

Core 5 Shackleton Limited

Directors' Report and Financial Statements

for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025

Registered number: 754863

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General Information

Registered office

Custom House Plaza, Block 6
International Financial Services Centre
Dublin 1
Ireland

Directors

Matthias Philipp Langbehn (appointed 15 August 2024) (German)
Peter Rudolf Windmeisser (appointed 15 August 2024) (German)
Ewan Duffy (appointed 22 October 2024) (Irish)
Conor Walsh (appointed 1 September 2025) (Irish)
William Daunt (appointed 3 January 2024, resigned 1 September 2025) (Irish)
Kate Phelan (appointed 2 January 2024, resigned 3 January 2024) (Irish)
Conor Blake (appointed 2 January 2024, resigned 22 October 2024) (Irish)

Legal Advisor

William Fry
2 Grand Canal Square
Grand Canal Dock
Dublin 2
Ireland

Asset Manager

KGAL Investment Management GmbH & Co.
Tolzer Strasse 15
82031 Grunwald
Germany

Property Manager

Hooke & MacDonald Limited
118 Lower Baggot Street
Dublin 2
Ireland

Auditor

Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Ireland

Company Secretary

CCT Secretarial Limited
Custom House Plaza, Block 6
International Financial Services Centre
Dublin 1
Ireland

Administrator

Citco Corporate Services (Ireland) Limited
Custom House Plaza, Block 6
International Financial Services Centre
Dublin 1
Ireland

Directors' Report

The Board of Directors (the "Directors") present the first audited financial statements of Core 5 Shackleton Limited (the "Company") for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025.

Principal activity

Core 5 Shackleton Limited is a private limited company incorporated on 2 January 2024 under the laws of Ireland. The Company has been established to acquire assets for the purposes of the management and development of real estate assets.

Business review

The Company's object is the acquisition, development, management, promotion, sales, possession and leasing of Real Estate Assets as well as all activities related to such business operations. The Company's activities form part of the investment structure of KGAL CORE 5 SICAV-RAIF S.C.S., a Luxembourg-regulated alternative investment fund (the "Fund"). The Fund is managed by Hauck & Aufhäuser Fund Services S.A. as AIFM, with KGAL Investment Management GmbH & Co. KG, Grünwald, Germany, acting as investment advisor.

The Company is a wholly owned subsidiary within the KGAL CORE 5 structure and functions as an Irish special purpose vehicle ("SPV") holding the Irish property investment known as Shackleton Residential Portfolio in Lucan, County Dublin. The portfolio comprises:

- Block 7, Shackleton Mill – 38 residential units;
 - Block 6, Shackleton Point – 26 residential units; and
 - Shackleton Plaza – 40 own-door apartments and duplex units;
- (together, the "Properties").

The acquisition of the Shackleton Portfolio was completed in February 2024 (Blocks 6 and 7) and October 2024 (Shackleton Plaza). The Properties are fully managed by Hooke & MacDonald Limited under a property management agreement dated 7 February 2024.

The Company finances its operations through equity contributions and shareholder loans received from KGAL CORE 5 Holding S.à r.l., Luxembourg. During the financial period, total equity contributions amounted to EUR 11,384,138, while shareholder loans of EUR 34,120,638 were provided to fund the property acquisitions and associated costs.

Key performance indicators

During the financial period:

- The Company recorded a loss after tax of EUR 873,919;
- The Company generated rental income of EUR 3,019,265;
- The Company made interest income of EUR 44,422;
- The Company incurred interest expense of EUR 2,408,786 on its shareholder loan;
- The Company's property and operating expenses amounted to EUR 1,530,339;
- The Company acquired investment properties at a total cost of EUR 44,599,113.

Key performance indicators are driven by the rental income from the investment properties and the management of operating expenses. For details of the investment properties, please refer to Note 14.

As at 30 June 2025, the Company's total indebtedness including accrued interest on shareholder loan amounts to EUR 34,644,846.

Future development

Following the successful acquisition of the Shackleton Residential Portfolio in 2024, the Company's focus will be on the continued effective management and optimization of the Properties at Shackleton Park, Lucan, County Dublin. The Directors expect the Properties to remain fully occupied, supported by the strong demand for high-quality residential accommodation in the Dublin area.

Directors' Report (continued)

Future development (continued)

The Company, together with its property manager Hooke & MacDonald Limited, will continue to pursue operational efficiencies, enhance tenant satisfaction, and maintain the long-term value of the assets. ESG-related improvements, including initiatives to increase energy efficiency and sustainability in line with the EU Taxonomy Regulation (EU) 2020/852, are under consideration.

No major development or construction activities are anticipated in the short term. The Directors expect the current level of activity and rental income to be sustained for the foreseeable future.

Results and dividend for the financial period

The results for the financial period are set out on page 10. No dividends are recommended by the Directors.

Directors, Secretary and their interests

Neither the Directors nor the Company secretary had any beneficial interest in the share capital of the Company at the date of their appointment or at the end of the period. Matthias Philipp Langbehn, Peter Rudolf Windmeisser, Ewan Duffy, and Conor Walsh served as Directors of the Company during the financial period ended 30 June 2025. Conor Walsh and Ewan Duffy are current employees of the Corporate Administrator. Matthias Philipp Langbehn and Peter Rudolf Windmeisser are representatives of the Asset Manager, KGAL Investment Management GmbH & Co. KG. CCT Secretarial Limited acted as company secretary for the entire period. The names of the directors are disclosed on page 1 of the financial statements.

Audit committee

The Directors did not consider it to be necessary to have an Audit Committee for the financial period ended 30 June 2025, as at the date of these financial statements, the Company is operating within the turnover threshold limit as set out under Section 167 (1) of the Companies Act 2014, and as such the Company does not meet the requirements to establish an audit committee.

Risks related to investment properties

Real estate values can be affected by a number of factors including changes to global or local economic conditions, local market conditions, the financial conditions of tenants, the availability of debt financing, changes in interest rates, real estate tax rates and other operational expenses, environmental laws and regulations, planning laws and other governmental legislation, energy prices, the relative attractiveness of real estate types or locations and other factors which are beyond the control of the Investment Manager. This risk is mitigated through strategic asset allocation, stock selection, asset management and efficient property management. Principal risks and uncertainties the Company is currently facing are set out in Note 16 of the financial statements.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 (the "2014 Act"), that adequate accounting records are kept, by engaging accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. For the financial period ended 30 June 2025 the accounting records of the Company are maintained at Citco Corporate Services (Ireland) Limited, Custom House Plaza Block 6, International Financial Services Centre, Dublin 1.

Related parties transactions

Transactions with related parties are outlined in Note 17 to the financial statements.

Directors' Report (continued)

Subsequent events

A number of conflicts around the world, including those in Ukraine and the Middle East continue to have a very significant impact on global affairs and cause risk and uncertainty to the Company. To date, these conflicts have resulted in a devastating humanitarian crisis and impact on the local regions and have caused many knock-on consequences to the global political and economic landscapes. To the date of signing these financial statements, progress is still ongoing in the aim to achieve a peaceful solution in both regions.

At the date of signing these Financial Statements, the economic impact of the new US administration's tariff policies is currently uncertain, but it has caused disruption and volatility in the market in the early part of 2025. As tariff decisions are unilateral executive actions, they are subject to delay, revision, or outright reversal and these developments are evolving in real time. Additionally, the reaction of US trading partners is equally uncertain and may create additional macroeconomic headwinds. The Investment Manager is closely monitoring these developments and the impact that it may have on the Company.

There are no other subsequent events, which require disclosure in these financial statements.

Going concern

The Directors note the loss of the Company in its first financial period, though they are satisfied performance is in line with expectations. They believe the Company will continue to grow and operate for the foreseeable future and they anticipate that the financial assets will continue to generate enough cash flows on an ongoing basis to meet the Company's liabilities as they fall due.

Political Contributions

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political contributions over EUR 200 in aggregate made during the financial period. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial period.

Powers of Directors

The Directors are responsible for managing the business affairs of the Company in accordance with the Constitution. The Directors may delegate certain functions to the Corporate Administrator and other parties, subject to the supervision and direction by the Directors. The Directors have delegated the day-to-day administration of the Company to the Corporate Administrator and the Company Secretary.

Independent auditor

The independent auditor, Forvis Mazars, Chartered Accountants, in accordance with Section 382(1) of the 2014 Act, were appointed as independent auditors on 19 August 2025 and have expressed their willingness to continue in office.

Statement of relevant audit information

- (i) There is no relevant audit information of which the statutory auditors are unaware; and
- (ii) all steps have been taken by the Directors to make themselves aware of any relevant audit information and to ensure the statutory auditor is made aware of any such information.

Directors' Report (continued)

On behalf of the board



Ewan Duffy
Director



Conor Walsh
Director

Date: 24 February 2026

Directors' Responsibilities Statement

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

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

Under company law the directors 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 and of its profit or loss for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board



Ewan Duffy
Director



Conor Walsh
Director

Date: 24 February 2026

Independent auditor's report to the members of Core 5 Shackleton Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Core 5 Shackleton Limited ('the Company'), for the year ended 30 June 2025, which comprise of the Statement of Comprehensive Income, The Statement of Financial Position, The Statement of Changes in Equity and the Statement of Cashflows, and notes to the Company financial statements, including the summary of accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is The Companies Act 2014 and [International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at June 30, 2025, and of its loss for the then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; 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 further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with 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;
- the directors' report has been prepared in accordance with applicable legal requirements;
- 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.

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.

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 management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

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



Michael Tuohy
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 25 February 2026

Statement of comprehensive income

for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025

	Note	Period from 2 January 2024 to 30 June 2025 EUR
Gross income		
Rental income	4	3,019,265
Interest income	5	44,422
Other Income	6	57,335
Total gross income		<u>3,121,022</u>
Operating expenses		
Property and other operating expenses	7	<u>(1,530,339)</u>
Total operating expenses		<u>(1,530,339)</u>
Operating loss before finance costs		1,590,683
Interest expense	17	(2,408,786)
Loss before taxation		<u>(818,103)</u>
Tax on loss on ordinary activities	9	(55,816)
Loss for the financial period		<u>(873,919)</u>

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.

Statement of financial position

for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025

	Note	Period from 2 January 2024 to 30 June 2025 EUR
Non-current assets		
Investment property	14	44,599,113
Total non-current assets		<u>44,599,113</u>
Current assets		
Prepaid expenses		17,601
Apportionment account balance		153,552
Cash at bank	10	1,152,872
Total current assets		<u>1,324,025</u>
Total assets		<u><u>45,923,138</u></u>
Equity		
Share capital	11	11,384,138
Retained earnings		(873,919)
Total equity attributable to shareholders of the Company		<u><u>10,510,219</u></u>
Non-current liabilities		
Shareholder loan	15	34,120,638
Total non-current liabilities		<u>34,120,638</u>
Current liabilities		
Deferred rent income		10,040
Accrued interest on shareholder loan	12	524,208
Accrued expenses and other payables	13	400,720
Due to property manager		301,497
Tax payable		55,816
Total current liabilities		<u>1,292,281</u>
Total liabilities		<u><u>35,412,919</u></u>
Total liabilities and equity		<u><u>45,923,138</u></u>

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.

On behalf of the Directors,

Ewan Duffy
 Director

Conor Walsh
 Director

Date: 24 February 2026

Statement of changes in equity

for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025

	Share capital	Share premium	Retained earnings	Total
	EUR	EUR	EUR	EUR
Balance at 2 January 2024 (date of incorporation)	-	-	-	-
Share capital issued	11,384,138	-	-	11,384,138
Loss for the financial period			(873,919)	(873,919)
Balance as at 30 June 2025	11,384,138	-	(873,919)	10,510,219

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.

Statement of cash flow

for the financial period from 2 January 2024 (date of incorporation) to 30 June 2025

	Period from 2 January 2024 to 30 June 2025 EUR
Cash flows from operating activities	
Loss for the financial period	<u>(873,919)</u>
<i>Adjustments for :</i>	
Increase in prepaid expenses	(17,601)
Increase in apportionment account	(153,552)
Increase in accrued expenses and other payables	456,536
Increase in accrued interest on shareholder loan	524,208
Increase in deferred rent income	10,040
Increase in due from property manager	<u>301,497</u>
Net cash used in operating activities	<u>2,655,995</u>
Cash flows from investing activities	
Purchase of building	(44,599,113)
Interest received	44,422
Net cash used in investing activities	<u>(44,554,691)</u>
Cash flows from financing activities	
Issue of share capital	11,384,138
Issue of shareholder Loan	34,120,638
Shareholder loan interest paid	<u>(2,453,208)</u>
Net cash inflows from financing activities	<u>43,051,568</u>
Supplemental Disclosure of non-cash operating activities:	
Interest expense	2,408,786
Operating cash flows before working capital changes	<u>1,534,867</u>
Net movement in cash for the financial period	<u>1,152,872</u>
Cash & cash equivalents at the beginning of the financial period	-
Cash & cash equivalents at the end of the financial period	<u>1,152,872</u>

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.

Notes to the financial statements

1. General information

Core 5 Shackleton Limited (the "Company") is a private limited company incorporated on 2 January 2024 under the laws of Ireland with the registration number 754863. The Company's registered office is Custom House Plaza, Block 6, International Financial Services Centre, Dublin 1. The Company has been established to acquire assets for the purposes of the management and development of real estate assets.

On 15 March 2024, the Company entered into a shareholder loan agreement with KGAL CORE 5 Holding S.à r.l., a company incorporated under the laws of Luxembourg. The loan proceeds were used to partially finance the acquisition of the Shackleton Residential Portfolio located in Lucan, County Dublin. The Company is a wholly-owned subsidiary within the KGAL CORE 5 structure and functions as an Irish special-purpose vehicle (SPV) holding the property investment in the Shackleton Residential Portfolio.

During 2024, the Company acquired the Shackleton Residential Portfolio, which consists of Shackleton Mill (Blocks 6 and 7) and Shackleton Point (Block 6), comprising 104 residential units in total, located in Lucan, County Dublin. The properties are managed by Hooke & MacDonald Limited under a property management agreement dated 7 February 2024.

The Company has entered into an Asset Management Agreement with KGAL Investment Management GmbH & Co. KG, a company registered in Germany, acting as the Asset Manager for the KGAL CORE 5 structure. The Asset Manager provides strategic oversight, performance monitoring, and asset management services in relation to the properties held by the Company.

The Company's objective is to acquire and develop real estate properties, manage these properties through sales, possession, and letting, as well as all activities related to such business operations.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently.

2.1 Basis of preparation

The Financial Statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

2.2 Historic cost convention

The Financial Statements have been prepared on a historical cost basis.

2.3 Foreign currency translation

The Financial Statements are presented in Euro, which is the Company's functional currency. All amounts have been rounded to the nearest EUR, unless otherwise indicated.

2.4 Changes in accounting policy and disclosures

Standards and amendments to existing standards effective 2 January 2024

The Company has adopted all applicable standards and amendments. There are no standards, amendments to standards or interpretations that are effective for the first time for the financial period beginning 2 January 2024 that had a material impact on the Company.

New standards and amendments to existing standards effective after 1 July 2025 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2025 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

Notes to the financial statements (continued)

2. Summary of Significant Accounting Policies (continued)

2.5 Investment properties

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, revenues and expenses. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or the liability affected in future periods.

Freehold assets

Investment properties consist of investments in land and buildings and are in the form of residential properties in Ireland which are not used in the operation of the Company's offices, nor held for sale in the ordinary course of business, but are held primarily to earn rental income by renting to third parties under tenancy agreements, or for capital appreciation or both.

Investment properties are initially recorded at cost including any costs directly attributable to the purchase, such as property transfer taxes, stamp duty and professional fees for legal services to bring the property to the condition necessary for it to operate in the manner intended by the Company. Subsequent expenditure on renovation and development of investment properties is capitalised at cost. The day to day servicing cost of an investment property is expensed.

Under the fair value model, investment property will be remeasured at the end of each reporting period by an independent third party external valuer (the "Valuer"). As at 30 June 2025, the investment properties are carried at cost as no external valuation has been performed since acquisition.

The capitalised acquisition costs include stamp duty of EUR 2,196,373 and a land registry fee of EUR 2,740. As at 30 June 2025, the properties are carried at cost as to that date no external valuation had been performed. The Directors note that the first independent valuation of the properties was performed as of 30 September 2025 and note that the total fair value of the three properties then amounted to EUR 42,850,000. As this amount represented only an immaterial movement from the original acquisition cost, the Directors are comfortable that the above reported Carrying value as of 30 June 2025 remained fair and accurate. Going forward, it is expected that an annual independent valuation will be completed so as to form the basis of the amount reported in the financial statements.

Investment properties are derecognised either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal or withdrawal from use. Any gains or losses from the discontinuation or disposal of an investment property are recognised in the Statement of Comprehensive Income in the period of retirement or disposal.

Realised gains and losses on the disposal of investment properties are determined as the difference between net disposal proceeds and the carrying value of the asset as at the previous period end, and are included in the Statement of Comprehensive Income in the period in which they arise under "Gains or losses on disposal of investment properties."

Financial instruments

Recognition

The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments. Purchases and sales of financial assets and financial liabilities are recognised using trade date accounting. Initial measurement is indicative of fair value adjusted for incremental direct costs.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

Notes to the financial statements (continued)

2. Summary of Significant Accounting Policies (continued)

2.5 Investment properties (continued)

Financial instruments (continued)

The Company classifies all of its financial assets based on the asset's contractual terms and the business model for managing the assets, measured at either:

- FVTPL (fair value being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. By extension, fair value through profit or loss means that at each balance sheet date the asset or liability is re-measured to fair value and any movement in that fair value taken to the P&L);
- Amortised cost (amortized cost is the initial acquisition cost of a financial asset or liability plus or minus any subsequent principal or amortised transaction amount).

Financial assets and liabilities

The Company only classifies financial assets at amortised cost if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding; and
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Identification and measurement of impairment

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The financial assets held by the Company are other receivables. Since these are held to collect contractual cash flows, they are classified as measured at amortised costs in accordance with IFRS 9. The Company has elected to apply the simplified approach permitted by IFRS 9, which requires expected lifetime losses ("ECL") to be recognised from the initial recognition of the receivables. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date.

At each reporting date, the other receivables are assessed by the directors to determine if there is an indication of impairment. The directors believe that no such indicator existed at the financial period end and that the carrying value of the other receivables is not impaired.

2.6 Cash at bank

Cash at bank includes cash on hand and cash with banks.

2.7 Other receivables and prepayments

Other receivables are initially recognised at their fair value, defined as the transaction value at inception. Subsequent measurement is at amortised cost using the effective interest method, less any impairment losses.

Notes to the financial statements (continued)

2. Summary of Significant Accounting Policies (continued)

2.8 Share capital and redeemable shares

The Company has entered into a shareholder loan facility agreement with KGAL CORE 5 Holding S.à r.l., a company incorporated under the laws of Luxembourg. The loan proceeds were used to partially finance the acquisition of the Shackleton Residential Portfolio in Lucan, County Dublin. The loan is classified as a financial liability measured at amortised cost.

2.9 Provisions and contingencies

A provision is recognised when, and only when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision will reflect the present value of the expenditures expected to be required to settle the obligation.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Contingencies are not recognised in the Financial Statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the Financial Statements but disclosed when an inflow of economic benefit is possible.

2.10 Accrued expenses and other payables

Accrued expenses and other payables are accounted for on an accrual basis of accounting.

2.11 Rental income

Rental income from investment properties rented out under tenancy agreements, represents rent charged to tenants and is recognised in accordance to those tenancy agreements. Rental income is collected on behalf of the Company by Hooke & MacDonald Limited, the appointed Property Manager.

2.12 Other property income

This represents income derived from property from sources other than rental income from tenants, and is recognised on an accruals basis in the period to which it contractually relates, net of any applicable sales taxes.

Amounts receivable from tenants to terminate leases or to compensate for dilapidations are recognised in the Statement of Comprehensive Income when the right to receive arises.

Property operating expenses recharged to tenants are recognised as other property income on an accruals basis.

2.13 Interest income

Interest income is accounted for on an effective interest rate basis and recognised in the Statement of Comprehensive Income on an accruals basis.

2.14 Deferred income

Deferred income represents rental income which has been billed to tenants as at the end of the reporting period but which relates to future periods.

Notes to the financial statements (continued)

2. Summary of Significant Accounting Policies (continued)

2.15 Property disposals

Revenue from the sale of investment properties is recognised in the Statement of Comprehensive Income on completion of the property transaction being when the significant risks and rewards of ownership have been transferred to the buyer.

2.16 Leasing commissions

Leasing commissions incurred subsequent to the acquisition of a real estate asset in negotiating a new or renewed tenancy agreement are expensed as incurred through the Statement of Comprehensive Income. Typical lease length is one year from commencement date.

2.17 Interests and finance expenses

Interests on loan and monthly commitment fees are recognised in the Statement of Comprehensive Income in the period in which it relates.

2.18 Professional and other expenses

Professional expenses include legal, tax compliance, audit services, surveyor or property valuation services and corporate administration services and are recognised in the Statements of Comprehensive Income on an accrual basis.

All other expenses are accounted for on an accruals basis and are charged to the Statement of Comprehensive Income, except for those incurred in the acquisition of an investment which are capitalised as part of the cost of the investment and expenses arising on the disposal of investments which are deducted from the disposal proceeds.

2.19 Tax expenses

Current tax is the expected tax payable on the taxable income for the period, using tax rates applicable to the Company's activities enacted or substantively enacted at the statement of financial position date.

Relevant contract tax ("RCT") is a withholding tax that applies to certain payments by principal contractors to subcontractors. The tax rate is 20%.

2.20 Property management fee and property expenses

Property management fee and property expenses are accounted for on an accruals basis.

2.21 Going concern

The Directors of the Company have updated their assessment of the future developments, financial position, performance and cash flows and have determined that the continued application of the going concern assumption is appropriate.

3. Fair value of investment properties

Fair value is estimated through valuation methods that reflect the nature of the property and the circumstances under which the given property would most likely trade in the market. The capitalised acquisition costs include stamp duty of EUR 2,196,373 and a land registry fee of EUR 2,740. As at 30 June 2025, the properties are carried at cost as to that date no external valuation had been performed. The Directors note that the first independent valuation of the properties was performed as of 30 September 2025 and note that the total fair value of the three properties then amounted to EUR 42,850,000. As this amount represented only an immaterial movement from the original acquisition cost, the Directors are comfortable that the above reported Carrying value as of 30 June 2025 remained fair and accurate. Going forward, it is expected that an annual independent valuation will be completed so as to form the basis of the amount reported in the financial statements.

Notes to the financial statements (continued)

4. Rental income

	30 Jun 2025
	EUR
Rental income from investment properties	3,019,265
Total rental income	<u><u>3,019,265</u></u>

Rental income is recognised in accordance with the terms contained in the tenancy agreements in place with the tenants. All properties are residential units located in Ireland.

5. Interest income

	30 Jun 2025
	EUR
Interest earned on down payment deposit	44,422
Total interest income	<u><u>44,422</u></u>

Interest income represents interest earned on funds held in an escrow or developer deposit account associated with the property acquisition prior to completion. No interest was earned on standard bank deposits during the financial period.

6. Other income

	30 Jun 2025
	EUR
Other income	57,335
Total other income	<u><u>57,335</u></u>

Other income represents expense recovery and car park income acquired during the financial period.

7. Property and Other Operating Expenses

	30 Jun 2025
	EUR
Acquisition Fees	339,200
Property Operating Costs	352,451
Professional Fees	51,641
Asset Management Fees	225,382
Audit fees	18,450
Legal Fees	205,564
Tax services fees	22,336
Corporate Services Fees	62,083
Services Fees	67,783
Other Expenses	185,449
Total property and other operating Expenses	<u><u>1,530,339</u></u>

8. Auditor's remuneration

	30 Jun 2025
	EUR
Statutory audit fees*	15,000
Total audit fees	<u><u>15,000</u></u>

*S.322(1) requires disclosure in the financial statements of Auditor's remuneration. This amount is disclosed exclusive of VAT .

There was no other fees incurred or paid to the Auditor that related to other assurance or non-audit services.

Notes to the financial statements (continued)

9. Taxation

	30 Jun 2025 EUR
Tax on loss on ordinary activities	<u>(55,816)</u>
<i>Factors affecting tax charge for the period</i>	
Corporation tax has been calculated based on the results for the period and the resulting taxation charge is as follows:	
Loss per financial statements	873,919
Less losses carried forward	<u>(873,919)</u>
Adjusted profit	-
Effect of expenses disallowed for tax	<u>(55,816)</u>
Corporation tax charge	<u><u>(55,816)</u></u>

10. Cash and cash equivalents

	30 Jun 2025 EUR
AIB Bank rent client account	336,497
AIB Bank opex client account	10,024
AIB Bank deposit client account	128,729
Citco Bank	<u>677,622</u>
Total cash and cash equivalents	<u><u>1,152,872</u></u>

Cash balances are held with Allied Irish Banks p.l.c. and Citco Bank Nederland N.V., both regulated financial institutions. Bankruptcy or insolvency by the Bank may cause the Company's rights with respect to the Cash held at the Bank to be curtailed or limited. Citco Bank is a privately owned financial institution and therefore no credit rating has been issued by the credit rating agencies.

As at the reporting date, Allied Irish Banks p.l.c. holds an investment-grade long-term credit rating of BBB+ from S&P and A2 from Moody's.

Funds in the Allied Irish Banks p.l.c. client accounts are maintained under a regulated structure administered by the Property Manager for rent collection and disbursements.

11. Share capital

	30 Jun 2025 EUR
Authorised share capital	
100,000,000 Ordinary of EUR 1 each	<u>100,000,000</u>
Issued share capital	
11,384,138 Ordinary of EUR 1 each	<u>11,384,138</u>

All issued Shares are held by KGAL Core 5 Holding S.à r.l., Luxembourg. The Shares carry equal voting rights and entitlement to dividends when declared. Each Share has a nominal value of EUR 1.

Notes to the financial statements (continued)

12. Accrued interest on shareholder loan

	30 Jun 2025 EUR
Accrued interest on shareholder loan	524,208
Total accrued interest on shareholder loan	<u>524,208</u>

Shareholder Loan represents funds provided by the shareholder to the KGAL CORE 5 Holding S.à r.l., Luxembourg. The loan has an interest rate of 6.75% per annum.

13. Accrued expenses and other payables

	30 Jun 2025 EUR
Accrued Asset management Fees	25,800
Accrued Audit Fees	18,450
Accrued Tax Fees	12,000
Accrued Agent Fees	1,538
Trade Payables	43,103
PL Creditors	72,177
Tenant Deposit	221,501
Tenant Creditors	6,151
Total payables	<u>400,720</u>

14. Investment property

A breakdown of the investment properties is shown below. All properties held are in the residential sector.

	30 Jun 2025 EUR
Investment property	
At the beginning of the financial period	-
Acquisitions during the period	44,599,113
Carrying value at 30 June 2025	<u>44,599,113</u>

The investment properties comprise of residential properties located in Ireland, acquired during the initial financial period of the Company. The properties were acquired in two tranches:

- the Shackleton Point and Shackleton Mill properties were acquired in February 2024
- the Shackleton Plaza property was acquired in October 2024

The capitalised acquisition costs include stamp duty of EUR 2,196,373 and a land registry fee of EUR 2,740. As at 30 June 2025, the properties are carried at cost as to that date no external valuation had been performed. The Directors note that the first independent valuation of the properties was performed as of 30 September 2025 and note that the total fair value of the three properties then amounted to EUR 42,850,000. As this amount represented only an immaterial movement from the original acquisition cost, the Directors are comfortable that the above reported Carrying value as of 30 June 2025 remained fair and accurate. Going forward, it is expected that an annual independent valuation will be completed so as to form the basis of the amount reported in the financial statements.

Notes to the financial statements (continued)

15. Shareholder loan

	30 Jun 2025
Loan principal	34,120,638
Total shareholder loan	<u>34,120,638</u>

The shareholder loan was provided by KGAL CORE 5 Holding S.à r.l. to finance the acquisition and development of the property. The loan bears a fixed interest rate 6.75% per annum and is repayable after more than one year from the reporting date. No repayment of loan principal was made during the financial period. The facility does not include any profit-participation features and is classified as a financial liability measured at amortised cost in accordance with IFRS 9.

16. Financial risk management

Risks related to investment properties

Real estate values can be affected by a number of factors including changes to global or local economic conditions, local market conditions, the financial conditions of tenants, the availability of debt financing, changes in interest rates, real estate tax rates and other operational expenses, environmental laws and regulations, planning laws and other governmental legislation, energy prices, the relative attractiveness of real estate types or locations and other factors which are beyond the control of the Investment Manager. This risk is mitigated through strategic asset allocation, stock selection, asset management and efficient property management.

Although it is anticipated that rental growth will take place, this is not guaranteed. Rent default could have an adverse impact on the performance of the Company. Real estate values are affected by the ability of the property and asset managers to provide maintenance and/or to control service charge and other expenditure.

The nature of real estate acquisitions and disposals may mean that considerable costs are incurred without the completion of an acquisition, disposal, financing or leasing of real estate. These costs are not recoverable and the Company will be liable for them, reducing potential investor returns as a consequence.

The value of the real estate assets is determined by the opinion of the Valuer and is therefore subjective. No assurance can be given that any given real estate asset could be sold at a price equal to the fair value ascribed to it.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet its contractual obligations. The Company's principal financial assets are investment properties, other receivables and prepayments, and cash at bank.

The Company's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 30 June 2025 is as follows:

	30 Jun 2025
Assets	EUR
Investment property	44,599,113
Prepaid expenses	17,601
Apportionment account balance	153,552
Cash at bank	1,152,872
Total	<u>45,923,138</u>

Cash is held with Allied Irish Banks p.l.c. and Citco Bank Nederland N.V. The Company has policies and controls in place to monitor the amount of credit exposure to any financial institution.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through appropriate and adequate credit lines, capital commitments and the ability of tenants to settle obligations within normal terms of credit.

Notes to the financial statements (continued)

16. Financial risk management (continued)

b) Liquidity risk (continued)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the date of the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 30 June 2025

Liabilities	On					Total EUR
	demand EUR	<3 months EUR	3 – 12 months EUR	1 – 5 years EUR	>5 years EUR	
Shareholder loan	-	-	-	-	34,120,638	34,120,638
SHL Accrued interest	-	-	-	524,208	-	524,208
Deferred rent income	-	-	10,040	-	-	10,040
Accrued expenses and other	-	-	400,720	-	-	400,720
Tax payable	-	-	55,816	-	-	55,816
Due to property manager	-	301,497	-	-	-	301,497
Total	-	301,497	466,576	524,208	34,120,638	35,412,919

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its investment properties. Market risk embodies the potential for both gains and losses and includes:

- (i) currency risk;
- (ii) interest rate risk; and
- (iii) other price risk.

(i) Currency risk

The Company's exposure to currency risk is minimal and arises from certain non-EUR denominated operating expenses.

(ii) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates to borrowings. The interest on loans is at fixed rate. The Company was not exposed to any interest rate fluctuations.

(iii) Other price risk

The Company is exposed to changes in the market values of its financial assets.

Geographic analysis

The property development area is located only in Dublin, Ireland. The Company is not exposed to any other geographical risk.

d) Fair value measurement

IFRS 13 requires the Company to allocate its investment properties within the fair value hierarchy, based on inputs used in the valuation, as follows:

- Level 1: unadjusted quoted prices for identical assets and liabilities in active markets
- Level 2: other observable inputs for the asset or liability such as quoted prices in active markets for similar assets or liabilities or quoted prices for identical assets or liabilities in markets which are not active
- Level 3: unobservable inputs developed by an entity using the best information available where there is little or no market activity for the asset or liability at the measurement date.

Notes to the financial statements (continued)

16. Financial risk management (continued)

d) Fair value measurement (continued)

As at 30 June 2025	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Investment properties	-	-	44,599,113	44,599,113
Total	-	-	44,599,113	44,599,113

IFRS 13 requires the Company to allocate its investment properties within the fair value hierarchy, based on inputs used in the valuation. The Directors of the Company assess all investment properties to be Level 3 in the fair value hierarchy as the inputs are considered to be unobservable and are developed by the Valuer using the best information available where there is little or no market activity for the asset at the measurement date. There were no transfers between levels of fair value hierarchy during the period.

Every period the Asset Manager may engage the services of third party valuation firms to perform independent reviews of the valuation of a sample of the Company's financial assets, and may adjust its valuations based on the recommendations from the valuation firms. As at 30 June 2025, no independent external valuation had yet been performed. Accordingly, the investment property is carried at cost, representing the purchase price and directly attributable acquisition costs. Once an external valuation is obtained, the fair value will be determined in accordance with IAS 40 and reflected in subsequent financial statements.

17. Related party transactions

The Company has identified the following transactions which are required to be disclosed under the terms of International Accounting Standard 24, "Related Party Transactions" ("IAS 24").

On 15 March 2024, the Company entered into a shareholder loan agreement with KGAL CORE 5 Holding S.à r.l., a company incorporated under the laws of Luxembourg. For the financial period ending 30 June 2025, the Company has made total drawdowns on the shareholders loan EUR 34,120,638 and repayments of EUR Nil and the outstanding balance is EUR 34,120,638. The loan has an interest rate of 6.75% per annum and during financial period interest expense was EUR 2,419,487 of which EUR 524,208 remains payable at the end of the financial period.

On 21 November 2024, the Company has received an interest expense refund of EUR 10,701.

The total interest expense for the financial period, including the interest refund, amounts to EUR 2,408,786.

For the period ended 30 June 2025, the Company incurred a fee of EUR 62,083 relating to corporate administration services provided by Citco Corporate Services (Ireland) Limited of which EUR Nil was outstanding at 30 June 2025. Conor Walsh and Ewan Duffy, Directors of the Company are also employees of Citco Corporate Services (Ireland) Limited. The following former Directors are also employees of Citco Corporate Services (Ireland) Limited during the financial period: William Daunt, Kate Phelan and Conor Blake. The Directors did not receive any remuneration in relation to their services

Matthias Philipp Langbehn and Peter Rudolf Windmeisser, Directors of the Company, are employees of the Asset Manager, KGAL Investment Management GmbH & Co. KG. For the period ended 30 June 2025, the Company incurred a fee of EUR 116,914 relating to asset management fees provided by KGAL Investment Management GmbH & Co. KG of which EUR 25,800 was outstanding at 30 June 2025.

All related-party transactions occurred in the ordinary course of business and were conducted on terms consistent with arm's-length principles.

There were no other related party transactions during the financial period.

Notes to the financial statements (continued)

18. Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company views the share capital as its capital. The Company is an SPV set up to raise finance for the purpose of making investments. Share capital of EUR 11,384,138 was issued in line with Irish Company Law.

The Company, in addition, utilises short term and long term borrowing facilities from time to time to finance acquisitions in advance of drawing down any existing commitment.

19. Contingencies and commitments

The Company has no other commitments or contingent liabilities as at 30 June 2025.

20. Subsequent events

There were no other subsequent events that require disclosure in these financial statements.

21. Approval of financial statements

The board of directors approved these financial statements on 24 February 2026.