

Bright Sky Capital DAC
Annual Report and Financial Statements
for the financial year ended 31 December 2025

Daire Turner & Associates
Chartered Accountants and Statutory Auditors
Unit 9
Ardcavan Business Park
Wexford

Bright Sky Capital DAC

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Bright Sky Capital DAC

DIRECTORS AND OTHER INFORMATION

Directors	David Grin David Gahan Shane Travers (Appointed 1 May 2025)
Company Secretary	David Grin (Appointed 1 March 2025) Laura Velarde (Resigned 1 March 2025)
Company Number	554816
Registered Office and Business Address	Unit 9 Ardcavan Business Park Wexford
Auditors	Daire Turner & Associates Chartered Accountants and Statutory Auditors Unit 9 Ardcavan Business Park Wexford
Bankers	Israel Discount Bank of New York Floor 9, 1114 Avenue of Americas New York NY 10036 United States of America Allied Irish Bank Bankcentre Ballsbridge Dublin 4 Bank of Ireland College Green Dublin 2 Goldman Sachs Bank Europe SE Marieturm, Taunusanlage 9-10 D-60329 Frankfurt am Main Germany
Solicitors	Gartlan Furey 20 Fitzwilliam Square Dublin 2

Bright Sky Capital DAC

DIRECTORS' REPORT

for the financial year ended 31 December 2025

The directors present their report and the audited financial statements for the financial year ended 31 December 2025.

Principal Activity and Review of the Business

The company, a special purpose securitisation vehicle established as a 'qualifying company' under section 110 of the Taxes Consolidation Act 1997 (as amended), carries on the business of financing and re-financing real estate in Ireland.

There has been no significant change in these activities during the financial year ended 31 December 2025.

Principal Risks and Uncertainties

The company is exposed to a number of financial risks arising from its underlying assets and liabilities, the directors have overall responsibility for the establishment and oversight of the company's risk management framework.

The risk profile of the Company is such that market risk, credit risk, liquidity risk and other risks of the loans and receivables held for risk management are borne by the loan note holders. The manner in which these risks have been dealt with by the company have been set out in note 14 of the financial statements.

Results and Dividends

The profit for the financial year after providing for taxation amounted to €750 (2024 - €750).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €36,575,325 (2024 - €36,374,121) and liabilities of €36,567,449 (2024 - €36,366,995). The net assets of the company have increased by €750.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

David Grin
David Gahan
Shane Travers (Appointed 1 May 2025)

The secretaries who served during the financial year were:

David Grin (Appointed 1 March 2025)
Laura Velarde (Resigned 1 March 2025)

The directors and company secretaries had no direct beneficial interest in the shares of the company at the beginning or end of the financial year.

There were no changes in shareholdings between 31 December 2025 and the date of signing the financial statements.

The company's issued share capital is held by Laurelbay Limited. David Grin is also a director of the company and of Laurelbay Limited.

Future Developments

The company plans to continue its present activities with increased levels of operations into the future.

Post Statement of Financial Position Events

There have been no significant events affecting the company since the financial year-end.

Auditors

The auditors, Daire Turner & Associates, (Chartered Accountants), continue in office in accordance with section 383(2) of the Companies Act 2014.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. 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.

Bright Sky Capital DAC

DIRECTORS' REPORT

for the financial year ended 31 December 2025

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Unit 9, Ardavan Business Park, Wexford.

Signed on behalf of the board

David Grin
Director

David Gahan
Director

Shane Travers
Director

25 March 2026

Bright Sky Capital DAC

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2025

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

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

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

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

Disclosure of Information to Auditor

Each persons who are directors at the date of approval of this report confirms that:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Bright Sky Capital DAC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bright Sky Capital DAC ('the company') for the financial year ended 31 December 2025 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 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 financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2025 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

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

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

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.

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Bright Sky Capital DAC

Matters on which we are required to report by exception

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 9, which is to be read as an integral part of our report.

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

Our report is made solely to the company shareholders in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company shareholders 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 any responsibility to anyone other than the company and the company shareholders for our audit work, for this report, or for the opinions we have formed.

Dáire Turner

for and on behalf of

DAIRE TURNER & ASSOCIATES

Chartered Accountants and Statutory Auditors

Unit 9

Ardcavan Business Park

Wexford

25 March 2026

Bright Sky Capital DAC

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bright Sky Capital DAC

INCOME STATEMENT

for the financial year ended 31 December 2025

	Notes	2025 €	2024 €
Revenue		1,103,557	1,421,186
Gross profit		1,103,557	1,421,186
Administrative expenses		(64,276)	81,854
Operating profit	3	1,039,281	1,503,040
Other gains and losses	4	(943,075)	1,136,983
Interest payable and similar expenses	5	(95,206)	(2,638,973)
Profit before taxation		1,000	1,050
Tax on profit	7	(250)	(300)
Profit for the financial year		750	750
Total comprehensive income		750	750

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STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

	Notes	2025 €	2024 €
Non-Current Assets			
Financial assets	8	<u>2,275,468</u>	<u>2,032,250</u>
Current Assets			
Receivables	9	2,504,378	1,544,685
Investments	10	31,767,814	32,370,366
Cash and cash equivalents		<u>27,665</u>	<u>426,820</u>
		<u>34,299,857</u>	<u>34,341,871</u>
Payables: amounts falling due within one year	11	<u>(2,882,963)</u>	<u>(2,891,713)</u>
Net Current Assets		<u>31,416,894</u>	<u>31,450,158</u>
Total Assets less Current Liabilities		<u>33,692,362</u>	<u>33,482,408</u>
Payables:			
amounts falling due after more than one year	12	<u>(33,684,486)</u>	<u>(33,475,282)</u>
Net Assets		<u><u>7,876</u></u>	<u><u>7,126</u></u>
Capital and Reserves			
Called up share capital presented as equity		1	1
Retained earnings		<u>7,875</u>	<u>7,125</u>
Equity attributable to owners of the company		<u><u>7,876</u></u>	<u><u>7,126</u></u>

The financial statements have been prepared in accordance with the small companies' regime.

Approved by the board on 25 March 2026 and signed on its behalf by:

David Grin
Director

David Gahan
Director

Shane Travers
Director

Bright Sky Capital DAC
STATEMENT OF CHANGES IN EQUITY

as at 31 December 2025

	Called up share capital €	Retained earnings €	Total €
At 1 January 2024	1	6,375	6,376
Profit for the financial year	-	750	750
At 31 December 2024	1	7,125	7,126
Profit for the financial year	-	750	750
At 31 December 2025	1	7,875	7,876

Bright Sky Capital DAC

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

1. General Information

Bright Sky Capital DAC is a company limited by shares incorporated in Ireland. Unit 9, Ardavan Business Park, Wexford is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 December 2025 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). These are the company's first set of financial statements prepared in accordance with FRS 102

Basis of preparation

These financial statements have been prepared in accordance with applicable accounting standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102), and with the Companies Act 2014. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014.

Cash flow statement

The company has availed of the exemption in FRS 102 from the requirement to prepare a Statement of Cash Flows because it is classified as a small company.

Revenue

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Financial assets

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related withholding tax is recognised in the Income Statement in the year in which it is receivable.

Current asset investments are stated at the lower of cost and net realisable value.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

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NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

Employee benefits

The company has no employees at present, and therefore does not have the requirement to operate a pension scheme.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Statement of Financial Position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income Statement.

Financial Instruments

Financial assets

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including cash and cash equivalents and loans and receivables, are initially recognised at their transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate.

The impairment loss is recognised in Statement of Comprehensive Income. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Other financial assets, including certain loans and receivables which take the form of PPNs, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income.

"The fair value through profit or loss of financial instruments traded in active markets is based on quoted market prices at the year end. The quoted market price used for financial assets held by the Company is the last traded price. For all other financial instruments, the Company determines fair values using valuation techniques.

Financial assets are derecognised when:

- a) the contractual rights to the cash flows from the asset expire or are settled; or
 - b) substantially all the risks and rewards of the ownership of the asset are transferred to another party;
- or
- c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at their transaction price,

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NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

unless the arrangement constitutes a financing transaction, in which case the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. These liabilities are subsequently carried at amortised cost, using the effective interest rate method.

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as creditors: amounts falling due within one year if payment is due within one year or less. If not, they are presented as creditors: amounts falling due after one year. Trade payables are recognised initially at their transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including loan notes which take the form of PPNs, are initially measured at fair value. Loan notes are measured at fair value through profit or loss since the return profile of the notes are linked to residual profits of the company and cash availability. Such liabilities are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income as interest income/expense.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Impairment

The information relating to the impairment of any particular loan is estimated by the Investment Manager taking into consideration the historical performance of the loans and receivables and the financial standing of individual loans.

The Directors would rely on the detailed analysis on a loan by loan basis carried out by the Investment Manager as the basis for recording a provision for impairment. The extent of the provision would depend on the possible losses taking into account the recoverable value of the collateral and costs associated with pursuing various resolution options available to the Company.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

3. Operating profit	2025	2024
	€	€
Operating profit is stated after charging/(crediting):		
Loss/(profit) on foreign currencies	49,766	(98,448)
	<u> </u>	<u> </u>
4. Other Gains and Losses	2025	2024
	€	€
Fair value gains and losses are as follows:		
Derivative financial instruments	(943,075)	1,136,983
	<u> </u>	<u> </u>
5. Interest payable and similar expenses	2025	2024
	€	€
Interest	95,206	2,638,973
	<u> </u>	<u> </u>
Total interest expense using effective rate of return	95,206	2,638,973
	<u> </u>	<u> </u>

Bright Sky Capital DAC

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

6. Employees

The average monthly number of employees, including directors, during the financial year was 3, (2024 - 3).

	2025 Number	2024 Number
Directors	<u>3</u>	<u>2</u>

7. Tax on profit

	2025 €	2024 €
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 25.00% (2024 - 25.00%)	250	250
Under/over provision in prior year	-	50
Total current tax	<u>250</u>	<u>300</u>

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 25.00% (2024 - 25.00%). The differences are explained below:

	2025 €	2024 €
Profit taxable at 25.00%	<u>1,000</u>	<u>1,050</u>
Profit before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 25.00% (2024 - 25.00%)	250	263
Effects of:		
Expenses not deductible for tax purposes	-	37
Total tax charge for the financial year (Note 7 (a))	<u>250</u>	<u>300</u>

8. Financial fixed assets

	Other unlisted investments €	Total €
Investments		
Cost		
At 1 January 2025	2,032,250	2,032,250
Additions	243,218	243,218
At 31 December 2025	<u>2,275,468</u>	<u>2,275,468</u>
Net book value		
At 31 December 2025	<u>2,275,468</u>	<u>2,275,468</u>
At 31 December 2024	<u>2,032,250</u>	<u>2,032,250</u>

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for the financial year ended 31 December 2025

9. Receivables	2025 €	2024 €
Taxation	38,513	38,513
Interest in PPN of affiliated companies b/fwd	1,506,172	3,222,113
Interest in PPN of affiliated companies additions	2,049,395	-
Interest in PPN of affiliated companies disposals	(1,089,702)	(1,715,941)
	<u>2,504,378</u>	<u>1,544,685</u>
10. Current asset investments	2025 €	2024 €
Other unlisted investments	63,830	-
Listed investments	31,703,984	32,370,366
	<u>31,767,814</u>	<u>32,370,366</u>
11. Payables Amounts falling due within one year	2025 €	2024 €
Amounts owed to group undertakings	2,868,713	2,868,713
Taxation	250	-
Accruals	14,000	23,000
	<u>2,882,963</u>	<u>2,891,713</u>
12. Payables Amounts falling due after more than one year	2025 €	2024 €
Loan Notes Issued	33,684,486	33,475,282
	<u>33,684,486</u>	<u>33,475,282</u>
Loans		
Repayable between one and two years	33,684,486	33,475,282
	<u>33,684,486</u>	<u>33,475,282</u>

13. Financial Instruments

The company has chosen to apply the provisions of Section 11 and 12 of FRS 102 to account for all of its financial instruments.

Credit risk

The credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligation, and arise principally from investing activities.

The risk of default on the Company's loans and receivables is borne by the loan note holders and thus changes in credit ratings have no net impact on the profit and loss of the company.

Cash is held at Allied Irish Bank, Goldman Sachs, Charles Schwab and Interactive Brokers.

Loans and receivables comprise of a portfolio of Euro denominated, senior secured first mortgage property loans issued to fund residential property developments in the Republic of Ireland. The Investment Manager undertakes on going reviews in respect of each borrower and each loan to the extent such relevant information is received from the borrowers. The Investment Manager conducts this review process on a regular basis to identify concern as to the ability of a borrower to meet its financial obligations under the relevant loan agreements. Such a review may include an inspection of the related properties or property and compliance check of such borrowers covenants under the related loan documentation.

The risk of default on the Company's loans and receivables is borne by the loan note holders and thus changes in credit assessments will have no net impact on the profit or loss of the company.

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NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

Market risk

Market risk is the risk that changes in market prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. Market risk embodies the potential for both losses and gains and includes foreign exchange risk, interest rate risk, price risk, and other potential risk. The loan note holders are exposed to the market risk of the loans and receivables.

(a) Foreign Exchange Risk

All the Company's assets and liabilities are denominated in Euro, and as such, no foreign exchange translations have occurred during the period. The Company has no foreign exchange exposure.

(b) Interest Rate Risk

The Company's loans and receivables issued are fixed rate loans and as such are not sensitive to interest rate movements, therefore the Company has no exposure to interest rate risk.

(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 foreign currency risk and interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its seller, or factors affecting similar financial instruments traded in the market. The Investment Manager monitors the cash flows from the loans and receivables on a monthly basis.

The Company uses the following hierarchy for determining and disclosing fair values of financial assets and financial liabilities by valuation technique:

* Level 1: The unadjusted quoted price in an active market for identical assets and liabilities that the entity can access at the measurement date.

* Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

* Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

Loans and receivables included under the Financial Assets heading on the Balance Sheet represent PPN's where pay out is contingent on the performance of an underlying portfolio of loans and receivables, and also contracted amounts for settlement of loans and other obligations due to the company, the recoverability of the latter loans and receivables has been determined using market indication and current payment rates, and as a result of this, Level 3 is deemed the most appropriate categorisation.

Cash comprises cash on hand and demand deposits. These are highly liquid investments that are readily convertible to known amounts of cash, as such, Level 1 has been deemed the most appropriate categorisation for the Company's cash or cash equivalents.

Other receivables represent the contractual amounts and obligations due to the Company, as a result of this Level 2 is deemed appropriate categorisation.

Creditors: amounts falling due within one year represent the contractual amounts and obligations due by the Company for settlement of expenses. As a result of this, Level 2 is deemed appropriate categorisation.

Creditors: amounts falling due after one year represent the contractual amounts and obligations due by the Company for settlement of its issued loan notes but also represent the residual profit or loss of the Company, as such Level 3 is deemed appropriate categorisation.

The movement in fair value of loans and receivables will have no impact on the profit for the period unless impairment is recognised on loans and receivables that are held at amortised cost. Due to the limited recourse nature of the loan notes, the impairment and/or movement in fair value of loans and receivables will pass to the loan note holders resulting in no impact on the profit or loss or the equity of the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring acceptable losses or risking damage to the Company's reputation.

The Company's obligations to the loan note holders are directly secured on and limited in recourse to the asset and cash flows of the Company and therefore the Company does not bear any liquidity risk in respect of these liabilities. Until the actual maturity dates, cash flows are due to these counterparties only insofar as they have been received by the Company from the loans and receivables held.

Bright Sky Capital DAC

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risks arise due to the Company's operations.

The Directors have established processes to manage operational risks, these processes include appropriate segregation of responsibilities and specific control activities. The Directors delegates the service function to the Investment Manager who operates a sophisticated system of controls. The Investment Manager engages in the active and direct management of the debt obligations owed to the Company, in accordance with guidelines approved by the Company.

14. Capital commitments

The company had no material capital commitments at the financial year-ended 31 December 2025.

15. Related party transactions

Transactions with group companies include

David Grin is a director of Laurelbay Limited, the parent company of Bright Sky Capital DAC, Laurelbay Limited, owed the company, €324,468 at the year ended 31 December 2025. These balances are repayable in full and do not bear interest.

Another group company, Purple Sun Investments, Unipessoal LDA owed the company, €27,000 at the 31 December 2025, this balance is repayable in full.

The Directors of the Company are stated on page 3 of these financial statements.

David Grin is a Director of this Company and of the parent company, Laurelbay Limited.

David Grin is also a director of Emerald Sky 2 Designated Activity Company (DAC).The company issued a PPN to this affiliated company and the fair value of this PPN issued by Bright Sky Capital DAC as at 31 December 2025 were €465,865 (2024: €1,506,172).

Transactions and balances with group company:

Blue Sun Holdings Limited

The company holds an interest free loan of €2,868,713 from its ultimate parent company, Blue Sun Holdings Limited in the year ended 31 December 2025. This loan is repayable in full.

16. Parent and ultimate parent company

The company regards Laurelbay Limited as its parent company.

The company's ultimate parent undertaking is Blue Sun Holdings Limited.
The address of Blue Sun Holdings Limited is Ireland.

17. Events After the End of the Reporting Period

There have been no significant events affecting the company since the financial year-end.

18. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 25 March 2026.

BRIGHT SKY CAPITAL DAC

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

NOT COVERED BY THE AUDITORS REPORT

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

Bright Sky Capital DAC
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
TRADING STATEMENT

for the financial year ended 31 December 2025

	2025 €	2024 €
Sales	1,103,557	1,421,186
Gross profit Percentage	100.0%	100.0%
Administrative expenses		
Legal and professional	4,590	5,590
Bank charges	3,858	78
Profit/loss on exchange	49,766	(98,448)
General expenses	2,372	10,926
Auditor's remuneration	3,690	-
	64,276	(81,854)
Finance		
Interest Expense and Similar Charges	95,206	2,638,973
Miscellaneous income		
Other gains and losses	(943,075)	1,136,983
Net profit	1,000	1,050