u>50</u>	<u>50</u>

The company has taken advantage of the exemption allowed under section 304 of the Companies Act 2014 and has not presented its own statement of comprehensive income in these financial statements. The profit of the company for the period was €nil.

The Annual Report and Financial Statements were approved by the board of directors and authorised for issue on 15th July 2025, and are signed on behalf of the board by:

Signed by:

D08B3516C781432...
G POWER
 Director
 15th July 2025

Signed by:

2555629F209D452...
A KORNMAN
 Director
 15th July 2025

Company registration number: 735930

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited
Consolidated Statement of Changes in Equity
Year Ended 31 March 2025

		Called up share capital	Hedging Reserve	Retained earnings	Total
	Note	€'000	€'000	€'000	€'000
At 31 March 2023	15	50	1,019	(988)	81
Change in the value of hedging instruments		-	(6,802)	-	(6,802)
Profit for the financial year		-	-	1,019	1,019
Total comprehensive income for the year		50	1,019	(988)	81
At 31 March 2024		50	(5,783)	31	(5,702)
Change in the value of hedging instruments		-	4,157	-	4,157
Profit for the financial year		-	-	1,648	1,648
Total comprehensive income for the year		-	4,157	1,648	5,805
At 31 March 2025		50	(1,626)	1,679	103

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited

Company Statement of Changes in Equity

Year Ended 31 March 2025

		Called up share capital	Retained earnings	Total
	Note	€'000	€'000	€'000
At 31 March 2023	15	50	-	50
Result for the financial period		-	-	-
Total comprehensive income for the year		50	-	50
At 31 March 2024		50	-	50
Result for the financial year		-	-	-
Total comprehensive income for the year		-	-	-
At 31 March 2025		50	-	50

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited

Consolidated Cash Flow Statement

Year Ended 31 March 2025

		2025	2024
	Note	€'000	€'000
Cashflow from operating activities			
Profit / (loss) for the financial period		1,648	1,019
Adjustments for:			
Interest payable	9	9,033	3,573
Taxation expense		235	146
Increase in debtors		(120,022)	(113,691)
Increase in creditors		343	3,440
Cash from Operations			
Tax paid		(181)	-
Net cash outflow from operating activities		(108,944)	(105,513)
Cash from financing activities			
Receipt of borrowings		120,799	110,979
Borrowing costs		(310)	(888)
Interest paid		(39,574)	(3,658)
Net cashflow from financing activities		110,915	106,433
Increase in cash in the financial year / period		1,971	920
Opening cash		8,883	7,963
Closing cash at 31 March	12	10,854	8,883

Analysis of net debt

	1 April 2024	Debt drawdown	Cashflow	31 March 2025
Cash	8,883	120,799	(118,828)	10,854
Bank Borrowings	(159,114)	(120,799)	0	(279,913)
Net Debt	(150,231)	0	(110,059)	(269,059)

The notes on pages 15 to 28 form part of the Annual Report and Financial Statements.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements

Year Ended 31 March 2025

1. General Information

Telemachus Investments Limited ("the Company") is a company limited by shares and is incorporated and domiciled in the Republic of Ireland. The registered office address is Connaught House, Dublin 4.

The Company's functional and presentation currency is the Euro.

2. Statement of Compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the Financial Reporting Council and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' and the Companies Act 2014.

3. Accounting Policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial periods presented, unless otherwise stated.

The significant accounting policies adopted by the Group are as follows:

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2025. The subsidiary undertakings included within the consolidated financial statements are Telemachus Holdings Limited, Enbarr Higher Education Investments Limited, Enbarr Higher Education Holdings Limited, and Enbarr Education Limited.

Telemachus Investments Limited was incorporated on the 1st March 2024. Subsequently the company acquired the entire issued share capital of Telemachus Holdings Limited as part of a group reconstruction.

The merger method of accounting has been adopted. Under this method, the results of the combined entities are brought into the financial statements of the combined entity from the beginning of the financial year in which the combination occurred. The comparative information is restated to include the comprehensive income for all the combining entities and their statement of financial position for the previous reporting date.

A subsidiary is an entity that is controlled by the holding undertaking. The results of subsidiary undertakings are included in the consolidated statement of comprehensive income from the date that control commences until the date that control ceases.

Control is established when the Company has the power to govern the operating and financial

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements

Year Ended 31 March 2025

policies of an entity so as to obtain benefits from its activities.

Under Section 304(2) of the Companies Act 2014, the Company is exempt from the requirement to present to its own profit and loss account.

In the holding undertaking financial statements, investments in subsidiaries are carried at cost less impairment.

(c) Going concern

The Group's business activities are detailed in the Directors' Report. The Group's profit for the year ended 31 March 2025 was €1,648,000 (2024: €1,019,000) and its Net Assets as at 31 March 2025 were €103,000 (2024: Net Liabilities €5,702,000). The Directors have reviewed the budget for the foreseeable future and have considered the projected cash flows based on the contractual receipts and payments of cash by reference to a financial model covering accounting periods up to June 2050. They project that the loan covenant terms will be met until the loan is repaid in full.

The construction activities are progressing in line with programme with no current concerns.

Having considered the risks and uncertainties of the business, their projections for the future performance of the Group, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

(d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

a. Consideration of the fair value of derivative financial instruments

The Group uses derivative financial instruments to hedge certain economic exposures in relation to movements in interest rates as compared with the position that was expected at the date the underlying transaction being hedged was entered into. The Group fair values its derivative financial instruments and records the fair value of those instruments on its Statement of Financial Position. The fair values are determined by calculating the present value of the estimated future cashflows based on observable yield curves. There is also a judgment on whether an economic hedge relationship exists in order to achieve hedge accounting. The company has adopted hedge accounting.

b. Deferred taxation

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Judgement is required in the case of the recognition of deferred taxation assets, the Directors have to form an opinion as to whether it is probable that the deferred taxation asset recognised is recoverable against future taxable profits arising. This exercise of judgement requires the Directors to consider forecast information over a long-time horizon having regard to the risks that the forecasts may not be achieved and then form a reasonable opinion as to the recoverability of the deferred taxation asset.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

3. Accounting Policies *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

i) Accounting for service concession arrangements

Accounting for the service concession contract and finance debtors requires estimation of service margins, finance debtor interest rates and associated amortisation profile which is based on forecast results of the contract.

ii) Recoverability of amounts on long term contracts

The Group makes judgements on the recoverability of the amounts recoverable on long term contracts, based on the receipt of the unitary fee in accordance with the contractual payment mechanisms contained in the project agreement with its client, Minister of Further and Higher Education, Research, Innovation and Science.

(e) Revenue recognition

Turnover represents the fair value of construction services incurred in order to recognise a Financial Asset in accordance with FRS 102 Section 34c. The Group recognises revenue on the gross cost of construction incurred including other fees associated in the mobilisation of the concession.

The project agreement with Minister of Further and Higher Education, Research, Innovation and Science provides for the charging of a unitary fee from the date the education buildings are made available until the end of the service delivery agreement. The unitary fee is fixed subject to performance and inflation indexation. During the construction phase, construction costs incurred are recorded as cost of sales. Turnover is also recognised in relation to the construction work performed at fixed margin. The turnover recognised is included within the 'financial asset' described below. If construction costs are forecast to exceed amounts which can be subsequently recovered, a loss is recognised as soon as this is foreseen. Amounts recoverable on long-term contracts, which are included in debtors, represent future amounts due over the life of the service delivery contract for the fair value of the construction work on the education buildings. This financial asset comprises the construction turnover recognised up to the balance sheet date, other directly attributable costs, less amounts collected to date. Interest is recorded on the financial asset at a constant rate based on the carrying amount. The unitary fee charged is split between services provided (which is recorded as turnover), collection of the financial asset, payment of interest on the financial asset and deferred income. Turnover in relation to both construction and services provided is recorded net of VAT and arises entirely in Ireland.

(f) Income tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income.

Current or deferred taxation assets and liabilities are not discounted.

a. Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

3. Accounting Policies *(continued)*

b. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is also recognised on the revaluations of derivative financial instruments, with the movements going through the Statement of Comprehensive Income.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the deferred tax asset or liability.

(g) Finance Debtor

The Group is accounting for the concession asset as a Financial Asset as defined by FRS 102 section 34c. The Finance Debtor is accounted for based on the fair value of the construction and directly associated services provided. The Group recognises interest receivable on this asset over the life of the project. During construction phase, finance debtor interest income is recognised on an accrual basis and is capitalized within the finance debtor receivable.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

(i) Borrowings

Borrowings are recognised at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are recognised in the Statement of Comprehensive Income over the life of the borrowings. Borrowings with maturities greater than twelve months after the reporting date are classified as non-current liabilities.

(j) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(k) Impairment of assets, other than financial instruments

Where there is objective evidence that recoverable amounts of an asset is less than its carrying value the carrying amount of the asset is reduced to its recoverable amount resulting in an impairment loss. Impairment losses are recognised immediately in the profit and loss account. Where the circumstances causing an impairment of an asset no longer apply, then the impairment is reversed through the profit and loss account.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

3. Accounting Policies *(continued)*

(l) Financial instruments

The Group uses derivative financial instruments to reduce exposure to interest rate fluctuations. The Group does not hold or issue derivative financial instruments for speculative purposes. Details of the Group's interest rate swap contracts are given in note 14.

(m) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised in profit or loss unless hedge accounting is applied and the hedge is a cash flow hedge.

To qualify for hedge accounting, the Group documents the hedged item, the hedging instrument and the hedging relationship between them, and the causes of hedge ineffectiveness (such as different maturities, nominal amounts or variable rates, and counterparty credit risk).

The Group elects to adopt hedge accounting for interest rate swaps where:

- the interest rate swap is a qualifying hedging instrument with an external party that hedges interest rate risk on a loan, part of the nominal amount of a loan, or a group of loans managed together that share the same risk and that qualify as a hedged item;
- the hedging relationship between the interest rate swap and the interest rate risk on the loan is consistent with the risk management objectives for undertaking hedges (i.e. to manage the risk that fixed interest rates become unfavourable in comparison to current market rates or the variability in cash flows arising from variable interest rates); and
- the change in the fair value of the interest rate swap is expected to move inversely to the change in the fair value of the interest rate risk on the loan.

The ineffective portion of the change in the fair value of the hedging instrument (if any) is recognised directly in statement of comprehensive income.

(n) Cash flow hedge - hedge of variable interest rate risk

Where an interest rate swap that converts variable rate debt into fixed rate debt qualifies for hedge accounting, it is accounted for as a cash flow hedge. The cumulative change in the fair value of the interest rate swap is recognised in other comprehensive income up to the amount of the cumulative fair value movement on the variable rate debt that is attributable to the variable interest rate risk. Any excess fair value gains or losses on the interest rate swap not recognised in other comprehensive income are recognised in profit or loss. The gains and losses recognised in other comprehensive income are recorded as a separate component of equity (the cash flow hedge reserve).

Net cash settlements on the interest rate swap are recognised in profit or loss in the period(s) when the net cash settlements accrue. The cash flow hedge reserve is reclassified to profit or loss when the variable rate interest is recognised in profit or loss. Hedge accounting is discontinued when a floating to fixed interest rate swap expires, is sold, terminated or exercised, or when the conditions for hedge accounting are no longer met or the Group documents its election to discontinue hedge accounting. Any fair value gains or losses accumulated in the cash flow hedge reserve are reclassified to profit or loss, either when the variable interest rate expense is recognised in profit or loss, or immediately on discontinuation of hedge accounting if future variable interest rate cash flows are no longer expected to occur.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

3. Accounting Policies *(continued)*

(o) Trade and other receivables

Trade and other receivables, including amounts owed by group companies, are recognized initially at transaction price (including transaction costs) unless a financing arrangement existed in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognized in the profit and loss.

(p) Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

(q) Provisions

Provisions for future maintenance costs are made based on estimates of maintenance required over the life of the service delivery element of the project agreement. Provisions are not discounted.

(r) Dividends

Dividends to the Group's ordinary shareholders are recognised in the financial statements when the amount has been agreed by the Board of Director, the Group's senior debt providers and have been paid.

(s) Investments

Investments are held at cost less impairment.

4. Turnover

Turnover arises from:

	2025	2024
	€'000	€'000
Construction income	112,055	110,673
Unitary charge income	1,322	-
Variation income	285	-
	<u><u>113,662</u></u>	<u><u>110,673</u></u>

The whole of the turnover is attributable to the principal activity of the Group wholly undertaken in the Republic of Ireland.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

5. Operating Profit

Operating profit is stated after charging:

	2025	2024
	€'000	€'000
Fees payable for the audit of entity financial statements	26	24
Fees payable for taxation compliance	7	6
	<hr/>	<hr/>

6. Staff Costs

The Group had no employees during the period and directors received no emoluments during the period.

7. Interest Receivable and Similar Income

	2025	2024
	€'000	€'000
Finance asset interest receivable	9,367	3,389
	<hr/> <hr/>	<hr/> <hr/>

8. Interest Payable and Similar Expenses

	2025	2024
	€'000	€'000
Bank interest payable	9,033	3,573
	<hr/> <hr/>	<hr/> <hr/>

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

9. Taxation

(a) Tax charge included in profit and loss

	2025	2024
	€'000	€'000
Current tax		
Irish corporation tax on profit / (loss) for the financial period	(235)	(5)
Deferred tax movement		
Origination and reversal of timing differences	-	(141)
	<u>(181)</u>	<u>(146)</u>
Total tax credit for the period	(181)	(146)

(b) Tax included in other comprehensive income

	2025	2024
	€'000	€'000
Deferred tax		
Deferred tax on fair value of derivatives	594	(972)

(a) Reconciliation of tax credit

The tax assessed on the profit for the period is higher than the standard rate of corporation tax in the Republic of Ireland of 12.50%.

	2025	2024
	€'000	€'000
Profit before taxation	1,883	1,165
Corporation Tax at the standard rate of tax in the Republic of Ireland	235	146
Reversal of timing differences	-	(141)
Total tax charge for the financial period	<u>235</u>	<u>5</u>

(b) Factors affecting the tax charge

There were no factors that may affect future tax charges.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

10. Investments

Company

Amounts falling due within one year are as follows:

	2025	2024
	€'000	€'000
Shares in group undertaking at cost	50	50
	<u>50</u>	<u>50</u>

The Company's subsidiaries are as follows:

Company	Shareholding
Telemachus Holdings Limited	100%
Enbarr Higher Education Holdings Limited	100% *
Enbarr Higher Education Investments Limited	100% *
Enbarr Education Limited	100% *

**indirect shareholding*

11. Debtors

Debtors amounts falling due within one year are as follows:

	2025	2024
	€'000	€'000
Trade Debtors	27	-
VAT receivable	40	15
Other debtors and prepayments	1,923	-
	<u>1,990</u>	<u>15</u>

Debtors amounts falling due after more than one year are as follows:

	2025	2024
	€'000	€'000
Finance Debtor	278,858	158,285
Other debtors and prepayments	-	2,524
Deferred Tax Asset (note 19)	232	826
	<u>279,090</u>	<u>161,635</u>

12. Cash at bank

	2025	2024
	€'000	€'000
Restricted cash balances	7,570	7,570
Non-restricted cash balances	3,284	1,313
	<u>10,854</u>	<u>8,883</u>

All of the restricted cash balances are accounts held with the Group's bankers. Withdrawals from these bank accounts are restricted to items set out in the Common Terms Agreement and the group must satisfy certain requirements before being permitted to withdraw any amounts from these bank accounts.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

13. Creditors: amounts falling due within one year

	2025	2024
	€'000	€'000
Trade creditors	233	40
Accruals	10,933	52
Amounts due to Group Undertakings	259	264
Corporation Tax Liability (note 9)	54	-
Bank loans	9,474	-
	<u>20,953</u>	<u>356</u>

14. Creditors: amounts falling due after more than one year

	2025	2024
	€'000	€'000
Bank loans	264,908	154,433
Other creditors	4,112	14,832
Corporation Tax (note 9)	-	5
Interest Rate Swap (note 14)	1,858	6,609
	<u>270,878</u>	<u>175,879</u>

Bank loans are stated net of amortised costs using the effective interest method of €5,532,000 (2024: €4,681,000).

Bank loans comprise the Equity Bridge Loan with Bank of Ireland, a Milestone Bridge Facility with Allied Irish Bank and the Development Bank of Korea and a Term Loan with Allied Irish Bank, Bank of Ireland, the Development Bank of Korea, Norddeutsche Landesbank and The Norinchukin Bank.

The Equity Bridge Loan of €30,540,000 was fully drawn on the 31 January 2024 and expires on 30 June 2026. The loan accrues interest on a monthly basis at EURIBOR plus 0.8%.

The Group has drawn €43,919,000 from the Milestone Bridge Facility by 31 March 2025 (2024: €22,665,000). The loan accrues interest on a monthly basis at EURIBOR plus 0.9%. The Group has undrawn committed borrowing facilities of €2,581,000 (2024: €23,855,000) which is scheduled to be drawn from the facility over 3 months from the reporting date. A commitment fee is charged at 0.315% on undrawn amounts. The facility expires in June 2029.

The Group has drawn €205,454,000 from the Term Loan Facility by 31 March 2025 (2024: €105,930,000). The loan accrues interest on a monthly basis at EURIBOR plus 1.3%. The Group has undrawn committed borrowing facilities of €12,069,000 (2024: €111,593,000) which is scheduled to be drawn from the facility over 3 months from the reporting date. A commitment fee is charged at 0.455% on undrawn amounts. The facilities expire in June 2049.

The Group has entered into interest-rate swaps with Allied Irish Bank, Bank of Ireland, the Development Bank of Korea and NordLB to fix the interest rate on the loan covering the construction and operational phases of the project. Sums are exchanged reflecting the difference between floating and fixed interest rates, calculated on predetermined notional principal amounts.

The Group releases interest to the profit and loss using the effective interest rate. The Bank Loans are secured over the assets of the Group.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

14. Creditors: amounts falling due after more than one year (continued)

Debt can be analysed as falling due as follows:

	2025	2025
	€'000	€'000
Debt falling due:		
In one year or less	9,677	-
Between one and two years	43,688	4,712
Between two and five years	69,830	51,855
In five years or more	156,718	102,547
	<u>279,913</u>	<u>159,114</u>

All loans are secured on the fixed and floating assets of the Group.

15. Financial Instruments

The fair values of the interest rate swaps have been calculated by discounting the fixed cash flows at forecasted forward interest rates over the term of the financial instrument. The bank borrowing are held at amortised cost using the effective interest method.

(a) Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2025	2024
	€'000	€'000
Assets measured at amortised cost:		
Finance Debtor	278,858	158,285
Trade Debtors	27	-
Other debtors	1,923	2,524
	<u>280,808</u>	<u>160,809</u>
Assets measured at cost less impairment:		
Cash	<u>10,854</u>	<u>8,883</u>
Liabilities measured at amortised cost:		
Trade Creditors	(233)	(40)
Bank loans	(274,382)	(154,433)
Accruals & Other creditors	(15,358)	(15,148)
	<u>(289,973)</u>	<u>(169,621)</u>
Liabilities measured at fair value		
Interest rate swap contract	<u>(1,858)</u>	<u>(6,609)</u>

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

16. Called Up Share Capital

Issued, called up and fully paid

	2025 €'000	2024 €'000
50,000 shares of €1 each	<u>50</u>	<u>50</u>

The Company has 49,900 A-Class and 100 B-Class shares of €1 each. The rights attached to each class of share is as follows;

A Shares

1. The holders of A Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company.
2. The holders of A Shares shall be entitled to receive dividends declared by the Company from time-to-time pro rata to the number of A Shares held.
3. The holders of A Shares shall be entitled to appoint to the board one director.

B Shares

1. The holders of B Shares shall not be entitled to receive notice of or to attend and vote at general meetings of the Company.
2. The holders of B Shares shall not be entitled to receive any dividends.
3. The holders of B Shares shall be entitled to:
 - (a) appoint to the board whatever number of directors constitutes a majority in number of the total number of directors on the board
 - (b) appoint to the board whatever number of directors of any Subsidiary of the Company as constitutes a majority in number of the total number of directors on the board of that Subsidiary of the Company.

17. Commitments

Capital commitments at the end of the financial period for which no provision has been made are as follows:

	2025 €'000	2024 €'000
Construction Expenses	<u>6,935</u>	<u>111,159</u>

18. Reserves

Called up share capital represents the nominal value of shares that have been issued.

Retained Earnings records retained earnings and accumulated losses.

Hedging reserve records transactions arising from the company's cash flow hedging arrangements.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

19. Deferred Tax

The deferred tax asset is attributable to the following:

	2025 €'000	2024 €'000
Deferred tax on fair value of derivatives	232	826
	232	826

Deferred tax asset is recognised on the valuation of the swap derivative on the interest rate swap held by the Company. These are accounted for under cash flow hedges and will reverse through the other comprehensive income.

20. Controlling Party

The Company's immediate parent undertaking is Macquarie Corporate Holdings Pty Limited (UK Branch) and TINC NV. The smallest and largest group in which the company is consolidated is Telemachus Investments Limited. Copies of the financial statements can be obtained from 1st Floor, Connaught House, Dublin 4, Republic of Ireland.

The ultimate controlling party is Macquarie Group Limited.

21. Related Party Transactions

The Company has availed of the exemption provided in FRS 102, Section 33, "Related Party Disclosures", not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the company is a wholly owned member.

The following entities are considered to be related parties to the Company:

- Macquarie Corporate Holdings Limited
- TINC NV

During the year, the company had transactions in the ordinary course of business and on an arms length basis with the entities listed. Details of these transactions are set out below:

Related Party	Transaction	Expenditure €'000	Creditor €'000
<i>Period Ended 31 March 2025</i>			
Macquarie Corporate Holdings Limited	Technical Support	794	195
TINC	Commitment Fee	749	64
<i>Year Ended 31 March 2024</i>			
Macquarie Corporate Holdings Limited	Technical Support	832	200
TINC NV	Commitment Fee	751	64

22. Events After the End of the Reporting Period

There were no events since the period end that would require amendment or disclosure in the financial statements.

Telemachus Investments Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2025

23. Approval of Financial Statements

The directors approved the financial statements on 15th July 2025.

24. Period of Accounts

The financial period covers the Group and Company's activity for the year to 31st March 2025.