

Dell Bank International

Designated Activity Company (d.a.c.)

Annual Report and Financial Statements

For the year ended 31 January 2025

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Directors and Other Information

Board of Directors as at 17 April 2025

Colin Keaney (Irish)	Chair
Liam Buckley (Irish)	Executive Director
Owen Maguire (Irish)	Executive Director
Roisin Brennan (Irish)	Independent Non- Executive Director
Marie Mangan (Irish)	Independent Non- Executive Director
Julie Murphy O'Connor (Irish)	Independent Non- Executive Director
Sean O'Keefe (Irish)	Independent Non- Executive Director
Anne Guinard (French)	Non- Executive Director

Directors and
Other Information

Joint Company Secretaries

Lisa Doyle
Erica Mahon

Business and
Strategic Reports

Registered Office

Innovation House
Cherrywood Science and Technology Park
Cherrywood
Dublin 18
D18TF72

Financial Statements

Registered Number

502362

Bankers

Allied Irish Banks, plc.
107 / 108 Main Street
Bray
Co. Wicklow

Deutsche Bank AG
Taunusanlage 12 60325
Frankfurt
Germany

BNP Paribas, London Branch
10 Harewood Avenue
London NW1 6AA
England

Notes to the
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Solicitors

Arthur Cox
Ten Earlsfort Terrace
Dublin 2

Independent Auditors

Grant Thornton Chartered Accountants and Statutory Audit Firm
13-18 City Quay
Dublin 2

Directors' Report

The Directors present herewith their report together with the audited consolidated financial statements of Dell Bank International d.a.c (the Group or the Bank) for the 12 months ended 31 January 2025.

The Bank has one subsidiary, Dell Receivables Financing 2016 Designated Activity Company (the SPV), a special purpose vehicle. The Bank and its controlled SPV are collectively referred to as the Group.

Business review

The principal activity of the Bank is the provision of payment solutions to end users of products and services sold by Dell Technologies in Europe.

The Bank changed its financial year end from 31 December to 31 January in 2024 in the preceding period. Therefore, these financial statements present the 12 month period from 1 February 2024 to 31 January 2025. The prior period ending 31 January 2024 are based on a 13 month period.

The Group made a net profit after tax of €18.2m for the 12 months ended 31 January 2025 (2024: €25.6m loss). A business review and future developments of the Business is covered in the Business and Strategy Report section of the Annual Report.

Dividend

No dividend was declared for the financial period (FY24: nil).

Research and development

No research and development activities were carried out by the Group during the year.

Principal risks and uncertainties

Risk management is an integral part of the Group's business process.

The Bank continues to navigate various challenges including macroeconomic fluctuations and ongoing geopolitical volatility.

Geopolitical and economic risks may affect the Group's markets, leading to challenges such as pricing volatility, reduced customer confidence, lower credit demand, and financial strain on customers.

Details of the Group's Risk management objectives and policies, including the use of financial instruments are set out in the Risk management report on page 14.

Directors and Secretary

The names of the persons who were Directors and Secretary at any time during the period ended 31 January 2025 and to date are listed below. Unless otherwise indicated they served as Directors for the entire period.

Directors

Roisin Brennan
Liam Buckley (appointed 31 January 2025)
Anne Guinard (appointed 19 June 2024)
Tyler Johnson (resigned 19 June 2024)
Colin Keaney
Owen Maguire
Marie Mangan
Julie Murphy O'Connor
Hugh O'Donnell (resigned 31 January 2025)
Sean O'Keefe (appointed 18 December 2024)

Joint Company Secretaries

Lisa Doyle
Erica Mahon

Directors' and Secretary's shareholdings

The Directors and Secretaries had no interests in the shares or debentures of the Bank or any other Group company that are required by the Companies Act 2014 to be recorded in the register of interests or disclosed in the Report of the Directors.

Events after the financial period

Events after the financial period are disclosed in Note 40.

Political donations

No political donations were made by the Group during the 12 months to 31 January 2025.

Accounting records

The measures taken by the Directors to ensure compliance with the Group's obligation to keep adequate accounting records, as outlined in Sections 281 to 285 of the Companies Act 2014, are the use of appropriate systems and procedures and the employment of competent persons who report to the Chief Financial Officer and ensure that the requirements of the legislation are complied with.

The accounting records are kept at Innovation House, Cherrywood Science and Technology Park, Cherrywood, Dublin 18.

Disclosure notice under section 33AK of the Central Bank Act

No notice has been issued to the Bank during the 12 months to 31 January 2025 by the Central Bank of Ireland ("CBI").

Branches

The Group operates branches in Spain and the Czech Republic.

Going concern

The financial statements have been prepared on a going concern basis. In concluding that the going concern basis was appropriate for the 31 January 2025 financial statements the Directors have taken various matters into account. Refer to Note 2 to the financial statements.

Future developments

The regulatory landscape in the EU is constantly evolving especially in the area of the Corporate Sustainability Reporting Directive. The Bank continues to monitor the policy evolutions closely.

Statement of Directors' responsibilities

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

Irish law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with IFRS Accounting Standards.

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Group's and Bank's assets, liabilities and financial position as at the

end of the financial period and the profit or loss of the Group for the financial period.

In preparing these 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 the financial statements have been prepared in accordance with IFRS and ensure that the financial statements contain the additional information required by the Companies Act 2014; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and the Bank will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Group and the Bank;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Group and the Bank to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Group and the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' compliance statement

The Directors acknowledge that they are responsible for securing the Bank's compliance with its relevant obligations required by Section 225 of the Companies Act 2014.

The Directors confirm that;

- a compliance policy statement has been drawn up, and that appropriate arrangements and structures have been put in place that are, in the directors' opinion, designed to secure material compliance with the relevant obligations.
- a review of the arrangements and structures has been conducted during the financial period ended 31 January 2025.

Disclosure of information to auditors

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

- As far as the Director is aware, there is no relevant audit information of which the Group and the Bank's statutory auditors are unaware; and
- The Director has taken all the steps that the Director ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and the Bank's statutory auditors are aware of that information.

Audit Committee

The Directors have established an Audit Committee as part of the governance structures of the Group. This is discussed further in the Risk Governance section of the Risk Management report.

Independent Auditors

The Auditors, Grant Thornton will continue in office in accordance with section 383 (2) of the Companies Act 2014.

Approved by the Board of Directors and authorised for issue on 17 April 2025.

Director
Liam Buckley

Director
Roisin Brennan

Director
Owen Maguire

"As we reflect on the past year, I am proud of how The Bank has navigated a rapidly evolving economic and geopolitical landscape while remaining focused on innovation, resilience, and customer commitment. FY25 was a year of transformation, strategic advancements, and a steadfast commitment to sustainable growth."

Colin Keaney, Chair



I am pleased to present this report for Dell Bank International DAC for the fiscal year ended January 31, 2025. The bank has performed strongly in FY25 whilst modernising and investing for long term growth and success.

Overview

The Bank's financial performance in the current period has been shaped primarily by the normalisation of the net interest margin with Net profit for the year of €18.2m. This performance is a testament to the strength of our diversified business model, prudent risk management practices, and commitment to innovation and customer satisfaction.

The Board and Management have successfully led the Bank through a period of significant change. Changing interest rates, geopolitical challenges and inflation have provided headwinds in the recent past. The Bank navigated through these challenges and continues to focus on delivering value for our customers and focussing on our team members.

Dell Technologies

The Bank provides flexible payment solutions, predominantly, to Dell Technologies' customers and partners in Europe. Dell Technologies is committed to helping organisations and individuals build their digital future and transform how they work and live by providing them with the industry's broadest and most innovative technology and services portfolio for the digital era. Dell Technologies continues to provide the essential infrastructure for organisations to build their digital future, transform IT and protect one of their most important assets, information. Dell Technologies is focused on enabling our customers to be ready for the next wave of change and accelerate digital transformation especially in areas such as Artificial Intelligence (AI).

Board

In January, Hugh O'Donnell stepped down as Managing Director after seven years with the company. During his tenure, Hugh led our strong focus on culture and growth, and we wish him well for the future. It is my pleasure to welcome Liam Buckley as the new Managing Director, who previously served as Chief Risk Officer for the Bank. I would also like to welcome Anne Guinard and Sean O'Keefe to the Board of Directors and convey my best wishes and thanks to Tyler Johnson who stepped down during the year.

Team Members

I would like to take this opportunity to extend my deepest gratitude to the dedicated team members of the Bank. Our success over the past 12 months has been driven by the collective efforts and commitment of our employees across all levels of the organisation.

I am particularly proud of how our team has adopted new technologies and embraced the modernisation efforts across Dell Technologies. These steps to modernise our operations will ensure the long-term success of the Bank. I want to express my appreciation for the resilience and professionalism of our team members who have enabled us to navigate these changes whilst ensuring we maintained high standards and drove forward key initiatives.

Our Customers

Our customers remain at the heart of everything we do. We are committed to understanding their evolving requirements and providing tailored payment solutions that meet their needs. Our commitment to digital transformation and AI-driven solutions has enhanced the customer experience, offering greater convenience and accessibility. As we continue to prioritise customer satisfaction, we remain focused on building long-term partnerships that create shared growth and lasting value.

Environment, Social and Governance

We are committed to integrating Environmental, Social and Governance (ESG) factors into our core business operations. Our ESG efforts focus on driving positive impacts for people while delivering long-term value for our stakeholders. The financial products we offer such as technology rotation leases enhance the technology lifecycle and contribute to the circular economy. We promote sustainability and support positive outcomes for customers, partners and communities. We support the circular economy where the technology that we finance is reused or recycled, thereby reducing the environmental damage caused by e-waste. As we look to the future, we remain committed to advancing our ESG agenda, recognising that sustainability and financial performance are increasingly intertwined. We believe that by embedding ESG principles into every aspect of our operations, we will continue to create long term value for our customers, employees and the broader community.

Directors and
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Business Performance

The Bank has demonstrated resilience in an ever-changing financial landscape. Despite global market volatility and shifting economic conditions, the Bank has maintained a strong financial position, with notable improvements in profitability and efficiency. New business for the year was €1.3bn, reflecting a robust demand for our payment solutions and the successful execution of our strategic initiatives.

Net profit for the year was €18.2m. This solid performance is a testament to the strength of our business model, prudent risk management practices, and commitment to innovation and customer satisfaction.

The Bank has a diversified funding model. In recent years, we have issued unsecured notes under our Euro Medium Term Note programme (EMTN) in addition to partaking in the Targeted Long Term Refinancing Operation (TLTRO) from the ECB which matured during the year.

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Risk Management

The global financial landscape remains unpredictable, and the regulatory environment continues to evolve. We have continued to strengthen our risk management frameworks to ensure that we can effectively navigate these challenges. We have maintained a high level of capital adequacy, ensuring we are well-equipped to meet regulatory requirements and absorb potential shocks.

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Regulation

Regulatory compliance and corporate governance are key areas for the successful operation of the Bank. Strong corporate governance is central to enable the Board to meet the challenges and opportunities of an ever-changing landscape. The Bank is constantly monitoring upcoming regulatory changes to sustainability reporting requirements and assessing their impacts.

Outlook

As we look ahead, the Bank remains committed to its long-term strategy of growth, innovation, and simplification. We will continue to invest in modernising our systems and deepening our customer relationships. We are excited about the opportunities presented by the growing demand for AI optimised products and related payment solutions, and we are positioning ourselves to be a leader in this area.

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The coming year will undoubtedly present both opportunities and challenges, but I am confident that Dell Bank International DAC is well-positioned to navigate the evolving landscape. Our strong financial foundation, innovative capabilities, and dedicated team give us the tools to continue delivering strong results.

“Dell Bank has delivered a strong performance this year, achieving a profit before taxation of €22.7 million, driven by higher net interest income. We continue to invest in digital innovation and customer-centric solutions while maintaining prudent risk management practices. As we move forward, we remain committed to sustainable growth and delivering value to our customers and stakeholders.”

Liam Buckley, Managing Director



Directors and
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Background

The Bank's immediate parent undertaking is DFS BV, a company incorporated in the Netherlands and the Bank's ultimate parent undertaking is Dell Technologies, a public company incorporated in the United States of America. Dell Technologies is listed on the New York Stock Exchange (NYSE) under trading symbol "DELL".

The principal activity of the Bank is the provision of payment solutions to end users of products and services sold by Dell Technologies in Europe. This includes leases and loan arrangements, rentals and asset management facilities to all Dell Technologies business segments and with third party providers.

The Bank provides financial services to customers based in 19 countries: Ireland, United Kingdom, Belgium, Netherlands, Luxembourg, Germany, Austria, Switzerland, France, Italy, Portugal, Denmark, Sweden, Finland, Norway, Iceland, Poland, Spain and the Czech Republic.

The Bank is regulated by the Central Bank of Ireland ("CBI") and has an Irish banking licence under the Central Bank of Ireland Act 1971 (as amended). The Bank is subject to the CBI's Corporate Governance Requirements for Credit Institutions which imposes minimum core standards upon all credit institutions licensed by the CBI. The Bank is not required to comply with the additional Corporate Governance Code requirements for high impact designated institutions.

Macroeconomic Environment

Over the past year, the macroeconomic environment for banks in Europe showed signs of improvement, although challenges remained. Economic activity gradually increased, with central banks successfully tempering inflation. The European Central Bank (ECB) implemented several interest rate reductions, which helped stabilize the interest rate environment, providing a more predictable setting for our customers.

However, geopolitical uncertainties and concerns about global economic growth and trade policies, continued to pose risks. The Bank continues to monitor and mitigate these risks. Additionally, the

Bank continued to demonstrate resilience, benefiting from higher capital levels and improved profitability.

The Bank remains alert to global macroeconomic developments across the locations in which the Bank operates and the need to appropriately respond to material developments.

Strategic Developments

The Bank continues to execute on its strategy which focuses on our people, our culture and product offerings. Our programme to modernise using AI continues to accelerate as we empower our people with future ready technology.

Business Review

The Consolidated Statement of comprehensive income and the Statements of financial position, Cash flows and Changes in equity of the Group and the Bank are shown on pages 36 to 44. The below table presents the summary results of the Group:

Summary of Financial Performance

	12 months ended Jan 2025	13 months ended Jan 2024 ¹	Variance
<i>In Millions of Euros</i>			
Interest income	117.3	105.9	11.2 11%
Interest expense	(86.4)	(93.8)	7.4 8%
Net interest Income	30.9	12.1	18.9 156%
Other operating Income ²	78.3	60.0	18.3 30%
Total income	109.2	72.1	37.1 51%
Net FX & derivative expense	(10.6)	(0.1)	(10.5) 100%
Total operating Expenses²	(43.5)	(50.1)	6.6 13%
Impairment charge	(3.5)	(0.6)	(2.9) (525%)
Profit before MTM and Tax	51.6	21.3	30.3 142%
MTM Losses	(28.9)	(49.6)	20.7 41.7%
Profit/(Loss) before Tax	22.7	(28.3)	51.0 180%
Income tax charge	(4.5)	2.6	(7.1) 273%
Profit for the year	18.2	(25.6)	43.8 171%

¹ The above table compares 13 months against 12 months

² Other operating income includes operating lease income (net of depreciation), net end of lease income, syndication income and net fee and commission income

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Business Review – continued

Key Performance Indicators*

	12 months ended Jan 2025	13 months ended Jan 2024	Variance
Cost/Assets under Management ratio	1.59%	1.66%	0.07%
Net Interest Margin	3.15%	1.71%	1.44%
Credit Impairment Provision Coverage Ratio	1.05%	1.09%	0.4%

* Please refer to Glossary for KPI definitions.

As per the summary table previously shown, the Group recorded a profit before taxation of €22.7m for the 12 months ending 31 January 2025 (FY24: €28.2m loss). After an income tax charge of €4.5m (FY24: €2.6m credit), a profit of €18.2m (FY24: €25.6 loss) was transferred to reserves.

The year on year variance is primarily a result of net interest income normalisation in addition to a reduction in mark to market movements on derivatives (€28.9m current year loss compared to €49.6m loss in the prior period).

Customer lending

	Jan 2025	Jan 2024	Variance
<i>In Millions of Euros</i>			
Loans to banks	148	171	(23)
Loans to Customers	1,948	2,052	(104)
Operating Leases	640	648	(8)
Total Customer Balances	2,736	2,871	(135)
Originations	1,314	1,792	(478)
Originations excluding VM Ware	1,314	1,384	(70)

The above table compares 12 months against 13 months

Dell Technologies terminated a commercial framework agreement with VMware in March 2024. The impact of this on customer lending is illustrated in the table above. The Bank anticipates a PC refresh cycle to begin in FY26.

Income Statement

Our total income of €109.2m (FY24: €72.1m) continues to reflect the positive impact of new lending over recent years. Other operating income for the year was €78.3m compared to €60.0m in FY24. This increase of €18.3m or 30% is driven by our continued growth strategy for our operating lease portfolio.

The interest income increased year on year to €117.3m (FY24 €105.9m). Interest income continued to be impacted by the higher strategic growth in operating leases.

Interest expense for the year was €86.4m compared to €93.8m during the prior 13 month period. Allowing for the additional month in prior financial period, interest expense has remained stable year on year as higher cost of funds are mitigated by reduced volumes.

The net FX and derivative expense for the year was €39.5m (FY24: €49.7m charge) marking a decrease of €10.2m in the period. The variance is largely driven by mark to market losses on the Bank's interest rate and cross currency swaps of €28.9m (FY24: €49.6m). The elevated losses during the prior period were a reversal of the temporary gains recorded in 2022 and were noted in the 2022 Annual Report. Net FX and derivatives income included interest expense on derivatives of €7.4m (FY24: €2.7m income).

Total operating expenses for the 12 months to January 2025 was €43.5m. Expenses have decreased during the period. This decrease is driven by personnel expenses and lower regulatory fees. The Bank has implemented a new outsourcing model leveraging Dell Technologies resources to enhance operational efficiency and reduce costs as part of the ongoing modernisation effort.

Provisions

Impairment for loans and advances to customers for the 12 months ended 31 January 2025 is €3.5m (FY24: €0.6m). The Bank continues to experience a low level of actual losses.

The total provision balance has decreased to €22m (FY24: €25m) which represents 1.05% of total loans and advances (FY24: 1.09%). Decreases in the modelled expected credit losses (ECL) were driven by lower volumes. The management overlay remained stable. The overall impairment coverage of 1.05% is representative of the strong credit quality of the portfolio. 90% of the portfolio has a probability of default (PD) grade between 1 and 9. Contracts within this range are classified as performing in line with credit risk policies and do not exhibit potential weaknesses that require enhanced monitoring or corrective action. Approximately 10% of the portfolio has a PD grade of between 10 and 16.

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Introduction

As part of Dell Technologies, Dell Bank aligns with its parent's Environmental, Social and Governance ("ESG") strategy. At Dell Technologies, we are committed to driving human progress by putting our technology and expertise to work where it can do the most good for both people and the planet. We recognise that all of our stakeholders — shareholders, customers, suppliers, employees, and communities — are essential to our business.

Dell Technologies is committed to progressing towards the goals set forth in our plan for 2030 and beyond, which we refer to as our 2030 goals. We are using these goals to help build our business, promote long-term shareholder value creation, and guide our societal impact strategies over the next decade.

Dell Technologies measures its progress against each goal in its annually released reports available on its website.

In addition to the ambitious goals set at a group level, Dell Bank is committed to meeting the European Central Bank ("ECB") Guidelines on Climate and Environmental Risks as well as the Central Bank of Ireland ("CBI") Supervisory Expectations on climate and other ESG issues.

To that end, Dell Bank has produced a comprehensive plan ("the Plan") to meet these requirements. Progress against the Plan is reviewed by the Bank's Board on a regular basis.

This Plan sets out how the Bank will embed climate and environmental considerations in its governance, strategy, and risk management framework.

As well as executing on its Plan, the Bank is implementing ancillary initiatives to progress against the parent's ESG strategy.

Our ESG commitments focus on six key areas:

Climate Action

Dell Technologies is committed to understanding the impact our business has on the environment. We are taking action to mitigate climate change, and we offer innovative products and solutions to customers to help them reduce their emissions, reach their reduction targets and operate more efficiently. We are actively addressing climate change by managing greenhouse gas emissions across our operations, supply chain, and product lifecycle, with a goal to achieve net zero emissions across scopes 1, 2, and 3 by 2050.

As part of Dell Technologies, Dell Bank acknowledges that it is subject to risks associated with the long-term effects of climate change on the global economy and on the IT industry in particular.

The physical risks associated with climate change include the adverse effects of carbon dioxide and other greenhouse gases on global temperatures, weather patterns, and the frequency and severity of natural disasters.

The increasing concern over climate change may also manifest as transition risk including shifting customer preferences and regulatory changes. Demand for our solutions, products, and services is likely to be influenced by their environmental and sustainability credentials.

Circular Economy

Dell Bank also considers business opportunities associated with the transition to a low carbon economy. These opportunities include the existing "Technology Rotation" solution which contributes to the circular economy.

The world continues to face ever-growing environmental challenges and the need to address these challenges has become critical. As the Bank finances the acquisition and use of technology, we are acutely aware that electronic equipment ultimately results in e-waste. E-waste is the fastest growing form of waste today that enters landfills and oceans containing toxic materials and plastics that can take a thousand years to degrade.

The Bank recognises the roles it plays in driving a sustainable future, to protect and enrich our planet together with our customers, suppliers, and

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communities. It is a core part of our business, and we embed sustainability and ethical practices into all that we do. We hold ourselves accountable for our actions while driving improvements wherever and whenever possible.

The Bank focuses on core strategies to ensure our commitment to sustainability is maintained, accelerating the circular economy, and protecting the planet.

Technology Rotation is a product provided by Dell Bank to Dell Technologies customers that enables them to use a solution for a defined period and to return or buy the assets at the end of lease.

The Bank provides customers with the opportunity to use technology assets for an optimal term before extending the life of the equipment through refurbishment and reuse. This is achieved by matching financing terms to the product with flexible extension options. When the primary user has no further use for the equipment, it is returned for reuse at the earliest opportunity. This approach enables customers to manage their technology assets in a secure, compliant, and environmentally responsible manner.

Re-use saves valuable resources and reduces landfill and carbon emissions. In 2023, 96% of the Bank's returned leased assets were sold as re-furbished equipment in the secondary market, either via our online Dell Refurbished store or via resellers, primarily in the EU or OECD countries.

Under the traditional linear economy, raw materials are extracted from the environment (take), manufactured (make), used, and ultimately result in waste.

The Bank is committed to supporting the transition to the circular economy where electronic equipment is used, reused after end of lease (EOL) and recycled, thereby reducing the environmental damage caused by e-waste. The acceleration of circularity throughout Dell Technologies' product range is a strategic initiative for the group.

Where refurbishment or reuse is not a viable option, every reasonable effort will be made to control all e-waste and to minimize e-waste from entering landfills or incinerators. This is managed by Electronic Disposition Partners ("EDP's") who are contractually committed to employing environmentally responsible processes and practices in the recycling and disposal of materials as evidenced through Dell Technologies procurement and audit programs.

All exports and imports of end-of-use electronics and e-waste is handled by Dell Technologies and its EDP's,

who comply with existing international environmental and waste shipment conventions, agreements, local laws, and other legal requirements.

The Bank continues to monitor and prepare for upcoming corporate sustainability reporting regulatory requirements and related reporting standards.

Dell Technologies has committed to reusing or recycling an equivalent product for every product a customer purchases. Additionally, Dell Technologies has committed to 100% of packaging being made from recycled or renewable material and more than half of product content being made from recycled or renewable material.

Digital Inclusion

We endeavour to harness the power of technology, our scale and our expertise to create a digital future that works for all. We're working to close the digital divide by providing access to connectivity and technology solutions that improve quality of life like access to healthcare, education and job opportunities.

Human Rights

We respect the fundamental human rights of all people. This respect is core to our commitment to drive human progress. Dell is committed to ensuring we are not complicit in human rights violations, and we hold our suppliers and other business partners to this same standard.

Inclusive Workforce

We believe our people are key to our success. We are committed to creating an inclusive culture and fostering a strong pipeline of skilled talent. By focusing on equal opportunities, ethical practices and integrity, we implement inclusive practices and policies that support diversity.

Trust

We work to ensure trust underpins all we do. We prioritize security, privacy and ethics in all aspects of business. From the integrity of our products to transparency in our processes, we are dedicated to fostering trust with our stakeholders.

Environmental, Social and Governance Report

We continuously measure our progress and share updates in our annual reports. For a more comprehensive look into our ESG approach, commitments, and key initiatives, please refer to our ESG report available on our website.

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1. Introduction

The Group's operations involve the evaluation, acceptance and management of risk in accordance with its risk appetite. The Group has in place an appropriate Risk Management Framework to identify, assess, manage, monitor, mitigate and report on the high-level principles, culture, appetite and approach to risk management in the Group including roles and responsibilities, governance arrangements, and reporting requirements. The Risk Management Framework is reviewed and approved by the Board on an annual basis or as required.

Senior Management are responsible for the management of risk on a day-to-day basis, under the oversight of the Board. The Group has implemented a risk culture which promotes transparency and has established a risk governance structure that is supported by an appropriate Risk Management Framework, Risk Appetite Framework, and other policies, which reflect the size, complexity, and risk profile of the Group.

2. Risk Framework

The Board and Senior Management have designed the Group's Risk Management Framework and the Internal Control Framework to ensure the Group manages risks appropriately in pursuit of its strategic objectives. All key Group policies have appropriate regard to risk as an essential part of successfully operating the Group. Senior Management continually review the operations of the Group and assess the level of risk in line with the Group's Risk Appetite, its policies and procedures, changes in its products and services, and changes in the marketplace in which it operates.

Risk appetite defines the amount and type of risk the Group is prepared to accept in pursuit of its strategic objectives. The Group has in place a Risk Appetite Framework which sets out the Group's approach to all material risks expressed in both qualitative and quantitative terms. Material risks are deemed to be those risks which may impact the Group's ability to deliver on its business plan, service its customers, operate in a legal and compliant manner, impact the Group's brand and reputation or cause financial loss exceeding Risk Appetite tolerances. Non-material risks are deemed to be those risks which do not impact the Group's ability to deliver on its business plan, service its customers, operate in a legal and compliant manner, impact the Group's reputation and brand, and do not cause financial loss exceeding Risk Appetite tolerances.

The Board, as supported by Senior Management, is responsible for setting the Group's Risk Appetite and risk tolerance at a level which is commensurate with its business plan, the expectations and requirements of its parent and the Central Bank of Ireland (CBI).

Risks facing the Group are identified and assessed annually through the Group's risk identification and assessment process. Arising out of this process, the key risk types that have been identified are as follows:

- Credit Risk (including Credit Concentration Risk)
- Market Risk
- Funding and Liquidity Risk
- Residual Asset Value Risk
- Operational Risk
- Capital Adequacy Risk
- Regulatory Risk
- Business and Strategic Risk
- Reputational Risk
- Group Risk
- Environment Social and Governance (ESG) Risk

For each material risk the Group has defined risk tolerance levels, monitoring and reporting metrics and a comprehensive framework for managing each risk which includes policies, internal controls and management information. The Group also monitors other risks which have been determined to be non-material.

Three Lines Model

The Bank's Internal Control Framework is based on the Three Lines model to ensure that appropriate responsibility is allocated for monitoring, management, reporting and escalation where appropriate.

First Line: The Bank's first line is business support and unit line management. The first line is responsible for identifying and managing the risks inherent in the Bank's products, activities, processes and systems. This includes responsibility for implementing sufficient and appropriate controls to manage risk across the Bank. Management information and formal reporting lines are used to enforce, monitor and review the effectiveness of controls throughout the Bank. Periodic Risk Assessments and Control Self Assessments are completed by the business, through the Risk and Control Self-Assessment (RCSA) framework, as relevant, to identify and evaluate risk and existing mitigating controls.

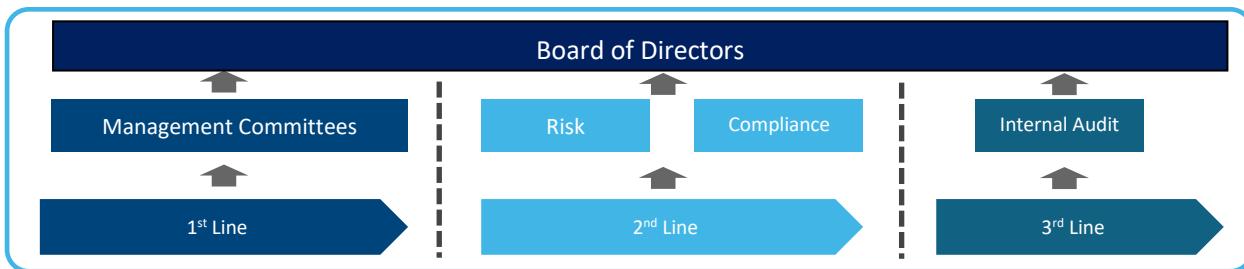
Second line: The Bank's second line comprises of the Risk Management Function and the Compliance Function. Both the Risk Management and Compliance

Risk Management Report

Functions are established at Senior Management level, have adequate authority and responsibility to fulfil these functions and report directly to the Risk Committee. They are independent of the business and support units they monitor and control and are organisationally independent from each other. The Risk Committee reviews and approves the annual Risk Management Monitoring Plan and the annual Compliance Monitoring Plan, which is completed by the Risk Management and Compliance Functions respectively.

Third line: The Bank's third line comprises of the Internal Audit function which provides independent, reasonable assurance to management, the Audit Committee, the Board and external stakeholders. It ensures that controls are in place for identified risks, that the controls are appropriately designed and operating effectively, and that the risks are being managed in accordance with applicable laws and regulations, including compliance with internal policies and procedures. The third line reviews the effectiveness of the first and second lines and makes recommendations for improvement as required.

The charts below illustrate the Group's three lines model.



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Board Committees

The Audit Committee has been delegated responsibility by the Board to provide oversight in a number of areas including, but not limited to, the financial reporting process; the quality and integrity of the Group's financial statements and Pillar III disclosures; internal control framework of the Group; and oversight of the Group's external auditors. The Internal Audit Function reports to the Audit Committee.

The Risk Committee of the Group is responsible for oversight and advice to the Board on the significant risk exposures of the Group and its future risk strategy. The Risk Committee advises and makes recommendations to the Board on risk matters, including risk appetite, financial performance, capital adequacy, liquidity adequacy, recovery and resolution planning and policy. In addition to these standard agenda items, climate and environmental risks are becoming a key focus area for the Risk Committee as part of the broader ESG agenda.

The Risk Committee also oversees the Group's Risk Management Function. The Group's Risk Management Function supports the Risk Committee in carrying out its duties and responsibilities by providing appropriate reporting of the risks in the business. Responsibility for risk management policies and risk appetite lies with the Board of Directors. The Board of Directors has delegated authority to the Risk Committee to take all actions necessary to perform its duties and responsibilities in overseeing risk.

The Remuneration and Nomination Committee is responsible for determining the remuneration Policy and Framework in compliance with CBI and European Banking Authority requirements. This includes identifying categories of staff with material risk-taking responsibilities and ensuring that fully compliant variable remuneration structures are in place. The Remuneration and Nomination Committee has oversight for recruitment of suitable candidates to fill the Board and Senior Management vacancies. The Remuneration and Nomination Committee is also responsible for reviewing and approving performance-based remuneration in accordance with regulatory requirements. In addition to the standard agenda items developments regarding the Individual Accountability Framework, diversity and inclusion, and succession planning were key areas of focus for the Remuneration and Nomination Committee.

To further strengthen governance and independence the Board has an Independent Non-Executive Director Forum ("INED Forum"). The Senior Independent Non-Executive Director provides a report on the issues discussed at the INED Forum to the Board.

Board of Directors

Appointments to the Board

In assessing a candidate for a Board position with Dell Bank International d.a.c., the Board will bear in mind the predefined criteria which illustrate the skills and attributes desired of candidates for the Board per the various regulatory requirements. This information will also be considered in light of the criteria to assess the knowledge, skills and experience of potential candidates as part of the process for considering whether the candidate is suitable for the role in question in a pan- European, regulated credit institution.

Composition of the Board

There were a number of changes made to the Board during the period. Hugh O'Donnell resigned as Managing Director in January 2025 and was succeeded by Liam Buckley. Tyler Johnson resigned from the Board in June 2024 and was replaced by Anne Guinard. Sean O'Keefe joined the Board as an independent non-executive director in December 2024. The Bank used an external search agency in this process. The timeline of these changes is noted in the Directors' Report.

Diversity and Inclusion is a business imperative at the Bank. The Bank is committed to maintaining a diverse Board of Directors in terms of the required skills, experience, residency requirements, independence, regulatory requirements and Dell Group experience. The Bank has a publicly disclosed Board Diversity Policy which states it will continue to review the composition as opportunities arise to change composition of the Board to ensure we maintain the targets and objectives set out in the Policy.

At close of business on 31 January 2025, the Board was comprised of eight Directors (2024: seven).

Colin Keaney

Colin Keaney joined the Dell Technologies Group in 2011 as Chief Financial Officer and Chief Operating Officer for Dell Financial Services EMEA. Colin was part of the management team who established Dell Bank International d.a.c. in 2013.

In 2014, Colin took up the role of DFS Global CFO before becoming President in 2023.

Prior to joining Dell, Colin served as European CFO for CIT, a division of First Citizens Bank and as a Finance Director at Hewlett Packard. Colin graduated from the Dublin Business School with a Bachelor of Accounting

and holds a MBA in Business Administration and Management from Strathclyde University.

Colin holds five other directorship positions within the Dell Technologies Group.

Liam Buckley

Liam Buckley was appointed as Managing Director of Dell Bank International d.a.c. in January 2025. Liam joined the Bank in 2014 as Chief Risk Officer. In his current role, Liam is responsible for all functions of the Bank including strategic execution, sales, finance, human resources, operations, asset management, credit and compliance. Liam is also the Global Head of Risk & Compliance for Dell Financial Services.

Before joining the Bank, Liam was a director in KPMG in their Financial Services & Regulatory practice, advising domestic and international banking clients on a broad range of regulatory requirements. Prior to that he held various roles in the Group Divisions at Allied Irish Bank (AIB). With over 20 years in the financial services industry, Liam's experience has centred mainly on leadership roles within the regulated banking environment, including design and implementation of effective governance, compliance and risk management frameworks. Liam holds a Bachelor of Commerce degree from University College Cork.

Owen Maguire

Owen Maguire was appointed Chief Financial Officer of Dell Bank International d.a.c. in 2023 and serves as an Executive Director. Owen has responsibility for the financial functions of the Bank including accounting, financial planning, pricing, treasury, tax and regulatory reporting and in addition has a lead role in setting and executing the strategy of the Bank.

Owen joined Dell Bank International in 2013 and has previously served as Director of Finance and Head of Accounting. Prior to joining the Bank, Owen held a number of roles in both Bank of Ireland and Allied Irish Bank. Owen is a Chartered Management Accountant and a member of the Chartered Institute of Management Accounts and holds a Bachelor of Social Science (Economics) degree from UCD.

Owen holds three other directorship positions within the Dell Technologies Group.

Anne Guinard

Anne Guinard joined the Board of Dell Bank International d.a.c. in June 2024 as a non executive director. Anne is currently Vice President within the Dell Technologies Treasury function responsible for Debt Capital Markets (FX, Debt), Corporate Finance (capital allocation, working capital optimisation,

capital structure optimisation and rating agencies communications) and Global Liquidity Management. Anne joined Dell in 2005 and has worked in a number of roles across the Treasury function such as Corporate Finance, Foreign Exchange, Dell Financial Services treasury and Treasury Investments. Anne holds a Masters in Business Administration (MBA) from Baylor University, a Master's degree in International Management from IAE of Caen (France), and is a Chartered Financial Analyst (CFA).

Roisin Brennan

Roisin Brennan joined the Board of Dell Bank International d.a.c in July 2016 as an Independent Director. Roisin is a former Chief Executive of IBI Corporate Finance Limited where she worked for over 20 years advising companies on a variety of transactions including IPOs and Mergers and Acquisitions. Roisin is a non-executive director of Ryanair plc and Ryanair d.a.c., Musgrave Group plc and Glanbia plc. Roisin was a non-executive director of DCC plc from 2005 until 2016. Roisin graduated with a degree in law from University College Dublin and qualified as a Chartered Accountant with Arthur Andersen.

Roisin currently holds an additional four directorships external to the Dell Technologies Group.

Roisin is the Senior Independent Non-Executive Director of the Bank and Chair of the Audit Committee.

Sean O'Keefe

Sean O'Keefe joined the Board of Dell Bank International d.a.c in December 2024 as an Independent director. Sean worked with KPMG for 37 years including 25 years a partner in the Irish practice. During that time, he served on KPMG Ireland's Board of Directors for eight years and was Head of the Firm's audit practice from 2019 to 2022. Sean worked with many of Ireland's leading financial services and corporate businesses while a partner at KPMG.

Sean is currently a Non-Executive Director and Chair of the audit committee at The Alzheimer Society of Ireland and is a consultant to a number of private businesses.

Sean graduated with a Degree in Law from Trinity College.

Marie Mangan

Marie Mangan joined the Board of Dell Bank International d.a.c in December 2021 as an Independent Director. Marie has over 30 years of experience in the financial services sector combining experience as a regulator, industry practitioner and

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advisor to a diverse range of financial institutions both domestic and international.

Marie is currently a Non-Executive Director and Chair of Risk Committee of Macquarie Bank Europe d.a.c. (appointed February 2020) and Guggenheim Partners Europe Limited (appointed July 2020). Marie is also a Non-Executive Director of a number of Muzinich entities (appointed November 2021), Avantcard d.a.c. (appointed September 2022), Paymentsense Ireland Ltd (appointed November 2023) and Etsy Payments Ireland Ltd (appointed January 2024).

Prior to taking up non-executive director roles, Marie was Chief Risk Officer for Elavon Financial Services d.a.c. (a subsidiary of US Bank NA) and previously held various roles including Head of Regulatory Advisory Services at KPMG, Senior Vice President and Head of Compliance at GMAC Commercial Mortgage Bank plc and Senior Regulator at the Central Bank of Ireland.

Marie is a member of the Institute of Directors in Ireland and The Institute of Banking and holds an MSc in Investment and Treasury from Dublin City University. Marie currently holds eleven additional directorships external to the Dell Technologies Group.

Marie is the Chair of the Bank's Risk Committee.

Julie Murphy O'Connor

Julie Murphy-O'Connor joined the Board of Dell Bank International d.a.c in December 2021 as an Independent Director. Julie is a qualified solicitor. She has been a partner in the law firm Matheson since 2008, where she specialises in financial services, corporate and cross-border commercial disputes and investigations. Prior to joining the board, Julie served as a non-executive director of semi-state company, Coillte d.a.c for nine years and chaired its Remuneration Committee. Julie graduated with a LLM from Trinity College Dublin and qualified as a solicitor in 1999. She is a Certified Bank Director and a member of the Institute of Banking.

Julie holds two additional directorships external to the Dell Technologies Group.

Julie is the Chair of the Bank's Remuneration and Nomination Committee.

Management Committees

The Management Committee is responsible for the overall day to day management of the Bank in accordance its Terms of Reference and the Board Charter.

The Management Committee is charged with the development management and monitoring of strategy, change agenda and policies as appropriate,

including approving changes to operational processes, procedures and internal controls and ensuring that any relevant documentation is updated to reflect such changes. It also reviews key management information in relation to the performance of the Bank, including financial performance, adherence to budgets and compliance with regulatory requirements.

In accordance with the Recovery Plan, the Management Committee will act as the crisis management team throughout a recovery period.

The Risk Management Committee ("RMC") is responsible for the Bank's Risk Management Framework. The RMC provides support to the Risk function and the Board Risk Committee in promoting an appropriate culture of risk awareness and overseeing risk management across the Bank.

In addition, the RMC is supported by a number of Forums and Committees such as the Compliance Forum.

The Compliance Forum monitors compliance with laws and regulations and considers the impact of future legal and regulatory changes.

The Outsourcing Committee oversees the performance of the Bank's outsource service providers and ensures the effective implementation of the Outsourcing Policy. It supports the Management Committee and the Board on the Bank's outsourcing strategy and performance, informs the Risk Committee about specific outsourcing risks, and ensures compliance with regulatory requirements. The Committee reviews performance reports, approves onboarding and changes to providers, and recommends strategies and policies to the Board. It also provides detailed metrics and updates on outsourcing activities.

The Asset and Liability Committee ("ALCO") is responsible for the management of the balance sheet of the Group, including capital and liquidity adequacy in accordance with the Board approved risk appetite, the Group's Internal Capital Adequacy Assessment Process ("ICAAP"), and Internal Liquidity Adequacy Assessment Process ("ILAAP"). ALCO is also responsible for leading the development of the Group's Recovery Plan. ALCO oversees the establishment and maintenance of appropriate procedures for the management of liquidity risk, market risk and contingency funding that are consistent with the strategy and policy approved by the Board.

The Credit Committee has been delegated responsibility by the Board to implement the credit policies and ensure procedures are in place, to oversee the Credit Function and associated credit risk management. The responsibilities of the Credit Committee include; approval of credit proposals within its delegated authority, considering reviews of the internal credit controls, and credit portfolio performance monitoring. The Credit Committee is responsible for the overall management of credit exposures of the Group.

Credit exposures include both transactional (for example: derivatives) and commercial credit. The responsibilities of the Credit Committee include maintaining the Group's Credit Policy; implementing the credit authorities' matrix, manual grading/rating methodologies and automated scoring thresholds.

The Credit Provision Committee, a subcommittee of the Credit Committee, is responsible for the overall management oversight of the Group's provisions. The responsibilities include monitoring adherence to the Group's impairment policy, approval of the provisions and approval and monitoring of Expected Credit Loss (ECL) model components.

The Residual Asset Risk Committee is responsible for the setting, validating and monitoring of residual asset risk in the Group. The responsibilities include adherence to residual asset risk appetite and reviewing strategies and policies regarding setting of Residual Values.

3. Credit Risk (audited)

Credit risk represents a significant risk at the Group. Credit risk refers to the risk that the Group's customers fail to meet their scheduled payments for operating leases, finance leases and loans approved by the Group's credit function in addition to credit risk arising from Treasury activities with other credit institutions such as placing of deposits with counterparties and from the purchase of interest rate and foreign exchange derivatives for economic hedging purposes.

The core values and main procedures governing the provision of credit are laid down in credit policy documents; these have been approved by the Board of Directors and are reviewed regularly.

a. Credit Risk – Measurement

The Group measures credit risk on an individual counterparty basis, utilising either an automated or manual credit underwriting process.

Automated credit decisions are based primarily on customer information obtained from 3rd party credit

reporting agencies (Credit Bureau and Fraud databases) and are subject to automated credit-granting rules that utilise mathematically derived and statistically based credit scorecards.

An integral part of the credit-granting process is a comprehensive set of management tools and controls that dictate acceptable credit score cut-offs and risk grades.

Management recognise that system generated scores cannot take into consideration all circumstances and information available to make automated credit decisions. The purpose of the manual adjudication is to reasonably estimate the likelihood associated with a customer's probability of default ("PD"). All manual credit decisions are on a case by case basis using a range of quantitative and qualitative factors that are suitable and applicable to the assessment. This methodology is used in both the original underwriting decisions and as part of the on-going risk management of the portfolio.

The Group requires all customers to be graded under the internal grading system, including all new business, renewals of existing credit facilities and periodic reviews of liquidating exposures. Any change in a condition of a customer or a credit facility may have its risk grades reviewed and adjusted accordingly.

b. Credit Risk Mitigation

The Group uses a sixteen-point scale in assigning PD grades of customers. This PD grade scale is referenced to externally available customer ratings. The grades provide an estimate of a customer's Probability of Default within a 12-month horizon. Quantitative and qualitative measures are used to develop a PD grade. The probability of default will increase as the grade increases. The Group uses a Loss Given Default ("LGD") which expresses the loss on a facility as a proportion of exposure. Quantitative and qualitative measures are used to inform the LGD grade. The percentage of exposure lost given a default scenario increases as the LGD grade increases. An analysis of the Group's Financial Assets by PD grade as at 31 January 2025 is set out in Note 4 of the financial statements.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or group of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. An analysis of the Loans and advances to customers by geographic

segment is set out in Note 4 of the financial statements.

Some other specific control and mitigation measures undertaken by the Group to mitigate credit risk include the taking of corporate guarantees, personal guarantees, Letters of Credit, Insurance and customer own insurance. In respect of all lease contracts, the Group retains the title of underlying assets as collateral. In the event of a default the Group reserves the right to recover the leased assets. From time to time, the Group may mitigate credit risk by other acceptable forms.

c. Credit Risk Impairment and Provisioning Policies

Under IFRS 9 all credit exposures are subject to recognition of an impairment loss allowance for expected credit loss ("ECL"). The Group's approach to internal credit rating models and rating systems is set out in Note 4 of the financial statements.

ECLs are calculated through the impairment model which allocates financial instruments to stage 1, 2, 3 and POCI (Purchased or Originated Credit- impaired) and measures the appropriate 12 month or lifetime ECL.

ECLs are calculated as the sum of the marginal losses for each time period from the balance sheet date. The key components of the ECL calculation are Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD") in addition to the staging criteria applied by the Bank.

d. Counterparty credit risk arising from derivatives

Transacting in over-the-counter (OTC) derivatives is governed by the European Market Infrastructure Regulation (EMIR). The Group has executed standard internationally recognised documents such as International Swaps and Derivatives Association (ISDA) agreements and Credit Support Annexes (CSAs) with all its derivative financial counterparties. CSAs serve to limit the potential cost of replacing derivative contracts at market price in the event of a default by the financial counterparty through the receipt of collateral. The Bank's CSAs require collateral to be posted in euro cash.

4. Market Risk (audited)

Market risk is the risk of loss arising from movements in interest rates, FX rates or other market prices. The principal market risks facing the Group are interest rate risk and foreign exchange risk. The Group does not engage in any proprietary trading activities. All trading activities relate to managing and mitigating the market risk relating to the Group's lending and funding activities.

The Group has comprehensive policies for assessing, measuring and managing interest rate risk in the banking book (IRRBB) and foreign currency risk (FX). The ALCO is responsible for defining and recommending the Group's Market Risk Policy for Board Risk Committee approval. The policy, together with the Group's Risk Appetite Framework, establishes the risk appetite and limits based are set as a percentage of the available Regulatory Capital. Both the IRRBB and FX hedging programs are in place to minimise the Group's exposure to potentially unpredictable market movements.

a. Foreign exchange risk

Foreign exchange risk is a financial risk caused by an exposure to changes in the exchange rates between two currencies. The Group is a Euro denominated entity but engages in leasing business throughout the European Economic Area ("EEA") and the UK in the following currencies: GBP, CHF, USD, DKK, SEK, NOK PLN, and CZK. The Group has transaction exposure as it has contractual non-Euro cash flows (receivables and payables) whose values are subject to changes in exchange rates. To manage the Euro value of the Group's foreign denominated cash flows, the Group runs an FX hedging program using FX forwards and other foreign exchange derivatives.

FX forwards converting non-Euro cash-flows to Euro are utilised to minimise the Group's FX risk exposure. The risk Framework in place is the same as that for IRRBB where the residual un-hedged exposure is measured against the prescribed targets, triggers and limits which are based on a percentage of the Group's own funds with performance reported to ALCO.

Further analysis of the Group's FX Risk position is detailed in Note 4 of the financial statements.

b. Interest rate risk (IRRBB)

Interest rate risk is the risk that the Group will experience deterioration in its financial position as interest rates move over time. This risk arises naturally through the conduct of business.

The Group's main source of interest rate risk is re-pricing risk, which reflects maturity profile and interest rate bases of its assets and liabilities. This is the risk that the interest earned on assets and paid on liabilities will change by different amounts if interest rates change owing to differences in the re-pricing characteristics of those assets and liabilities.

The Group manages this risk by entering into interest rate related derivatives to manage the interest rate risk arising in its Banking Book.

The Group's portfolio of non-traded financial instruments includes commercial finance and operating leases, loans to customers, assignment of receivables, external loan facilities, and hedging instruments.

Further analysis of the Group's Interest Rate Risk mismatch is detailed in Note 4 of the financial statements.

Interest rate risk in the Banking Book is calculated on the basis of establishing the re-pricing risk ladder. The majority of asset and liability balances are profiled out by re-pricing date or contractual maturity if fixed rate.

The Group applies a range of stress scenarios to this profile to measure the overall level of interest rate risk and ensure that the exposure is optimally managed.

IRRBB is monitored daily and the positions are reported regularly to ALCO.

Further analysis of the Group's Interest Rate Risk positions is detailed in Note 4 of the financial statements.

5. Funding and Liquidity Risk (audited)

Effective liquidity risk management is central to the building of a strong and solid balance sheet and is a key pillar in the Group's core strategy.

Liquidity risk is the risk that the Group is unable to meet its on and off-balance sheet obligations when they fall due without incurring significant costs. Liquidity risk is highly dependent on the Group's balance sheet characteristics such as the maturity profile of the assets and liabilities, the quality of its liquidity buffer, broader market conditions and access to sufficient market funding.

Funding risk can occur where there is an over-reliance on a particular type of funding, a funding gap or a concentration of funding maturities.

Outflows include payments made to affiliates and Value-Added Resellers; those resellers that add features or services to existing offerings, on the origination of lease contracts, cash requirements from contractual commitments, or other cash outflows, such as significant operating expenditure or debt maturities.

The Group's assets consist primarily of short- to medium-term lease and loan obligations (typically 3-year amortisation).

In aggregate, such a pool of assets will have a reasonably predictable repayment profile, though one that may vary systematically based on a variety of market and macroeconomic factors.

The Group has a comprehensive policy for assessing, measuring and managing liquidity risk. The ALCO is responsible for defining and approving the Group's liquidity policy in accordance with the broader Risk Policies established by the Risk Committee.

The Liquidity Risk Framework is subject to internal oversight, challenge and governance. The ALCO has primary responsibility and reports to the Board Risk Committee. Liquidity risk is also monitored by the control functions as appropriate.

a. Liquidity Stress Testing

The strength of the Group's liquidity risk management is evaluated based on its ability to survive under stress. Effective management of liquidity involves assessing this potential mismatch under a variety of stress scenarios.

Stress testing is used to help inform a broader understanding of liquidity risk as well as to model specific liquidity risk events.

The Group actively monitors a range of market and firm specific indicators on an on-going basis which are designed to act as early warning indicators that liquidity stresses are emerging. The stresses apply to a range of behavioural assumptions to the performance of the asset and liability products. Scenarios include assumptions about significant changes in key funding sources, credit ratings, contingent sources of funds and political and economic conditions. The Group is expected to be able to withstand these stressed conditions through its own resources. Simulated liquidity stress testing is carried out regularly and reflects the impact of firm specific and market related scenarios on the adequacy of the Group's liquid resources.

The annual ILAAP enables the Board to assess the adequacy of the Group's funding and liquidity risk management, to assess the key liquidity and funding risks to which it is exposed; and determine the level of contingent liquidity that is required to be maintained under both normal and stress scenarios.

b. Liquidity Monitoring

The Treasury function is responsible for the daily management of the liquidity buffer, monitoring and reporting of the Group's liquidity position in accordance with the Liquidity Policy. The Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") are internally modelled and monitored by the Group against Target, Trigger and Limit

parameters as set out in the Risk Appetite Framework.

The Treasury function reports the results of certain liquidity scenarios to the ALCO members regularly. The liquidity position, compliance and policy are further monitored by the Risk Management function.

Any breach or material deterioration of these metrics would set in motion a series of actions and escalations.

The Group sources funds from five principal sources:

- Unsecured funding
- Secured funding
- Secured funding from Monetary Authorities
- Affiliate borrowings
- Initial contributed equity, capital contributions and retained earnings

The mix of the above sources is intended to provide the Group with a diversified and stable funding base. Further analysis of the Group's projected outflows is detailed in Note 4 of the financial statements.

c. Assets held for Managing Liquidity Risk

Liquid assets are assets which can be quickly and easily converted into cash without incurring significant loss.

The Group holds a portfolio of eurozone government bonds and short-term placements with commercial banks and the Central Bank of Ireland to manage its liquidity profile.

d. Liquidity Risk – Off Balance sheet items

The following items are listed as off-balance sheet items at the financial period end:

- Lease and loan commitments to extend credit

6. Residual Asset Value Risk

Residual value risk is the risk that the realisation based residual value set at the start of a lease is not achieved at the end of the lease. This may be due to several factors, including lower than expected equipment resale value, changes in customer behaviour or higher fulfilment costs and/ or end of lease operating expenses.

The Group seeks to minimise potential losses arising from residual value risk by understanding the equipment leased, identifying and assessing long-term customer behaviour and applying expert

judgement when setting residual values in order to provide a balanced view of expected realisation.

The Group's Asset Management End of Lease ("EOL") function analyses historic data relating to; equipment resale value, customer end of lease behaviour, end of lease fulfilment costs, and applies its expert judgement to derive Recovery Based Residuals ("RBR").

The Residual Asset Risk Committee is responsible for the setting, validation and monitoring of the residual value risk for the Group. The Group has established internal controls, with defined limits and regular reporting for residual value risk exposures within and across its portfolios.

7. Operational Risk (including Cybersecurity risk)

The Bank faces operational risks in the regular conduct of its day-to-day business objectives. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Bank's Operational Risk Management Framework exists to mitigate against such risks.

Operational risk specifically arises in the areas of:

- Human error and people risk
- Cybersecurity and Information technology risk
- Process and system failures
- Legal and compliance risk
- Internal and external fraud
- Operational resilience (including business continuity)
- Change management and new product development
- Outsourcing and third-party management risks

The Bank has a robust control framework in place to help prevent, detect, and respond to such threats and also leverages the control framework established by Dell Technologies.

The Bank uses a range of tools to identify, assess and manage operational risk such as: business process mapping, incident management, risk and control assessments and testing, scenario analysis and, key risk indicator reporting.

Allocation of clear responsibilities for operational risk management ensures that risks are identified, monitored, managed and mitigated, in line with the Bank's risk appetite.

8. Capital Adequacy Risk (audited)

Capital adequacy is assessed under the Group's ICAAP Framework. The Treasury function manages the Group's capital strategy under the guidance of the Board. The Group is committed to maintaining its sound capitalisation.

The Group has equity share capital of €50m and capital contributions received of €732.5m at 31 January 2025.

The Group's objectives when managing capital are to ensure that it always has sufficient capital to cover the risks of its business and support its strategy while at all times complying with regulatory capital requirements.

Capital adequacy and the use of regulatory capital are monitored on an ongoing basis by the Group's Regulatory Reporting function.

The Group has considered the capital and other related requirements which will apply to it through the following key legislation and requirements:

- CRR / CRD IV, CRR II / CRD V , CRR III (collectively "CRD")
- Relevant EBA guidelines and technical standards
- The CBI's Pillar II assessment
- The CBI's Licensing and Supervision Standards and Requirements

The Group holds own funds in excess of the higher of capital charges calculated under Pillar I or Pillar II.

The Group monitors a range of balance sheet metrics and limits in accordance with the Group's risk appetite. This takes into consideration the impact of CRD phasing arrangements. The ratios provide a mechanism to monitor compliance and include early warning triggers to allow management to take appropriate timely action should the Group approach a limit.

9. Regulatory Risk

Regulatory risk is the risk of failure to meet new or existing regulatory and / or legislative requirements and deadlines or to embed requirements into processes. Regulatory risk can impact earnings, capital and / or reputation arising from non-compliance with banking regulations, anti-money laundering, data protection, and other associated requirements.

Regulatory change or "Upstream" risk is the risk that changes to existing or new laws / regulations / codes

/ guidance applicable to the Group are not effectively addressed and the risk that the Group fails to take timely and remedial actions.

Regulatory compliance risk is the current or prospective risk to earnings and capital arising from violations or non-compliance with laws, regulations, prescribed practices or ethical standards which can lead to fines, damages and can diminish the Group's reputation.

The Group has zero appetite for censure from regulatory, political, statutory or legislative bodies.

10. Business and Strategic Risk

Business and Strategic Risk arises from adverse and unexpected changes in income, costs or profitability that are due to the Group's business model, its strategy, and decisions made by Board and Senior Management.

This risk includes the risk that the Group does not make appropriate strategic decisions, does not successfully execute these decisions, or that strategic decisions do not have the intended effect.

The Group considers effective governance to be the most appropriate mitigant against this risk category.

The Bank continues to navigate various challenges, including its transformation efforts, fluctuating interest rates, and ongoing geopolitical volatility.

Conflicts in the Middle East and ongoing regional tensions could fuel inflation, particularly in energy prices, and disrupt supply chains, impacting the global economy. These geopolitical and economic risks may affect the Group's markets, leading to challenges such as pricing volatility, reduced customer confidence, lower credit demand, and financial strain on customers.

11. Reputational Risk

Reputational Risk is the risk to the Dell brand, or goodwill exhibited towards this brand, by the Group's customers and wider market. Reputational risk can include social, ethical and environmental.

The Group will not enter into activities that will knowingly give rise to reputational risk issues with the potential to materially damage the Dell brand. The Group seeks to ensure that outsourced activities meet the Group's reputational risk standards, including the treatment and disposal of hardware.

12. Group Risk

Group Risk arises from reliance on Dell Technologies for financial and operational support, including certain funding facilities and outsourced services.

Group risk includes the risk of negative impact on the Bank from other Group entities or third parties which may disrupt outsourced activities of the Bank or may impact the Bank's ability to operate effectively. The Bank considers effective governance to be the most appropriate mitigant against this risk category.

13. Environment Social and Governance (ESG) Risk

The Bank is committed to drive sustainability in its day-to-day activities, strategy, governance, risk management framework and operations, the Bank has developed an ESG Framework that defines its approach to driving sustainability. ESG factors can lead to enhanced financial risks through a variety of risk drivers.

ESG Risk factors can be summarised as follows:

Climate and environmental risks are the financial risks posed to the Bank's by the negative impacts of environmental factors such as climate change and other forms of environmental degradation in addition

to the effects of corrective policy actions aimed at addressing these factors. Social factors are related to the rights, well-being and interests of people and communities. Governance factors cover governance practices, including internal controls, executive leadership and board independence, anti-bribery and corruption as well as how environmental and social factors are included in policies.

The Group has a detailed plan to meet corporate sustainability reporting requirements, and ECB and CBI expectations on climate and environmental risks.

Dell Technologies, the Bank's parent, is committed to driving human progress, by putting our technology and expertise to work where it can do the most good for both people and the planet. Dell Technologies recognises that all its stakeholders — shareholders, customers, suppliers, employees, and communities — as well as the environment and society, are essential to its business.

Dell Technologies focus is on climate action, accelerating the circular economy, championing digital inclusion, creating an inclusive workforce, and upholding trust. This is core to who we are and how we deliver technology that drives business and society forward.

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Independent auditor's report to the members of Dell Bank International Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Dell Bank International DAC (the "Bank") and its subsidiary (the "Group"), which comprise the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, Bank Statement of Financial Position, Bank Statement of Changes in Equity and Bank Statement of Cash Flows for the financial year ended 31 January 2025, and the related notes to the financial statements, including the material accounting policy information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRS Accounting Standards as adopted by the European Union ('IFRS').

In our opinion, the financial statements:

- give a true and fair view in accordance with IFRS of the assets, liabilities and financial position of the Group and Bank as at 31 January 2025 and of the Group's financial performance and the Group and Bank's cash flows for the financial year then ended; 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 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Group and Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors assessment of the entity's ability to continue as a going concern basis of accounting included:

- Discussing the use of the going concern basis of accounting with management and those charged with governance;
- Obtaining and evaluating management's going concern assessment covering at least twelve months from the date of the approval of financial statements;

Independent auditor's report to the members of Dell Bank International Designated Activity Company

Conclusions relating to going concern (continued)

- Considering the appropriateness of the assumptions used in the going concern assessment in the context of the applicable financial reporting framework, and whether these assumptions are consistent with our understanding of the business activities of the Group and Bank and general economic environment;
- Reviewing the financial projections financial position of the Group and Bank for solvency from a funding and liquidity perspective by considering cash flow position, capital adequacy and liquidity ratios, obtaining an understanding of contractual arrangements and reviewing agreements in relation to funding arrangements;
- Making enquiries with management and those charged with governance, and reviewing board minutes and other available written communication to understand the future plans and to identify potential contradictory information;
- Considered any potential risk indicators together with our knowledge of the entity and discussions with management and those charged with governance;
- Reviewing subsequent events that may warrant a material uncertainty regarding the going concern assumption; and
- Assessing the adequacy of the disclosures made in the financial statements with respect to the going concern assertion.

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

Key audit matters

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

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions such as Expected Credit Loss (ECL) allowances on loans and advances to customers and banks and Residual Value estimates, and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

Independent auditor's report to the members of Dell Bank International Designated Activity Company

Key audit matters (continued)

Based on our considerations as set out below, our areas of focus included:

- The Bank's ECL allowance estimates on loans and advances to customers and banks; and
- The Bank's residual value estimates at the end of lease term.

How we tailored the audit scope

The Bank is a fully licenced credit institution regulated by the Central Bank of Ireland and is part of the Dell Technologies Inc. Group. The Bank has one subsidiary, Dell Receivables Financing 2016 Designated Activity Company (the SPV), a special purpose vehicle. The Bank relies on Dell Group for certain financial and operational support, including certain funding facilities, IT infrastructure and outsourced services such as treasury front office activities and finance function support.

We tailored the scope of our audit to ensure that we have performed sufficient procedures, including testing of internal controls, to be able to give an opinion on the financial statements as a whole, taking into account the operational structure of the Bank, the accounting processes and controls and the industry in which the Bank operates. We also placed reliance on the results of certain centralised audit procedures performed by the Dell Technologies Inc.'s Group auditor in relation to understanding of the IT environment and testing IT general controls (ITGCs).

In establishing the overall approach to our audit, we assessed the risk of material misstatement taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we assessed the overall control environment within the Bank.

Materiality and audit approach

The scope of our audit is influenced by our application of materiality. Materiality is the magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, such as our understanding of the entity and its environment, the history of misstatements, the complexity of the Bank and the reliability of the control environment, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures as well as to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the Bank based on a metric of 1% of net assets. We have applied this benchmark as it is a primary concern of the members and other primary users of the Bank's financial statements.

Performance materiality is the threshold for application of materiality at the individual account or balance level. We have set performance materiality at 75% of our materiality, having considered our prior year experience of the risk of misstatements, business risks and fraud risks associated with the Bank and its control environment, our expectations about misstatements and our understanding of the business and processes at the Bank. This is to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceed materiality for the financial statements as a whole.

Independent auditor's report to the members of Dell Bank International Designated Activity Company

Key audit matters (continued)

The reporting threshold is set as the amount below which identified misstatements are considered as being clearly trivial. We agreed with the Audit Committee that we would report to them misstatements identified during our audit of amounts greater than 5% of materiality as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as significant matters together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

Key audit matter	Our audit response
<p>Expected Credit Loss (ECL) Allowances on Loans and Advances to Customers and Banks</p> <p>Notes 20 and 21 to the Financial Statements reflect the gross carrying amounts and impairment loss allowances for Loans and Advances to Banks and Loans and Advances to Customers, respectively.</p> <p>The gross carrying amount of Loans and Advances to Banks on 31 January 2025 was €148m (2024: €172m) with corresponding impairment loss allowance of €0.09m (2024: €0.10m). The gross carrying amount of Loans and Advances to Customers on 31 January 2025 was €1,966m (2024: €2,076m) with corresponding impairment loss allowance of €22m (2024: €24m).</p> <p>At each reporting period, the Bank determines the impairment on loans and advances to customers and banks based on a model of expected credit losses in accordance with the requirements of IFRS 9. IFRS 9 requires that credit losses are recognised on an expected, forward-looking basis including reflecting the impact of the current and future economic environment.</p> <p>We determined the ECL calculation to be a key audit matter as it is a complex calculation, involving Probabilities of Default ('PD'), Loss Given Default ('LGD') and Exposures at Default ('EAD') which require significant management judgement.</p>	<p>The following audit work has been performed to address the risks:</p> <ul style="list-style-type: none"> Reviewed the provisioning policies and practices and compared to the requirements of IFRS 9 and other regulatory guidance; Tested the design and operating effectiveness of internal controls over credit acceptance and management processes, loan monitoring, impairment identification and calculation including source data, model governance and the credit review function. We also considered the overall control framework and tested certain controls relating to approval of model output, post model adjustments and the final quantum of ECL provision requirements; With the assistance from our internal IT specialist team, we reviewed and assessed the work performed by the Group Auditor in relation to the design and operating effectiveness of ITGCs for all relevant in-scope applications. Additionally, work was also conducted locally on model interfaces; We engaged our internal modelling specialist to conduct a targeted review on model changes implemented during the period, particularly on the new behavioural PD model. We evaluated the methodology and suitability of the credit risk models, including triggers used for the determination of significant increase in credit risk and the definition of default. This included assessing the appropriateness of the existing modelling methodologies and the accuracy of the model outcomes for PD, LGD and EAD. We

Independent auditor's report to the members of Dell Bank International Designated Activity Company

<p>Significant auditor attention and judgment was required due to the use of complex models and a high degree of estimation uncertainty due to the significant judgments inherent in the IFRS 9 methodology such as judgements about the determination of significant increase in credit risk (SICR), probability of default and the application of forward-looking information. In addition, the consideration of the need for and quantum of post model adjustments ("management overlays") to address known model limitations, latent risks and emerging trends, are by their nature inherently uncertain and require significant management judgement.</p>	<p>tested the key assumptions, model design and implementation of the methodologies, as applicable;</p> <ul style="list-style-type: none"> • Assessed the reasonableness of IFRS 9 scenarios and probability-weighted outcome assumptions by assessing the appropriateness of the forward-looking scenarios construct, the underlying macroeconomic variables and the weights assigned; • Tested the accuracy of critical data inputs used in the ECL models on a sample basis by agreeing inputs to source systems and other supporting internal and external sources, as applicable; • Assessed whether the SICR triggers identified by management are appropriate and reasonable, and re-performed the application of the staging criteria as implemented in the ECL models; • Gained an understanding and assessed the appropriateness of post-model adjustments and overlays by applying our knowledge of the industry and credit judgment to evaluate the appropriateness of the Bank's underlying considerations; • Performed an overall assessment of the ECL provision levels to determine reasonableness considering the Bank's portfolio, risk profile, credit risk management practices and the macroeconomic environment, including the impact of the current economic and geopolitical uncertainties; • Considered the adequacy of financial statement disclosures in line with IFRS 7 requirements and industry best practice.
<p>Current macroeconomic conditions continue to pose a higher-than-normal credit risk as certain types of customers, industries and regions may be particularly affected by the recent deteriorating macroeconomic conditions and the ongoing geopolitical events. This increases the potential for defaults that had not previously shown expected indicators of credit deterioration.</p>	
<p>Due to the material nature of loans and advances to customers and banks, and judgements involved in assessing for impairment and calculating provisions, the valuation and allocation of ECL allowances and the accuracy and completeness of the related impairment charge in profit or loss was deemed a key audit matter and significant auditor's attention was deemed appropriate.</p>	
<p>Refer to accounting policies on Impairment of Financial Assets in Note 1 (v) and the Critical Accounting Estimates and Judgements relating to credit impairment losses on loans and advances to customers and banks in Note 3 (a) to the Financial Statements.</p>	<p>Our planned audit procedures were completed without a material exception.</p>

Independent auditor's report to the members of Dell Bank International Designated Activity Company

<p>Residual Value Estimates</p> <p>Notes 20 and 21 to the financial statements reflect Residual Values of assets under Loans and Advances to Customers and Banks (finance lease receivables) at the end of the reporting period at €49m (2024: €40m) and €2m (2024: €2m), respectively. Those relating to Property, Plant and Equipment (equipment under operating leases) at the end of the reporting period are stated at €155m (2024: €192m), this is reflected at Note 25. There is a risk around valuation and allocation assertion as well as occurrence and accuracy of the related revenue as a result of incorrect residual value estimation.</p> <p>Residual values on finance and operating leases are reported as part of Loans and Advances to Customers and Banks and Property, Plant and Equipment respectively. Residual value assumptions are based on management's estimation of the level of future value that assets are expected to realise at the end of their lease terms.</p> <p>Residual values have a significant impact on the timing of revenue recognition and include a risk of the non-recovery of residual values at the end of lease terms resulting in impairment. The estimates are reliant on management judgement and are therefore subject to a risk of management override and estimation uncertainty.</p> <p>Due to the material nature of these estimates and a high degree of management judgement involved, residual values were deemed a key audit matter and significant auditor's attention was deemed appropriate.</p> <p>Refer to Critical Accounting Estimates and Judgements relating to residual values in Note 3 (b) to the Financial Statements.</p>	<p>The following audit work has been performed to address the risks:</p> <ul style="list-style-type: none"> Reviewed policies and strategies and established an understanding over the residual value setting process including the key inputs and assumptions used by management; Tested the design, implementation and operating effectiveness of key controls over the process for setting, review, approval and system application of residual values, including relevant ITGCs and IT application controls, where applicable; Tested the accuracy and completeness of data used in the calculation of historic realisation rates; Tested the reasonableness of management's residual value estimates, by reviewing the actual recoveries and other key inputs and assumptions applied by management; Verified residual value percentages applied to new lease originations during the year against the approved residual values; Performed impairment analysis by comparing actual historical realisations against the current weighted average booked residual values; and Reviewed Residual Asset Risk Committee packs and minutes of meetings and considered the impacts of changes to the business environment and any potential indicators of impairment of residual values on material product groups. <p>Our planned audit procedures were completed without a material exception.</p>
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Independent auditor's report to the members of Dell Bank International Designated Activity Company

Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, including the Directors and Other Information, Directors' Report, Report of the Chair, Business and Strategic Reports, and Glossary of terms. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, 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.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Group and Bank were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014, excluding the requirements on sustainability reporting in Part 28.

Matters on which we are required to report by exception

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

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the members of Dell Bank International Designated Activity Company

Responsibilities of management and those charged with governance for the financial statements (continued)

In preparing the financial statements, management is responsible for assessing the Group and Bank'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 Group or Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Bank's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (Ireland). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Group and Bank, and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to breaches of banking laws and regulations, including licence conditions and supervisory requirements of the Central Bank of Ireland, and the Global Exchange Market Listing Rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Irish tax laws, the Companies Act 2014 and the European Communities (Credit Institutions: Financial Statements) Regulations, 2015. The audit engagement partner considered the experience and expertise of the engagement team including the IT risk, Modelling and Tax specialists to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation.

Independent auditor's report to the members of Dell Bank International Designated Activity Company

Responsibilities of the auditor for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates.

We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete or inaccurate disclosures in the financial statements.

In response to these principal risks, our audit procedures included but not limited to:

- enquiries of management, including Head of Legal, Compliance Officer, Chief Risk Officer, Head of Internal Audit, Head of Tax and those charged with governance on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the Group and Bank's regulatory and legal correspondence and review of Board minutes during the year to corroborate enquiries made;
- gaining an understanding of internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including residual values and ECL allowances on loans and advances to customers and banks; and
- evaluating 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 a true and fair view.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

Independent auditor's report to the members of Dell Bank International Designated Activity Company

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

This report is made solely to the Bank'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 Bank'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.

Report on other legal and regulatory requirements

Following the recommendation of the Audit Committee, we were appointed by the Board on the 14th of July 2023 to audit the financial statements for the 13-month period ended 31 January 2024, and subsequently re-appointed for the year ended 31 January 2025. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is two years.

The non-audit services prohibited by the IAASA's Ethical Standard were not provided to the Group and Bank and we remain independent of the Group and Bank in conducting our audit.

The audit opinion is consistent with the additional report to the Audit Committee.



Maria Afontsenko

For and on behalf of

Grant Thornton
Chartered Accountants & Statutory Audit Firm
13-18 City Quay
Dublin 2
D02 ED70
Ireland

Date: 17 April 2025

Financial Statements

**CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 31 JANUARY 2025**

In thousands of Euro	Note	12 months ended	13 months ended
		31 January 2025	31 January 2024
Interest receivable and similar income	5	117,350	105,866
Interest payable and similar expense	5	(86,402)	(93,778)
Net interest income		30,948	12,088
Operating lease income	6	333,375	330,931
Fee and commission income	7	4,238	5,507
Fee and commission expense	7	(898)	(718)
Other income from end of lease activities	8	66,073	38,151
Other income from syndications	9	-	583
Other operating income		402,788	374,454
Net trading expense	10	(39,519)	(49,659)
Personnel expenses	11	(23,692)	(26,983)
General and administrative expenses	13	(7,008)	(9,958)
Depreciation and amortisation expenses	14	(278,705)	(292,265)
Expenses from end of lease activities	8	(45,855)	(22,987)
Other operating expense	15	(12,755)	(12,337)
Total operating expenses		(368,015)	(364,530)
Total operating profit/(loss) before impairment charges		26,202	(27,647)
Impairment charge on loans and receivables	16	(3,484)	(558)
Profit/(loss) before taxation		22,718	(28,205)
Income tax (charge)/credit	18	(4,510)	2,610
Profit/(loss) for the year		18,208	(25,595)

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

The figures above are not comparable as they reflect a 12 month period against a 13 month period.

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2025**

	12 months ended 31 January 2025	13 months ended 31 January 2024
In thousands of Euro		
Profit/(Loss) for the year	18,208	(25,595)
Items that may be reclassified to the income statement in subsequent years		
<i>Cash flow hedge reserve, net of tax:</i>		
Changes in fair value	22	(4,047)
Net change in cash flow hedge reserve	(4,047)	(6,893)
Total comprehensive income/(loss), net of tax	14,161	(32,488)

All amounts relate to continuing operations.

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

The figures above are not comparable as they reflect a 12 month period against a 13 month period

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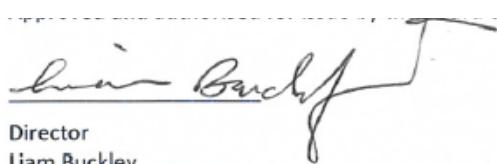
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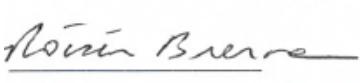
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025**

<i>In thousands of Euro</i>	<i>Note</i>	31 January 2025	31 January 2024
Assets			
Cash and balances with central banks	19	164,808	65,422
Derivative financial instruments	22	55,355	49,139
Loans and advances to banks	20	299,786	355,042
Loans and advances to customers	21	1,943,635	2,051,906
Debt securities at amortised cost	23	27,034	275,980
Property, plant and equipment	25	639,601	647,591
Other assets	27	193,021	188,964
Intangible assets and goodwill	24	13,226	13,226
Deferred tax assets	26	2,190	5,614
Total assets		3,338,656	3,652,884
Liabilities			
Deposit from banks	29	702,997	1,168,582
Derivative financial instruments	22	37,288	34,332
Amounts due to group undertakings	36	103,280	84,578
Other liabilities	31	120,801	50,862
Current tax liabilities		2,330	87
Debt securities in issue	30	1,513,673	1,469,991
Total liabilities		2,480,369	2,808,432
Equity			
Share capital	32	50,000	50,000
Capital contribution	32	732,500	732,500
Revenue reserves	32	84,926	66,718
Other Reserves	32	(9,139)	(4,766)
Total equity		858,287	844,452
Total liabilities and equity		3,338,656	3,652,884
Memorandum items:			
Guarantees	33	-	-
Commitments	33	197,707	182,602

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

Approved and authorised for issue by the Board on 17 April 2025:


Director
Liam Buckley


Director
Roisin Brennan


Director
Owen Maguire


Secretary
Erica Mahon

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2025**

Attributable to owners of the Group					
<i>In thousands of Euro</i>	Share Capital	Other Reserves	Revenue Reserves	Capital Contribution	Total Equity
Balance at 1 February 2024	50,000	(4,766)	66,718	732,500	844,452
Cash flow hedge reserve		(4,047)			(4,047)
Profit for the year			18,208		18,208
<i>Transactions with the owners of the Group</i>					
Share based payment reserve		(326)			(326)
Capital contribution					
Balance at 31 January 2025	50,000	(9,139)	84,926	732,500	858,287

Attributable to owners of the Group					
<i>In thousands of Euro</i>	Share Capital	Other Reserves	Revenue Reserves	Capital Contribution	Total Equity
Balance at 1 January 2023	50,000	2,972	92,313	732,500	877,785
Cash flow hedge reserve		(6,031)			(6,031)
Loss for the year			(25,595)		(25,595)
<i>Transactions with the owners of the Group</i>					
Share based payment reserve		(1,707)			(1,707)
Capital contribution					
Balance at 31 January 2024	50,000	(4,766)	66,718	732,500	844,452

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

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2025**

	12 months ended	13 months ended
<i>In thousands of Euro</i>	31 January 2025	31 January 2024
Cash flows from operating activities		
Profit/(Loss) before tax	22,718	(28,205)
<i>Adjustments for:</i>		
Impairment charge on financial assets	3,484	558
Impairment charge on Property plant and Equipment (note 25)	623	184
Interest expense on financing activities (Note 34)	80,209	88,656
Depreciation, amortisation and write-offs (Note 24 and 25)	278,704	292,258
Fair value hedge adjustments (Note 23 and 30)	37,665	45,651
Loss from disposal of Property plant and Equipment	55,251	17,354
Other non-cash items	(5,335)	(6,222)
Cash generating from operating activities	473,320	410,234
Taxation refund/(paid)	2,556	(2,115)
Cash flows from operating activities before changes in operating assets and liabilities	475,876	408,119
Changes in operating assets and liabilities		
Net change in derivative financial instruments (Note 22)	(3,261)	(33,841)
Net decrease in loans and advances to banks	26,459	97,596
Net decrease/(increase) in loans and advances to customers	105,105	(70,745)
Additions to property, plant and equipment (Note 25)	(326,589)	(380,596)
Net increase in other assets (Note 27)	(4,056)	(16,818)
Net increase in other liabilities (Note 31)	69,948	5,806
Net increases in derivative collateral (Note 29)	13,150	370
Net increase/(decrease) as amounts due	18,702	(13,916)
Net cash outflow provided by/(used in operating activities)	375,334	(4,025)
Cash flows from investing activities		
Disposal of intangible assets	-	193
Purchase/Repayment of debt securities	250,809	13,394
Interest received on investing activities	2,587	2,926
Cash flows provided by investing activities	253,396	16,513
Cash flows from financing activities		
Capital contribution (Note 32)	-	-
Proceeds from financing activities (Note 34)	2,225,407	1,063,879
Repayments of financing activities (Note 34)	(2,700,897)	(1,146,237)
Interest payments on financing activities (Note 34)	(77,012)	(79,739)
Issue costs for financing activities	(5,163)	(1,026)
Net cash inflow used in financing activities	(557,664)	(163,123)

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

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2025**

<i>In thousands of Euro</i>	12 months ended 31 January 2025	13 months ended 31 January 2024
Cash and cash equivalents at the beginning of the year	187,153	337,503
Net cash outflow provided by/(used in operating activities)	375,334	(4,025)
Net cash outflow provided by investing activities	253,396	16,513
Net cash inflow used in financing activities	(557,664)	(163,123)
Effect of exchange translation adjustments	(490)	285
Cash and cash equivalents at the end of the year (Note 19)	257,728	187,153

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

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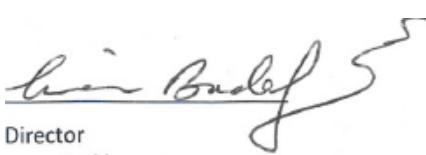
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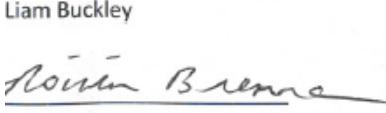
**BANK STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025**

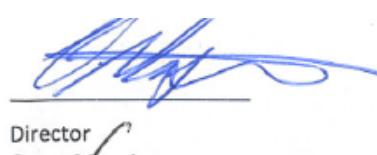
<i>In thousands of Euro</i>	<i>Note</i>	31 January 2025	31 January 2024
Assets			
Cash and balances with central banks	19	164,808	65,422
Derivative financial instruments	22	54,319	41,795
Loans and advances to banks	20	243,539	299,059
Loans and advances to customers	21	1,943,635	2,051,906
Debt securities at amortised cost	23	27,034	275,980
Property, plant and equipment	25	639,601	647,591
Other assets	27	191,556	188,502
Intangible assets and goodwill	24	13,226	13,226
Deferred tax assets		2,004	5,597
Total assets		3,279,723	3,589,078
Liabilities			
Deposit from banks	29	103,157	468,650
Derivative financial instruments	22	25,411	28,134
Amounts due to group undertakings	36	656,302	726,979
Other liabilities	31	120,756	50,809
Current tax liabilities		2,330	86
Debt Securities in Issue	30	1,513,673	1,469,991
Total liabilities		2,421,630	2,744,649
Equity			
Share capital		50,000	50,000
Capital contribution		732,500	732,500
Profit/(Loss) for the year		16,849	(28,954)
Other reserves		(7,837)	(4,652)
Revenue reserves		66,581	95,535
Total equity		858,093	844,429
Total liabilities and equity		3,279,723	3,589,078
Memorandum items			
Guarantees	33	-	-
Commitments	33	197,707	182,602

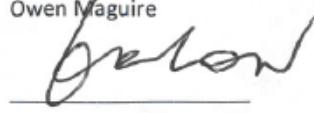
The accompanying notes form an integral part of these financial statements

Approved and authorised for issue by the Board on 17 April 2025:


Director
Liam Buckley


Director
Roisin Brennan


Director
Owen Maguire


Secretary
Erica Mahon

**BANK STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2025**

Attributable to owners of the Company					
<i>In thousands of Euro</i>	Share Capital	Other Reserves	Revenue Reserves	Capital Contribution	Total Equity
Balance at 1 February 2024	50,000	(4,652)	66,581	732,500	844,429
Cashflow hedge reserve		(2,859)			(2,859)
Profit for the financial period			16,849		16,849
<i>Transactions with owners of the Company:</i>					
Capital contribution					
Share based payment reserve		(326)			(326)
Balance at 31 January 2025	50,000	(7,837)	83,430	732,500	858,093

Attributable to owners of the Company					
<i>In thousands of Euro</i>	Share Capital	Other Reserves	Revenue Reserves	Capital Contribution	Total Equity
Balance at 1 January 2023	50,000	146	95,535	732,500	878,182
Cashflow hedge reserve		(3,092)			(3,092)
Loss for the financial period			(28,954)		(28,954)
<i>Transactions with owners of the Company:</i>					
Capital contribution					
Share based payment reserve		(1,707)			(1,707)
Balance at 31 January 2024	50,000	(4,652)	66,581	732,500	844,429

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

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**BANK STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2025**

	12 months ended	13 months ended
<i>In thousands of Euro</i>	31 January 2025	31 January 2024
Cash flows from operating activities		
Profit/(Loss) before tax	21,358	(31,565)
Adjustments for:		
Impairment charge/(write-back) on financial assets	899	(975)
Impairment / charge on Property, plant and equipment	623	184
Interest expense on financing activities (Note 34)	49,165	54,138
Depreciation, amortisation and write-offs (Note 24 and 25)	278,704	292,258
Fair value hedge adjustments	37,665	45,651
Loss from disposal of Property, plant and equipment (Note 25)	55,251	17,354
Other non-cash items	(3,737)	(3,371)
Cash generating from operating activities	439,928	373,674
Taxation refund/(paid)	2,556	(2,115)
Cash flows from operating activities before changes in operating assets and liabilities	442,474	371,559
 Changes in operating assets and liabilities		
Net change in derivative financial instruments (Note 22)	(15,247)	(60,113)
Net decrease in loans and advances to banks	22,938	91,917
Net decrease/(increase) in loans and advances to customers	107,590	(69,089)
Additions to property, plant and equipment (Note 25)	(326,589)	(380,596)
Net increase in other assets (Note 27)	(3,054)	(7,177)
Net increase/(decrease) in other liabilities (Note 31)	69,961	(3,568)
Net increase in derivative collateral (Note 29)	13,150	370
Net increase/(decrease) in Intercompany balance	17,387	(9,015)
Net cash outflow provided by/(used in operating activities)	328,610	(65,712)
 Cash flows from investing activities		
Disposal of intangible assets	-	193
Purchase/Repayment of debt securities	250,809	13,394
Interest received on investing activities	2,587	2,926
Net cash provided by investing activities	253,396	16,513
 Cash flows from financing activities		
Capital contribution (Note 32)	-	-
Proceeds from financing activities (Note 34)	1,631,989	678,744
Repayments of financing activities (Note 34)	(2,095,848)	(731,774)
Issue costs for financing activities	(5,163)	(997)
Interest payments on financing activities (Note 34)	(45,802)	(45,360)
Net cash inflow used in financing activities	(514,824)	(99,387)
Cash and cash equivalents at the beginning of the year	185,560	333,983
Net cash outflow provided by/(used in operating activities)	328,610	(65,712)
Net cash inflow provided by investing activities	253,396	16,513
Net cash inflow used in financing activities	(514,824)	(99,387)
Effect of exchange translation adjustments	(390)	163
Cash and cash equivalents at the end of the year (Note 19)	252,352	185,560

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1. Accounting Policies

Dell Bank International (d.a.c.), referred to as the Bank, is a company incorporated and domiciled in Ireland (registered number 502362). The address of its registered office is Innovation House, Cherrywood Science and Technology Park, Cherrywood, Dublin 18, Ireland. The principal activity of the Bank is the provision of payment solutions to end users of products and services. The Bank has one subsidiary, Dell Receivables Financing 2016 Designated Activity Company (the “SPV”), a special purpose vehicle. The Bank and its controlled SPV are collectively referred to as the “Group”.

The material accounting policies applied in the preparation of these financial statements are set out below. These accounting policies are applied consistently in the Group and Bank financial statements and have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Directors make an unreserved statement that the financial statements for the 12 months ended 31 January 2025 have been prepared in accordance with IFRS Accounting Standards. The financial statements also comply with the requirements of Irish Statute comprising those parts of the Companies Act 2014, applicable to companies reporting under IFRS.

The financial statements comprise the Consolidated statement of comprehensive income, Consolidated statement of other comprehensive income, Consolidated and Bank statements of financial position, the Consolidated and Bank statements of changes in equity, the Consolidated and Bank statements of cash flows, the notes to the financial statements and sections 3, 4, 5, and 8 of the Risk Management Report.

The financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities held at fair value through profit or loss, which have been measured at fair value. The Group classifies its expenses by the nature of expense method.

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The Bank changed its financial year end in 2024. Therefore, these financial statements present the period from 1 February 2024 to 31 January 2025 but the comparison period is a 13 month period from 1 January 2023 to 31 January 2024.

First time adoption of new accounting standards

Some accounting pronouncements which have become effective from 1 February 2024 and have therefore been adopted do not have a significant impact on the Group and Bank's financial results or position.

Accounting standards issued but not yet effective

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date.

Management is yet to assess the impact of the accounting standards issued but not yet effective but anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

IFRS 18: A new presentation standard replacing IAS 1, effective from 1 January 2026

IFRS 19: An optional standard allowing certain entities to reduce required disclosures, effective from 1 January 2026.

Amendments to IFRS 9: Relating to classification of and measurement of financial instruments, effective from 1 January 2026

1. Accounting Policies- continued

Principle of consolidation

The Group applies IFRS 10 Consolidated Financial Statements. The consolidated financial statements include the financial statements of the Bank and its subsidiary.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

A structured entity is an entity designed so that its activities are not governed by way of voting rights. The Group assesses whether it has control over such entities by considering factors such as the purpose and design of the entity; the nature of its relationship with the entity; and the size of its exposure to the variability of returns from the entity.

Assets, liabilities and results of all Group undertakings have been included in the Group financial statements on the basis of financial statements made up to the end of the financial period. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Financial assets

(i) Initial Recognition

The Group initially recognises financial assets on the date on which the group becomes a party to its contractual provisions. Financial assets are initially recorded at fair value and are classified, on initial recognition, as amortised cost or fair value through other comprehensive income ("FVOCI") or fair value through profit or loss. The initial fair value of a financial asset (unless measured at fair value through profit and loss) includes direct and incremental transaction costs.

Financial assets measured at fair value through profit and loss ("FVTPL") are recognised initially at fair value and transaction costs are taken directly to the income statement.

Derivatives are measured initially at fair value on the date on which the derivative contract is entered into.

(ii) Classification and subsequent measurement

Derivative financial instruments are held at fair value and changes in the instrument's fair value are recognised in the income statement as Net trading income or Net trading expense. Derivatives are included as derivative financial instrument assets when the fair value is positive and as derivatives financial liabilities when the fair value is negative.

Financial assets other than derivatives include; debt securities, loans to banks and customers and other financial receivables where the Group has taken an assignment of receivables/credit in respect of financing provided to banks or customers.

Immediately after initial recognition, an expected credit loss allowance ("ECL") is recognised for financial assets measured at amortised cost or FVOCI which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

1. Accounting Policies- continued

The recognition and measurement of lease receivables is governed by the leasing standard, IFRS 16 and therefore such financial assets are not in scope of the business model test under IFRS 9.2.1(b). Loans, financial receivables and finance leases are reported in the statement of financial position as loans and advances to customers or loans and advances to banks.

The Group determine subsequent measurement of a financial asset after initial recognition based on the two tests below

- (i) The Group's business model for managing the financial asset; and
- (ii) The contractual cash flow characteristics of the financial asset.

Based on these factors, the Group classifies its financial assets into one of the following categories:

Amortised Cost

Assets that have not been designated as FVTPL and are held within a 'hold-to-collect' business model whose objective is to hold assets to collect contractual cash flows; and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest. The carrying amount of these assets is calculated using the effective interest method and is adjusted on each measurement date by the expected credit loss allowance for each asset, with movements recognised in profit or loss.

Fair value through other comprehensive income ('FVOCI')

Assets that have not been designated as FVTPL, and are held within a 'hold-to-collect-and-sell' business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI"). Movements in the carrying amount of these assets are taken through other comprehensive income ("OCI"), except for the recognition of credit impairment gains or losses, interest revenue using the effective interest method and foreign exchange gains and losses on the amortised cost of the financial asset, which are recognised in profit or loss. When a financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

Fair value through Profit and Loss ('FVTPL')

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Gains or losses on such assets are recognised in profit or loss on an on-going basis.

Classification and subsequent measurement of debt financial instruments depends on:

(i) Business Model

The Group makes an assessment of the objective of the business model at a portfolio level, as this reflects how the asset portfolio is managed in order to generate cashflows to achieve a particular objective, rather than management's intentions for individual assets. The focus is on whether the Group's objective is solely to collect the contractual cash flows from the assets ("Hold to Collect") or is to collect both the contractual cash flows and cash flows arising from the sale of assets ("Hold to Collect and Sell"). If the objective is neither of the above, then the portfolio is classified as part of a portfolio that is measured at fair value through profit and loss.

The assessment considers the following:

- How the performance of the business model is evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model and how those risks are managed;
- How managers of the business are compensated; and
- The frequency, volume and timing of sales in prior years, the reasons for such sales and expectations about future sales activity.

The Group has three categories of financing, namely loans, finance lease receivables and assignment of receivables/credit ("AOR/AOC"). Finance lease are accounted for in line with the requirements of IFRS 16 and fall outside the scope of the classification rules under IFRS 9.

Notes to the Financial Statements

1. Accounting Policies- continued

The Group has identified the following business models:

- Loans and AOR/AOC that are originated and retained on the balance sheet and which are classified as a hold to collect business model, and
- AOR/AOC that are originated and syndicated in full within a short period and which are classified in a hold for sale business model
- Debt securities that are purchased and held to maturity and which are classified as a hold to collect business model

Certain loans are included within the securitised portfolio; however, such loans do not meet the derecognition criteria of IFRS 9 and as such are retained on the balance sheet of the Bank and fall within hold to collect business model.

Syndicated loans are classified as hold-to-sell. The Group considers that it does not substantially retain all the risk and rewards of ownership on syndicated loans. Therefore, syndicated loans are de-recognised as per the IFRS 9 standard. The Group continues to service these loans on behalf of the purchasing entity. As the Group has transferred the contractual right to receive the cashflows from the customer, all cashflows received is transferred to the new owner of the assets.

(ii) Contractual cash flow characteristics

The Group also performed an assessment ('SPPI test') on all financial assets at origination that are held within a hold-to-collect business model to determine whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. For the purpose of this assessment, 'principal' is defined as the fair value of the financial assets at initial recognition and may change over the life of the financial asset, for example, due to repayments. 'Interest' is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding, and other basic lending risks and costs.

In performing the SPPI assessment, the Group considers:

- Features that modify the time value of money element of interest
- Terms providing for prepayment and extension;
- Contractually linked instruments;
- Sub-ordination;
- Leverage features;
- Principal and interest deferral; and
- Foreign exchange risks;

The Group has also made a judgement on all financial assets under AOR/AOC where this pool of assets is classified as receivables. These receivables have a significant financing component for the following reasons;

- There is an implied interest rate which equates to a rate that is similar to prevailing market interest rates;
- There is a significant length of time between when the promised goods or services are transferred to the end-customer and when the end-customer pays for those goods and services; and
- There is a difference between the cash selling price of the goods and services and the amount of promised consideration through the financing.

Based on the above analysis, the AOR/AOCs do not meet the characteristics of trade receivables and should be included within the scope of the SPPI assessment above.

The Group engages in syndication activities whereby the pool of financial assets is sold on a non-recourse basis to third party entities. The group maintains the servicing for these assets and payment for servicing is received at the time of the sale. Fee revenue for servicing paid in advance is deferred and amortised to income over the expected servicing term.

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1. Accounting Policies- continued

The Group carries out the SPPI test based on an assessment of the contractual features of each product on origination and subsequently every six months. Derivative instruments are not covered by this assessment as they are held at fair value through profit or loss.

(iii) Derecognition

The Group will derecognise a financial asset when, and only when, either:

- (a) the contractual rights to the cash flows from the financial asset expire, or
- (b) it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

If the contractual cash flows on a financial asset are modified, an assessment is required as to whether that financial asset should be derecognised, and a new asset recognised. If the restructure is considered to be a modification not requiring de-recognition, the credit risk at initial recognition is unchanged and the Group calculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets).

Where modification leads to de-recognition, the modified loan is a 'new' financial asset and is recognised at fair value and recalculates a new EIR for the asset. Under IFRS 9, the date of renegotiation of the new financial asset is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

The Group considers, the factors below when assessing for modifications:

- If the borrower is in financial difficulties, whether the modification merely reduces the contractual cash flows to amounts the borrowers is expected to be able to pay
- Whether substantially new terms are introduced
- Whether there has been a significant extension of the loan term when the borrower is not in financial difficulty
- Whether there has been a significant change in the interest rate
- Whether there has been a change in the loan currency
- Whether there has been an insertion of collateral, other security or credit enhancements that significantly impacts the credit risk associated with the loan

The Group has assessed the modified loan contracts and considers the impact is immaterial for the current period (2024: immaterial).

(iv) Impairment of financial assets

The Group recognises loss allowances for expected credit losses at each balance sheet date for the following financial assets that are not measured at FVTPL:

- Financial assets at amortised cost;
- Finance lease receivables recognised under IFRS 16 'Leases'; and
- Loan commitments issued.

1. Accounting Policies- continued

The Group discloses expected credit losses (ECL) in 4 categories as below:

- (i) Stage 1 includes financial assets that have not had a significant increase in credit risk since initial recognition. The Group will recognise the 12-month expected credit loss for these financial assets. 12-month ECL is the expected credit losses that result from default events that are possible within 12 months of the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months. Therefore, all financial assets in scope will have an impairment provision equal to at least 12-month ECL.
- (ii) Stage 2 is where a financial asset shows a significant increase in credit risk but are not credit impaired. For these assets, the Group recognises lifetime expected credit loss being the expected credit losses that result from all possible default events over the expected life of the financial instrument.
- (iii) Stage 3 is where financial assets are credit impaired (i.e. have objective evidence of impairment at the reporting date). The Group recognises lifetime expected credit losses for these financial assets, although the provision may already have been recognised if the loan has migrated from Stage 2.
- (iv) Purchased or originated credit-impaired financial assets (POCI) are financial assets that were credit impaired at initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised on a credit-adjusted EIR basis. ECLs are only recognised or released to the extent that there is a subsequent change in expected credit losses.

With the exception of POCI financial assets, a financial instrument may migrate between stages from one reporting date to the next.

In determining if a financial instrument has experienced a significant increase in credit risk (SICR) since initial recognition, the Group assesses whether the risk of default over the remaining expected life of the financial instrument is significantly higher than had been anticipated at initial recognition, considering changes in prepayment expectations where relevant. The Group uses reasonable and supportable information available without undue cost or effort at the reporting date, including forward-looking information.

When measuring ECL, the Group considers:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group has adopted an ECL framework based on a component approach using probability of default models (PD), Loss given default models (LGD) and Exposure at default models (EAD). The expected cashflows included in the ECL models are derived from the loan/lease contracts or on disposal of the collateral assets to which the financing relates. The ECL provisions are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: the present value of the difference between all contractual cash flows due to the Group in accordance with the contract and all the cash flows the Group expects to receive.
- Financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows.
- Undrawn commitments: the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive.

1. Accounting Policies- continued

The amount of ECLs recognised as a loss allowance depends on the extent of credit deterioration since initial recognition. There are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items as long as there is no significant deterioration in credit quality since initial recognition; and
- Lifetime ECLs
 - Stage 2, which applies when a significant increase in credit risk has occurred on an individual or collective basis;
 - Stage 3, which applies when an asset is impaired;
 - POCI, which applies when a new asset is originated to a customer who is credit impaired.

The 12-month ECL is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECL is the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In the case of Stage 2, credit risk on the financial instrument has increased significantly since initial recognition but the instrument is not considered credit impaired. This would include:

- Backstop of 30 days past due for contracts for standard customers.
- Non-standard customer contracts will receive a 90-day payment period prior to the delinquency counter starting.
- Material downgrade of PD Rating (origination vs. reporting date based on thresholds).

The Group defines credit impaired financial assets when its contractual payments are 90 days past due (after allowing for grace periods in respect of certain customers as described in note 4) or when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. For a financial instrument in Stage 3, credit risk has increased significantly since initial recognition and the instrument is considered credit impaired. Financial assets are allocated to stages dependent on the credit quality relative to when the asset was originated.

A financial asset can only originate in either Stage 1 or as purchased or originated credit impaired (“POCI”). The ECL held against an asset depends on several factors, one of which is its stage allocation. Assets allocated to Stage 2 and Stage 3 have lifetime ECLs.

Purchased or originated credit impaired (“POCI”) financial assets are those that are credit-impaired on initial recognition. The Group may originate a credit-impaired financial asset following a substantial modification of a distressed financial asset that resulted in derecognition of the original financial asset.

Effective Interest Rate

The discount rate used by the Group in measuring ECL is the effective interest rate (or ‘credit-adjusted effective interest rate’ for a purchased or originated credit-impaired financial assets) or an approximation thereof. For commitments it is the effective interest rate, or an approximation thereof, that will be applied when recognising the financial asset resulting from the loan commitment.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. Information about the Group's accounting policies relating to offsetting of financial assets and financial liabilities is provided in Note 38.

Write off

The Group writes off an impaired financial asset and the related impairment allowance, either in part or its entirety, when there is no realistic prospect of recovery. In circumstances where the net realisable value of any financial assets has been determined and there is no reasonable expectation of further recovery, write-off may be earlier than financial assets realisation.

Notes to the Financial Statements

1. Accounting Policies- continued

Foreign currency translation

The financial statements are presented using the functional currency of Euro (also referred to as “EUR” and “€”), being the currency of the primary economic environment in which the Group operates. The figures shown in the financial statements are rounded to thousands ('000), unless otherwise stated.

Foreign currency transactions are translated to Euro using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate prevailing at the year end. Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transaction.

Foreign exchange gains and losses are recognised in the Statement of comprehensive Income as Net trading income or Net trading expense.

Interest income and expense

Interest income and expense for all interest-bearing financial instruments continued to be recognised within “interest income” and “interest expense” in the statement of comprehensive income using the effective interest method (“EIR”). The Group presents interest resulting from negative effective interest rates on financial liabilities as interest income rather than as an offset against interest expense.

The EIR is the rate that exactly discount estimated future cash payments or receipts through the expected life of the financial instruments or shorter period if appropriate, to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

When calculating the EIR for the financial instruments other than purchases or originated credit impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instruments, but not ECL. For purchased or originated credit impaired (‘POCI’) financial assets, a credit adjusted EIR is calculated using estimated future cash flows including ECL.

The calculation of the EIR includes transaction costs, premiums, discounts, and fees paid or received that are an integral part of the EIR. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest income is calculated by applying the EIR to the gross carrying amount of the financial assets. For assets that are credit impaired the EIR is applied to the net book value measured at amortised cost. Where loans are POCI a credit adjusted EIR is applied to the net book value, which is measured at amortised cost.

Interest income and expenses on derivative financial instruments are included in Net trading income or Net trading expense.

Fee and commission income and expense

As outlined above, fees and commission income and expense that are integral to the EIR on a financial asset or liability, are included in the measurement of the EIR. Similarly, fees that are integral to the constant rate of return on finance leases are included in the net investment in finance leases.

Where the Group has arranged loan facilities for funding purposes any commitment or arrangement fees are deferred and recognised as an adjustment to the effective interest rate of the debt facility.

Other fees and commission income are recognised as the related services are performed. Other fees and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received. Document fees and late fees are included in this category as income.

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1. Accounting Policies- continued

Financial liabilities

Classification, Recognition and Measurement

The Group initially recognise financial liabilities on the date on which the group becomes a party to the contractual provisions.

Financial liabilities are measured initially at fair value. The fair value of the financial liability is normally the transaction price, i.e. the fair value of the consideration received net of transaction costs. Where financial liabilities are classified as trading, they are also initially recognised at fair value with the related transaction costs taken directly to the income statement.

The Group holds two categories of financial liabilities:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit or loss

Management determines the classification of financial liabilities at initial recognition.

Financial liabilities at amortised cost

Financial liabilities that are not classified as at fair value through profit or loss fall into this category and are measured at amortised cost on an EIR basis. Financial liabilities measured at amortised cost are; debt securities in issue, deposits from banks, and intercompany loans.

Certain debt securities in issue have been entered into fair value hedge relationships. The carrying amounts of debt securities in issue held at amortised cost that are hedged via fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged. For more details refer to note 22.

Financial liabilities at fair value through profit or loss

In the ordinary course of business, the Group enters into foreign exchange forwards, interest rate swaps and cross currency interest rate swaps for both hedging and economic hedging purposes to manage foreign currency and interest rate risks. The Group does not enter into derivative transactions for speculative purposes.

Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date on which the contract is entered and are subsequently remeasured at their fair value at each reporting date. Derivatives are included as derivative financial instrument assets when the fair value is positive and as derivatives financial liabilities when the fair value is negative. The method of recognising the resulting gain or loss on derivatives depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- Hedges of the fair value of recognised liabilities (fair value hedges)
- Hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transaction (cash flow hedges)

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 22. Movements in the cashflow hedging reserve in shareholders' equity are shown in note 32. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. The Group has made the accounting policy choice allowed under IFRS 9 to continue to apply the hedge accounting requirements of IAS 39.

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1. Accounting Policies- continued

Cash flow hedges that qualify for hedge accounting

The effective portion of the changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within the statement of changes in equity. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated statement of comprehensive income in Net trading expense or income.

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Fair value hedge

When a derivative is designated as the hedging instrument in a fair value hedge, changes in fair value are recorded in the Consolidated statement of comprehensive income within Net trading expense or income, together with any changes in fair value of the hedged asset or liability that are attributable to the hedged risk.

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Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the Consolidated statement of comprehensive income under 'Net trading income' or 'Net trading expense'.

Determination of fair value

For all financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, yield curves, FX rates and counterparty spreads) existing at the dates of the statement of financial position.

The Group uses widely recognised valuation models for determining fair values of interest rate and currency swaps. For these financial instruments, inputs into models are market observable.

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Finance Leases

The Group enters into finance lease arrangements as a lessor and assets held under finance lease of the Group are presented as loans and advances to customers and loans and advances to banks. As per IFRS 16 Leases, under a finance lease, substantially all the risks and rewards to legal ownership are transferred by the lessor and thus the lease payment receivables are recorded as the Group's net investment in the leases and included in Loans and advances to customers or Loans and advances to banks as appropriate.

The net investment of the leases consists of the sum of minimum lease term payments plus the residual value amount, reduced by any deferred income for interest not yet earned. The Group will recognise finance income based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance leases.

The Group also enters into leasing arrangements with other financial institutions which are presented as loans and advances to banks in the statement of financial position.

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Fees paid, and costs incurred in connection with arranging leases

Initial direct and incremental costs incurred by the Group in negotiating leases are also capitalised, offset against the lease receivable balance in the statement of financial position and recognised over the lease term as part of the constant rate of return on the net investment in the finance lease.

Operating leases

Leases of which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. The leased assets are included within property, plant and equipment on the statement of financial position and depreciation is provided on the depreciable amount of these assets on a systematic basis over their estimated useful lives. Lease income is recognised on a straight-line basis over the period of the lease. Payments from the lessee are recognised as receivable over the lease term only as they fall due.

Notes to the Financial Statements

1. Accounting Policies- continued

Property, plant and equipment

Own use:

Property, plant and equipment are stated at cost, or deemed cost; less accumulated depreciation and accumulated impairment, if any. Additions and subsequent expenditure are capitalised only to the extent that they enhance the future economic benefits expected to be derived from the asset.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful economic lives. Depreciation is calculated based on the gross carrying amount, less the estimated residual value (in the majority of cases deemed to be nil) at the end of the assets' economic lives.

The Group uses the following useful lives when calculating depreciation:

<i>Class</i>	<i>Useful Life</i>
Computer equipment – Own use	30 months

Operating lease equipment:

Equipment on customer based operating leases is depreciated over the term of the lease on a straight line basis. Depreciation is calculated based on the gross carrying amount, less the estimated residual value at the end of the lease term. Lease term ranges from 12 – 60 months, with the average term being 40 months.

The Group reviews its depreciation rates regularly, at least annually, to take account of any change in circumstances. When deciding on useful lives and methods, the principal factors that the Group takes into account are the expected rate of technological developments, expected market requirements for and the expected pattern of usage of the assets. Impairment is assessed on an annual basis.

Gains and losses on sales of operating leased equipment are included as part of "Other operating income" in the income statement.

Intangible assets

Goodwill

Goodwill represents the excess of the fair value of the consideration paid in a business combination over the acquired interests in the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition.

For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. This discounting is performed either using market rates or by using risk-free rates and risk adjusted expected future cash flows.

Goodwill was recognised as part of the business acquisition and fair valued on Dell related assets, sales, servicing functions and platform from CIT Vendor Finance Europe which cannot be sold, purchased or transferred separately and as a result the Group assess goodwill with indefinite useful life.

Goodwill is capitalised and reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The Group is considered to be one cash- generating unit.

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1. Accounting Policies- continued

Computer software

Computer software arising on a business acquisition is capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives, which is normally five years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group and which will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development, employee costs and an appropriate portion of relevant overheads. These costs are reflected in “Assets under Construction” and not amortised until they are brought into use in the business, at which point they are transferred to software.

Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives.

Computer software is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. The estimated recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

Other intangible assets

Other intangible assets were externally purchased as part of the business acquisition and fair valued on initial recognition. They are subsequently measured at cost less amortisation and impairment, if any and, are amortised on a straight-line basis over 10 years. Amortisation methods and periods relating to these intangible assets are reviewed annually. The amortisation of intangible assets is reported in the Statement of comprehensive income under depreciation and amortisation expenses.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Other intangible assets are reviewed for impairment when there is an indication that the asset may be impaired. Intangible assets not yet available for use are reviewed for impairment on an annual basis.

Provisions and contingent liabilities

Provisions are made where the Group has present legal or constructive obligations as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The Group recognises no provisions for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events giving rise to present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. They are not recognised but are disclosed in the notes to the financial statements unless they are remote.

Notes to the Financial Statements

1. Accounting Policies- continued

Employee benefits

Short term employee benefits

Short-term employee benefits, such as wages and salaries, social security costs and other benefits are accounted for on an accrual's basis over the period during which employees have provided services. Bonuses are recognised to the extent that the Group has a legal or constructive obligation to its employees that can be measured reliably.

Long Term Incentives ("LTI")

For selected staff the Bank offers long term incentives to retain key staff (conditional variable equity payments).

Conditional variable share based payments (equity settled) are awarded based on a combination of employees' eligibility, and award targets. The awards granted are time-based awards that vest equally over a three-year period, each year one-third of the award granted becomes unconditional. At the vesting date, employees receive shares of Dell Technologies. The value of the share-based payments made are directly linked to the price of Dell Technologies' Class C Common Stock as listed on New York Stock Exchange (NYSE). Share based payments are measured in line with IFRS 2. Under IFRS 2, the Bank recognises the expense for these awards over the vesting period based on the fair value at the grant date and a corresponding entry to equity in the share-based payment reserve. A recharge agreement is currently in place with Dell Technologies based on the fair value of the awards at the vesting date. The Bank recognises a liability for this recharge on the grant date and remeasures the liability at each reporting date in line with the share price movement of Dell Technologies. A corresponding entry is made to Equity. The recharge amount is then settled following the vesting of the awards annually.

Pension obligations

The Bank operates a defined contribution plan. A defined contribution plan is a pension plan under which the Bank pays fixed contributions into a separately administered fund. The Bank has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For the defined contribution plans, the Bank pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Income tax, including deferred tax

Current income tax

Income tax payable on profits is calculated on the basis of the applicable tax law in each relevant jurisdiction and is recognised as an expense in the period in which the profits arise. The Group does not offset income tax liabilities and current income tax assets, unless they are in the same jurisdiction. The Irish Pillar Two legislation was enacted in December 2023 and effective from 31 December 2023. The Dell Technologies Group, as a large Multinational Enterprise ("MNE") falls into the scope of the Pillar Two legislation with effect from 3 February 2024. This did not result in any incremental tax in FY25. The Group continues to assess the impact of Pillar 2, but as the Group already has a Pillar 2 effective tax rate of greater than 15% in the majority of jurisdictions in which it operates, the Group does not expect Pillar 2 to have a material impact on the financial statements of the Group in FY26.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Deferred income tax

Deferred tax is provided in full, using the liability method, on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. The Group applies the

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1. Accounting Policies- continued

exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets and current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise amounts due from banks. They are convertible into cash with an insignificant risk of changes in value and with original maturities of less than three months.

Shareholders' equity

Share capital

Share capital represents funds raised by issuing shares in return for cash or other consideration. Share capital comprises ordinary shares of the Bank.

Capital contribution

Capital contributions represent the receipt of non-demandable considerations arising from transactions with the parent company, DFS BV. The contributions are classified as equity and may be either distributable or non-distributable. Capital contributions are distributable if the assets received are in the form of cash or another asset that is readily convertible to cash. Otherwise, they are treated as non-distributable.

Revenue reserves

Revenue reserves represent retained earnings or loss of the parent company and subsidiaries.

End of lease

End of lease represents the income and cost of goods sold relating to buyouts and remarketing. The sale is recognised on a gross basis (revenue and COGS). A buyout can occur at the maturity of the contract or earlier within the term. Remarketing occurs when a customer returns the equipment (early or at term). The residual value is reclassified as inventory before being resold.

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1. Accounting Policies- continued

Other reserves

Other reserves represent the cash flow hedge reserve and share based payment reserve.

Accounting for syndications

The Bank enters into syndication transactions where the Bank has transferred the contractual rights to receive the cash flows of the financial assets to syndication parties. The asset is derecognised at the date the Bank is satisfied that the derecognition criteria under IFRS 9 are met. The difference between the consideration received and the carrying amount of the transferred asset is recognised as a gain or loss in the Income Statements and included in Other income from syndications.

2. Going Concern

The Directors have considered a period of at least twelve months from the date of approval of these financial statements in evaluating the appropriateness of preparing the financial statements for the year ended 31 January 2025 on a going concern basis.

In making this assessment, the Directors considered the Group's business activity, profitability projections, ICAAP, and liquidity and solvency projections, which are all scheduled over a three-year period, as well as the continuing support of the ultimate parent.

As at 31 January 2025, the Group had total assets of €3,339m (2024: €3,653m); with a post-tax profit of €18.2m (2024: loss of €25.6m) and net assets of €858m (2024: €844m). The Group is expected to continue to maintain a positive cash position for the foreseeable future. At the financial period end, the Bank has issued three €500m under the rules of the EMTN programme. The EMTN will be used to issue further bonds as existing bonds reach maturity. The Bank has a diverse funding structure, comprising the following funding sources:

- Unsecured debt securities in issue
- Securitised loan
- Collateralised loan facility
- Long-term refinancing operation
- Interbank deposits
- Intercompany Loan with Dell Global BV
- Multi-Currency Notional Pool
- Letter of support from its ultimate parent

Further detail of the Group's liquidity, including details of total committed funding, is disclosed in Note 4(c).

Management considered its ability to maintain access to funding and absorb future losses and concluded, that based on their current funding and capital position, as well as the continuing support from its ultimate parent, that the Bank has no material uncertainties which would cast significant doubt on the going concern assumption.

On the basis of all of the above, the Directors consider it appropriate to prepare the financial statements on a going concern basis having concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern over the period of assessment.

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3. Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities.

The estimates and assumptions are based on management's experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement involves making estimates concerning the likelihood of future events, the actual results could differ from those estimates. Estimates and judgements are continually evaluated and revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality and are set out below.

a) Credit Impairment losses on loans and advances to customers and banks (see note 4)

a.

The Group reviews its loans and leases portfolio for credit impairment on an ongoing basis. The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 4 Credit Risk under section expected credit loss, which also sets out the key sensitivities of the ECL. The calculation of the Group's ECL under IFRS 9 requires the Group to make a number of judgements, assumptions and estimates. The most significant are set out below:

Judgements	Estimates
Determining criteria for significant increase in credit risk	Choosing appropriate assumptions and parameters for the measurement of ECL
Choosing appropriate models for the measurement of ECL	Establishing the scenario macro-economic forecasts and the number and relative weightings of each scenario for each type of financial asset and the associated ECL
Establishing groups of similar financial assets for the purpose of measuring ECL	Establishing management overlays, where required, due to known limitations of ECL models

Detailed information about the judgements and estimates made by the Group in the above areas is set out in Note 4 Credit Risk.

Management Overlays

Management overlays are defined as those adjustments which are made by management directly to the outputs of the expected credit loss models. Due to recognised limitations in IFRS 9 modelling, the Group has provided for additional provision in the form of management overlays. The overlays should not be considered in isolation for appropriateness, rather the total overlay is assessed as a whole in assessing the reasonableness of the total ECL coverage for the portfolio. All overlays are reviewed as required as part of the ECL governance process by the Credit Provisioning Committee, a subcommittee reporting directly to the Credit Committee.

During the year, the Group continued to review ECL model performance, reassessing whether overlays from 2024 should be retained and considering whether new overlays for the period were required. An overview of the models in place as at 31 January is set out below:

3. Critical Accounting Estimates and Judgements- continued

At January 2025, the total management overlay remains €4.9m (2024: €4.9m) broken down by the two (2024; two) components detailed below:

i. Single Name Concentration

The Group has a portfolio of large customers and consideration was therefore given to the impact on losses in the hypothetical scenario that a number of these large single name customers went into default. The Group's relatively short and low loan loss history resulted in a low modelled ECL. As such, the Group has incorporated an overlay to account for the risk arising from the Single Name Concentration in the portfolio. The method used to size the range of the overlay utilises a top-down assessment of ECL for the bank's largest customers, deriving an adjusted ECL from this assessment and comparing this to the modelled ECL. The overlay is calculated as a difference between the adjusted ECL and the modelled IFRS 9 ECL figure. The approach to the overlay is unchanged from 2022.

ii. Loss Given Default Model Parameters

An analysis has been carried out in respect of the parameters used in the LGD model. The parameters considered include:

- Cost of recovering assets
- Time to sell an asset once recovered
- Average time a customer spends in default
- Level of cash recoveries
- Timing of a default

b) Residual Value

Residual values on finance and operating leases are reported as part of Loans and Advances to Customers and Banks and Property, Plant and Equipment respectively. Residual value assumptions are based on management's estimation of the level of future value that assets are expected to realise at the end of their lease terms. Management reviews its estimate of these residual values at each reporting date. Uncertainties in these estimates relate to expected rate of technological developments, expected market requirements for and the expected pattern of usage of the assets that may change the utility of the underlying assets. Please see notes 20, 21 and 25 for further information.

4. Financial Risk Management

(a) Credit Risk

Credit risk represents a significant risk to the Group. Credit risk refers to the risk that the Group's customers fail to meet their scheduled payments for operating leases, finance lease, hire purchase and loans approved by the Group's credit function in addition to credit risk arising from Treasury activities with other credit institutions such as placing of deposits with counterparties, the purchase of debt securities and from the purchase of interest rate and foreign exchange derivatives. The Bank retains title where the asset financed is hardware related. The Bank does not hold collateral where the asset financed is software related.

Details of the Group's procedures and policies relating to credit risk are outlined in the Credit section of the Risk management report (Section 3).

Maximum exposure to credit risk before collateral held or other credit enhancements

The following table outlines the maximum exposure to credit risk before collateral held or other credit enhancements in respect of the Group's financial assets as at the statement of financial position date:

	Note	31 January 2025	31 January 2024
		Group €'000	Group €'000
Cash and Balances with Central Banks	19	164,808	65,422
Loans and Advances to Banks	20	299,786	355,042
Debt securities at amortised cost	23	27,034	275,980
Loans and Advances to Customers	21	1,943,635	2,051,906
Derivative Financial Instruments	22	55,355	49,139
Commitments	33	197,707	182,602
		2,688,325	2,980,091

	Note	31 January 2025	31 January 2024
		Bank €'000	Bank €'000
Cash and Balances with Central Banks	19	164,808	65,422
Loans and Advances to Banks	20	243,539	299,059
Debt securities at amortised cost	23	27,034	275,980
Loans and Advances to Customers	21	1,943,635	2,051,906
Derivative Financial Instruments	22	54,319	41,795
Commitments	33	197,707	182,602
		2,631,042	2,916,764

Notes to the Financial Statements

4. Financial Risk Management – continued

(a) Credit Risk – continued

The following table outlines the exposure to credit risk by asset class as at 31 January 2025:

Group

S&P Grade	Cash with Central Banks €'000	Cash and Balances with Banks* €'000	Derivatives €'000	Debt Securities at Amortised cost €'000
AAA	-	-	-	16,832
AA+	-	-	-	-
AA	164,808	177	-	10,202
AA-	-	-	-	-
A+	-	37786	18,197	-
A	-	56,868	11,450	-
A-	-	16,519	24,013	-
BBB+	-	40,581	1,695	-
	164,808	151,931	55,355	27,034

Bank

S&P Grade	Cash with Central Banks €'000	Cash and Balances with Banks* €'000	Derivatives €'000	Debt Securities at Amortised cost €'000
AAA	-	-	-	16,832
AA+	-	-	-	-
AA	164,808	177	-	10,202
AA-	-	-	-	-
A+	-	3,414	17,873	-
A	-	51,491	11,952	-
A-	-	35,190	23,051	-
BBB+	-	5,410	1,444	-
	164,808	95,683	54,319	27,034

*These cash balances are included in the Statement of financial position within loans and advances to banks.

4. Financial Risk Management – continued

(a) Credit Risk - continued

S&P Grade	Loans and Advances to Banks (Leases and Loans*)					Total €'000	
	Not credit impaired		Credit impaired		POCI €'000		
	Subject to 12-month ECL €'000	Subject to lifetime ECL €'000	Excluding POCI €'000	Credit impaired POCI €'000			
AA	-	-	-	-	-	-	
AA-	-	-	-	-	-	-	
A-	126,969	7,200	326	35	35	134,530	
BBB+	8,393	120	-	515	515	9,028	
BBB	1,277	-	-	-	-	1,277	
BBB-	204	-	-	-	-	204	
BB+	2,686	-	-	-	-	2,686	
BB	150	-	-	-	-	150	
BB-	26	-	-	-	-	26	
B+	25	-	-	-	-	25	
B-	-	-	-	-	-	-	
B	12	-	-	-	-	12	
CCC	-	7	-	-	-	7	
	139,742	7,327	326	550	550	147,945	

*These loans and leases are included in the Statement of financial position within loans and advances to banks.

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4. Financial Risk Management – continued

(a) Credit Risk - continued

The following table outlines the exposure to credit risk by asset class as at 31 January 2024:

Group

S&P Grade	Cash with Central Banks €'000	Cash and Balances with Banks* €'000	Derivatives €'000	Debt Securities at Amortised cost €'000
AAA	-	-	-	26,269
AA+	-	-	-	14,684
AA	65,422	515	-	35,590
AA-	-	-	-	14,769
A+	-	42,160	1,213	24,913
A	-	122,832	13,138	95,174
A-	-	18,125	32,104	34,395
BBB+	-	-	2,684	30,187
	65,422	183,632	49,139	275,981

Bank

S&P Grade	Cash with Central Banks €'000	Cash and Balances with Banks* €'000	Derivatives €'000	Debt Securities at Amortised cost €'000
AAA	-	-	-	26,269
AA+	-	-	-	14,684
AA	65,422	515	-	35,590
AA-	-	-	-	14,769
A+	-	5,849	93	24,913
A	-	121,240	12,510	95,174
A-	-	45	26,508	34,395
BBB+	-	-	2,684	30,187
	65,422	127,649	41,795	275,981

*These cash balances are included in the Statement of financial position within loans and advances to banks.

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4. Financial Risk Management – continued

(a) Credit Risk - continued

S&P Grade	Loans and Advances to Banks (Leases and Loans*)				
	Not credit impaired		Credit impaired		Total
	Subject to 12-month ECL	Subject to lifetime ECL	Excluding POCI	POCI	
	€'000	€'000	€'000	€'000	€'000
AA	-	-	-	-	-
AA-	-	-	-	-	-
A-	154,227	266	26	5	154,524
BBB+	8,461	-	-	-	8,461
BBB	1,362	-	-	-	1,362
BBB-	1,551	194	515	2,536	4,795
BB+	1,375	-	-	27	1,402
BB	92	-	-	-	92
BB-	90	-	-	-	90
B+	757	-	-	-	757
B-	-	-	-	-	-
B	-	26	-	-	26
D	-	-	4	-	4
	167,915	486	545	2,568	171,514

*These loans and leases are included in the Statement of financial position within loans and advances to banks

4. Financial Risk Management – continued

(a) Credit Risk - continued

The Group requires all customers to be graded under the internal grading system, including all new business, renewals of existing credit facilities and periodic reviews of exposures. Any change in a condition of a customer or a credit facility may have its risk grades reviewed and adjusted accordingly. The Group uses a sixteen-point scale in assigning Probability of Default (PD) grades to customers. This PD grade scale is referenced to externally available customer ratings where appropriate. The grades provide an estimate of a customer's Probability of Default within a 12-month horizon. Quantitative and qualitative measures are used to assign PD grades. The probability of default will increase as the grade increases.

A description of the PD grades 10 to 16 is noted below.

PD 10-11: Having potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in the deterioration of the repayment prospects for the asset or in the institution's credit position at some future date.

PD 12-14: Increased concern regarding the credit worthiness of the obligor or the value of the collateral where pledged. Assets so classified must have a well-defined weakness or weaknesses that jeopardise the repayment of the debt or realisation of any collateral. They are characterised by the distinct possibility that the Group may sustain some loss if the deficiencies are not corrected.

PD 15: Has all the weaknesses inherent to be considered as substandard, with the added characteristic that the weaknesses make full repayment of the debt or realisation of any collateral, on the basis of current analysis and information, highly questionable and improbable.

PD 16: Defaulted. Amounts classified loss should be promptly charged off, net of estimated recovery. PD 16 assets are considered uncollectible and of such little value that their continuance as bankable assets are not warranted. This classification does not mean that the asset has absolutely no recovery or salvage value but rather that it is not practical or desirable to defer writing off this asset even though partial recovery may be affected in the future.

The table below outlines the Group and Bank's exposure to credit risk in respect of its loans and advances to customers (hire purchases, loans including AOR/AOC (Assignment of Receivables/ Credit) and finance lease assets). Operating lease assets are classified as Property, Plant and Equipment for accounting purposes.

Group & Bank		31 January 2025			
		Loans and Advances to Customers			
PD Grade	Subject to 12-month ECL	Not credit impaired	Not credit impaired	Credit impaired	Credit impaired
		€'000	€'000	€'000	€'000
1-9	1,620,463	65,104	40,602	33,181	1,759,350
10-11	106,445	70,450	12,799	8,223	197,917
12-15	767	722	185	8	1,682
16	-	-	6,807	41	6,848
ECL	(10,919)	(3,958)	(6,552)	(733)	(22,162)
	1,716,756	132,318	53,841	40,720	1,943,635

4. Financial Risk Management – continued

(a) Credit Risk - continued

Group & Bank	31 January 2024				
	Loans and Advances to Customers				
	Not credit impaired Subject to 12-month ECL	Not credit impaired Subject to lifetime ECL	Credit impaired Excluding POCI	Credit impaired POCI	Total
PD Grade	€'000	€'000	€'000	€'000	€'000
1-9	1,835,037	28,970	22,618	35,669	1,922,294
10-11	91,442	37,414	7,781	7,542	144,179
12-15	71	1,484	492	2	2,049
16	-	-	7,644	153	7,797
ECL	(13,407)	(2,522)	(7,517)	(967)	(24,413)
	1,913,143	65,346	31,018	42,399	2,051,906

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4. Financial Risk Management – continued

(a) Credit Risk - continued

Country by Exposure	31 January 2025	31 January 2024
	Loans and Advances to Customers €'000	Loans and Advances to Customers €'000
United Kingdom	459,558	473,744
Germany	414,842	430,545
France	229,636	246,004
Italy	180,788	204,817
Netherlands	151,923	144,314
Spain	116,534	118,802
Sweden	92,363	107,691
Ireland	61,668	72,385
Switzerland	47,220	50,614
Belgium	44,501	49,635
Finland	37,053	30,539
Poland	28,217	27,214
Norway	28,184	28,440
Austria	21,294	20,879
Other Countries*	52,015	70,695
Total	1,965,797	2,076,319
ECL	(22,162)	(24,413)
	1,943,635	2,051,906

*For the current period all exposures by country that have a balance greater than 1% of the total portfolio have been presented separately. The 2024 comparative has been presented on a basis consistent with 2025.

Expected Credit Loss

(i) Movement between stages

Financial assets are allocated to stages dependent on credit quality relative to when the assets were originated. The group holds an ECL provision against an asset depending on several factors, one of which is its stage allocation. Below are the characteristics identified by the Group:

- Stage 1: financial instruments are classified as Stage 1 at origination, unless purchased or originated credit impaired (POCI), with a 12-month ECL being recognised and remain in Stage 1 unless there has been a significant increase in credit risk or a default/impairment event.
- Stage 2: financial instruments where there has been a 'significant increase in credit risk (SICR)' since initial recognition but do not have objective evidence of credit impairment and for these assets, lifetime ECLs are recognised. SICR may be due to significant deterioration in the PD grade since initial recognition or due to the exposure being currently 30 days past due, allowing for grace periods as set out in individual contracts. Exceptions apply for certain customers (as outlined below), whereby a 30-day and 90-day grace periods are applied after the contractual due date and before the days past due calculation commences.
- Stage 3: financial instruments which are defaulted or credit impaired.

4. Financial Risk Management – continued

(a) Credit Risk – continued

(ii) *Definition of default*

The definition of default for the purpose of determining credit impaired assets is informed by the Regulatory Capital CRR Article 178 definition of default. The criteria below have been applied to loans and advances to customers and banks held by the Group:

- The borrower is more than 90 days past due on its contractual payments (with some exceptions on immaterial amounts and specific customers, further detail noted below);
- Internal PD grading- the PD grade could be a default trigger in 2 situations:
 - An application rating model gives PD16 based on the credit bureau data
 - Underwriters can assign PD16 to reflect the unlikelihood to pay (for example if there is information in the public domain that indicates default)
- There are specific problem debt management codes used to designate a borrower as being in default
- There is a specific provision taken against part or all of the borrower's exposure; and
- A forbearance measure has been applied to part or all of the borrower's exposure.

Specific Exceptions to 90 days past due:

Taking into consideration the European Banking Authority (EBA) guidelines on default definition, the bank applies the following exceptions to the 90 days past due rule when classifying exposures as defaulted (these rules are unchanged from 2021):

- Consistent with EBA guidelines, technical delinquencies do not contribute to the amount past due within the materiality threshold assessment for the DPD calculation, i.e. a Lessee will not be considered past due in the materiality threshold calculation below if their only delinquencies are technical in nature.
- A 90-day grace period is applied in the DPD calculation for all Public Sector Entities (PSEs). PSE customers within this grace period are not classified as defaulted, unless the delinquency remains after the grace period elapses.
- For certain Assignment of Receivables (AORs), a 30-day grace period is applied after the contractual due date and before the DPD calculation commences. This clause applies to AORs where the Bank collects the repayments from an intermediary. Once the intermediary has received the funds the credit risk with the customer is removed. The 30-day grace period allows time for the intermediary to transfer the receivable to the Group.

The Group has also set materiality thresholds on the past due amounts, noted below, for which the delinquency is not deemed to be material. There are two materiality thresholds that must be met at the obligor level:

Absolute: total past due amount greater than €500

Relative: total past due amount greater than 1% of the total on-balance-sheet exposures to the obligor

When both thresholds are breached, the days past due count begins for the purposes of identifying when default will be triggered at obligor (lessee code) level. An asset is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria after the probation period. The length of the probation period will vary depending on the default trigger:

- In case of borrowers with forbearance measures applied, the probation period is 1 year, or 6 payments made (for at least one exposure), whichever takes longer. The probation period will start from the date the forbearance measure was applied.
- In case of all other borrowers, the probation period is 3 months. The probation period will start from the date on which none of the default triggers exist.

4. Financial Risk Management – continued

(a) Credit Risk – continued

For the purposes of problem debt management and ECL measurement the Group considers two classifications of default events:

- Administrative defaults where customers are in default as per the Group's definition of default but the reason for default is not related to the underlying credit risk. Instead, the reason for default is of an administrative nature but due to the regulatory requirements the resulting delinquencies are categorised as defaults, and hence reported under Stage 3. The typical reasons for administrative defaults are payments delinquencies related to; invoice and purchase order issues, special end of lease T&Cs, novation or special payment conditions.
- Credit risk defaults where customers are in default due to the underlying credit risk and evidence of impairment.

The Collections, Problem Debt Management and Credit functions have the responsibility of identifying the administrative and credit defaults.

The Group splits the portfolio into 5 segments in line with the segmentation in the IFRS 9 PD model:

- Large customers with total exposure of €1m or more to the Group.
- The remaining customers are split based into four geographic regions: UK, France, Germany and Rest of Europe (ROE).

The Group defines below for the purpose of explaining the Staging criteria methodology:

- PD grade/PD rating: an assessment of the probability of default of the customer which is then mapped to the Group's PD master scale. PD grades range from 1 being the lowest credit risk to 16 being default.
- IFRS 9 PD grades: PD grades that are generated from the IFRS 9 PD model. The IFRS 9 PD model takes as one of the inputs the PD grades and transforms them into forward-looking 12-month and lifetime IFRS 9 PD grades.

4. Financial Risk Management – continued

(a) Credit Risk - continued

Significant increase in credit risk (SICR)

As defined above in section (i) and (ii), Stage 3 and POCI categories are related to the default definition. Hence, the criteria for inclusion are driven by the default definition. Stage 1 consists of contracts that are not classified as any other category (i.e. performing and not in default, and with no significant increase in credit risk since origination). Therefore, the Group focused primarily on the classification rules for Stage 2, in particular on the concept of the Significant Increase in Credit Risk (SICR). There are two triggers of Significant Increase in Credit Risk.

- Backstop of more than 30 days past due, with an exception on specific contracts
- Material downgrade of implied IFRS 9 PD grade for the remaining contract life accompanied with credit rating downgrade

A material downgrade is defined as a downgrade by a number of notches. Specific thresholds for downgrades are established by the Group. The thresholds are tiered, and their value depends on the PD grade at initial recognition. The material downgrade of IFRS 9 PD grade will be verified based on the difference between the remaining asset lifetime IFRS 9 implied PD grade at initial recognition and at the time of reporting date.

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4. Financial Risk Management – continued

(a) Credit Risk - continued

The following table shows the materiality thresholds for the IFRS 9 PD rating downgrade that triggers significant increase in credit risk. The thresholds are tiered and depend on the PD rating at origination and on the customer exposure segment. The Small Segment (encompassing the four geographic segments, UK, France, Germany and ROE) relates to customers with total exposure below €1m and the Large Segment relates to customers with total exposure of €1m or more.

PD Grade	# of Notches Downgrade that trigger SICR	
	Small Segment	Large Segment
1	5	6
2	4	5
3	4	5
4	4	5
5	3	4
6	2	3
7	2	3
8	2	3
9	2	3
10	2	3
11	2	2
12	1	1
13	0	0
14	0	0
15	0	0
16	0	0

(iii) Measuring ECL

The ECL is measured on either 12 months (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit impaired. The measurement of expected credit losses will primarily be based on the product of the instrument's Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

An expected credit loss estimate will be produced for each individual exposure; however, the relevant parameters will be modelled on a collective basis using largely the same underlying data pool supporting our stress testing and regulatory capital expected loss processes.

The PD model provides estimates of probabilities of default at the borrower level over a 12 month and lifetime basis. The model also incorporates forward looking macroeconomic data into PD calculations.

4. Financial Risk Management – continued

(a) Credit Risk - continued

The 12 month and lifetime LGDs are determined based on the underlying asset type and the factors which impact any recoveries made post default. These vary based on the type of assets in the contract and various factors such as cure rates on defaults, depreciation curves on assets which show how their values evolve over the term of a contract, haircuts taken on asset values in the event of a default (based on macroeconomic data), recovery costs and business process.

The 12 month and lifetime EADs are determined based on the expected payment profile, which varies by product type. For amortising product and repayment loans, this is based on the contractual repayments owed by the borrower over a 12 month or lifetime basis.

The forward-looking economic information is also included in determining the 12 month and lifetime PD and LGD. Economic information was considered also in the EAD model development but no relationship between the economic variables and EAD was established based on the historical data. For the PD model the macroeconomic assumptions vary by the model segments: Large (exposure > €1m), UK, Germany, France and Rest of Europe ("ROE").

(iv) Forward- looking information

The measurement of expected credit losses (ECL) for each stage and the assessment of SICR must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgment. PD and LGD models used to estimate 12 months and lifetime expected credit losses reflect forward looking macroeconomic variables (MEV). The ECL estimate is based on May 2024 macroeconomic projections from the OECD. Taking into consideration the portfolio PD monitoring, recent portfolio trends and the level of ECL as produced by the models using the Baseline from the May 2024 OECD projections, the ECL model output is considered a reasonable basis to calculate the ECL.

The Group considers three forward looking macroeconomic scenarios. Upside and downside outcomes are set relative to a base case outcome based on reasonably possible alternative macroeconomic conditions. Scenario updates occur on an annual basis or more frequently if required.

The quantitative assessment of SICR is performed using a scenario-weighted lifetime PD. This determines whether a performing (non POCI) financial instrument is classified as Stage 1 or Stage 2. Following this assessment, the Group measures ECL as either a probability weighted 12-month ECL (stage 1), or probability weighted lifetime ECL (stage 2 and 3). Probability weighted ECLs are determined by estimating ECL for each scenario and then multiplying the ECL outcome (by scenarios) by the appropriate scenarios weighting.

The weights that have been applied for the Group's portfolio for the period ended 31 January are:

Scenario	12 months ended 31 January 2025	Scenario	13 months ended 31 January 2024
Base	50%	Base	50%
Upturn	10%	Upturn	10%
Downturn	40%	Downturn	40%

4. Financial Risk Management – continued

(a) Credit Risk - continued

The Baseline scenario reflects assumptions with respect to the continued impact and uncertainty around the macroeconomic environment and has been informed by external economic publications. Key macroeconomic variables forecasted include GDP, unemployment, interest rates and a measure of financial market volatility. For each of the 5 segments (Large, UK, France, Germany and Rest of Europe) a combination of these macroeconomic variables is applied. Alternate scenarios are produced from a Global Vector Autoregressive (or g-Var) Macroeconomic model which produces macroeconomic variable paths based on input 'shock' parameters. The chosen shock, a 2.5% reduction to Euro Area GDP, is set by management expert judgement. From a sensitivity perspective, the ECL does vary with the chosen shock value. A shock value of 1.5% would decrease the ECL by €0.7m, while a shock value of 3.0% would increase the ECL by €0.4m. Increasing the shock value to 5% would increase the ECL further by around €2.6m. As can be seen, the impact of increasing and reducing the GDP shock value is not symmetrical and grows more extreme the higher the shock value goes.

The table below shows the mean average forecast values used for the key macroeconomic variables in the baseline scenario for each segment for the forecast period 2024 to 2027.

	Euro Area	France	Germany	UK
GDP Growth	1.4%	1.3%	1.1%	1.4%
Unemployment rate	7.7%	8.3%	3.9%	4.9%
Long-term interest rate	2.9%	2.7%	2.2%	3.7%
Inflation	2.1%	1.7%	1.9%	2.5%

The scenario weights of 50% Baseline, 40% Downturn and 10% Upturn are deemed to be the most appropriate. It should be noted that the baseline scenario is sourced from the OECD, while the alternate scenarios are model driven by applying a shock to the baseline scenario. As a result, it is logical to heavily weight the baseline scenario. It is also justified to apply a higher probability to the downturn scenario than to the upturn one due to the current level of uncertainty in the macroeconomy. There was no change to the scenario weights in the period. It should be noted that the ECL is also sensitive to the scenario weights. If the baseline was weighted at 100%, the ECL would decrease by €1.5m, a weighting of 100% on the downturn scenario would increase the ECL by €3m, while a scenario weight of 100% on the upturn would decrease the ECL by €4.2m.

While the OECD baseline scenario incorporates the impact of rising interest rates and inflation, it is felt that the chosen scenario weighting reflects the right balance of the economic trajectory. Also considered was the fact that the economic outlook may change at any point and that there are mostly downward pressures and economic growth can slow down. Hence, the upturn scenario is minimally weighted.

(v) Loss Allowance

The loss allowance recognised in the period is impacted by a variety of factors as described below:

- Transfers between IFRS 9 stages due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit impaired in the period, and the consequent 'step up' (or 'step down') between 12 Month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on measurement of ECL due to changes made to assumptions, in particular new macroeconomic forecasts.
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements.

4. Financial Risk Management – continued

(a) Credit Risk - continued

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

Loans and Advances to Customers

	Stage 1 12-month ECL €'000	Stage 2 Lifetime ECL €'000	Stage 3 Lifetime ECL €'000	POCI €'000	Total €'000
Loss allowance as at 1 February 2024	13,406	2,522	7,517	967	24,413
Transfers to 12-month ECL not credit-impaired (stage 1)	5,986	(5,030)	(915)	(41)	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(2,300)	2,479	(179)	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(449)	(1,673)	2,122	-	-
Net remeasurement of impairment loss allowance	(6,701)	7,097	6,685	(164)	6,917
Loans/leases originations	4,181	505	1,865	318	6,869
Repayments and disposals	(3,264)	(1,588)	(10,907)	(198)	(15,957)
Foreign exchange and other movements	60	(354)	364	(149)	(80)
Loss allowance as at 31 January 2025	10,919	3,958	6,552	733	22,162

Loans and Advances to Banks

	Stage 1 12-month ECL €'000	Stage 2 Lifetime ECL €'000	Stage 3 Lifetime ECL €'000	POCI €'000	Total €'000
Loss allowance as at 1 February 2024	96	2	5	1	104
Transfers to 12-month ECL not credit-impaired (stage 1)	67	(66)	(1)	-	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(15)	15	-	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	-	(3)	3	-	-
Net remeasurement of impairment loss allowance	(64)	94	(1)	(1)	28
Loans/leases originations	22	-	-	-	22
Repayments and disposals	(36)	(22)	(4)	-	(63)
Foreign exchange and other movements	(2)	-	-	-	(2)
Loss allowance as at 31 January 2025	68	20	2	-	90

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4. Financial Risk Management – continued

(a) Credit Risk - continued

Loans and Advances to Customers

	Stage 1	Stage 2	Stage 3	POCI	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		
	€'000	€'000	€'000		
Loss allowance as at 1 January 2023	18,558	1,660	3,975	441	24,634
Transfers to 12-month ECL not credit-impaired (stage 1)	5,791	(4,666)	(923)	(202)	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(2,139)	2,465	(326)	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(365)	(928)	1,293	-	-
Net remeasurement of impairment loss allowance	(3,859)	5,859	7,631	402	10,033
Loans/leases originations	5,604	73	500	642	6,819
Repayments and disposals	(10,119)	(1,940)	(4,612)	(310)	(16,981)
Foreign exchange and other movements	(64)	(1)	(21)	(6)	(92)
Loss allowance as at 31 January 2024	13,406	2,522	7,517	967	24,413

Loans and Advances to Banks

	Stage 1	Stage 2	Stage 3	POCI	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		
	€'000	€'000	€'000		
Loss allowance as at 1 January 2023	160	19	7	2	188
Transfers to 12-month ECL not credit-impaired (stage 1)	77	(76)	(1)	-	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(20)	20	-	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(1)	-	1	-	-
Net remeasurement of impairment loss allowance	(65)	57	1	-	(7)
Loans/leases originations	22	5	-	-	27
Repayments and disposals	(74)	(23)	(3)	(1)	(101)
Foreign exchange and other movements	(3)	-	-	-	(3)
Loss allowance as at 31 January 2024	96	2	5	1	104

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4. Financial Risk Management – continued

(a) Credit Risk - continued

The following table further explains the changes in the gross carrying amount of the different portfolio group to help explain their significance to the changes in the loss allowance for the same portfolio as discussed.

Loans and Advances to Customers

	Stage 1	Stage 2	Stage 3	POCI €'000	Total €'000
	12-month ECL €'000	Lifetime ECL €'000	Lifetime ECL €'000		
Gross carrying amount as at 1 February 2024	1,926,550	67,868	38,535	43,366	2,076,319
Transfers to 12-month ECL not credit-impaired (stage 1)	352,661	(227,039)	(117,523)	(8,099)	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(432,969)	442,203	(9,234)	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(120,063)	(81,203)	201,266	-	-
Loans/leases originations	960,034	37,628	3,202	25,906	1,026,770
Repayments and disposals	(967,950)	(103,859)	(56,460)	(20,025)	(1,148,294)
Foreign exchange and other movements	9,412	678	607	305	11,002
Gross carrying amount as at 31 January 2025	1,727,675	136,276	60,393	41,453	1,965,797

Loans and Advances to Banks

	Stage 1	Stage 2	Stage 3	POCI €'000	Total €'000
	12-month ECL €'000	Lifetime ECL €'000	Lifetime ECL €'000		
Gross carrying amount as at 1 February 2024	167,915	486	545	2,568	171,514
Transfers to 12-month ECL not credit-impaired (stage 1)	8,317	(7,850)	(467)	-	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(16,257)	16,280	(23)	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(50)	(340)	390	-	-
Loans/leases originations	37,330	258	4	48	37,641
Repayments and disposals	(60,083)	(1,467)	(129)	(2,066)	(63,746)
Foreign exchange and other movements	2,570	(40)	6	0	2,536
Gross carrying amount as at 31 January 2025	139,742	7,327	326	550	147,945

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4. Financial Risk Management – continued

Loans and Advances to Customers

Customers	Stage 1	Stage 2	Stage 3	POCI €'000	Total €'000
	12-month ECL €'000	Lifetime ECL €'000	Lifetime ECL €'000		
Gross carrying amount as at 1 January 2023	1,865,287	65,313	37,545	38,516	2,006,660
Transfers to 12-month ECL not credit-impaired (stage 1)	377,505	(269,814)	(94,726)	(12,965)	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(405,830)	424,525	(18,695)	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(104,357)	(58,770)	163,127	-	-
Loans/leases originations	1,353,928	3,202	1,022	58,907	1,417,059
Repayments and disposals	(1,173,459)	(96,928)	(49,824)	(41,646)	(1,361,857)
Foreign exchange and other movements	13,476	340	86	554	14,456
Gross carrying amount as at 31 January 2024	1,926,550	67,868	38,535	43,366	2,076,319

Loans and Advances to Banks

	Stage 1	Stage 2	Stage 3	POCI €'000	Total €'000
	12-month ECL €'000	Lifetime ECL €'000	Lifetime ECL €'000		
Gross carrying amount as at 1 January 2023	199,822	381	7	4,831	205,041
Transfers to 12-month ECL not credit-impaired (stage 1)	7,542	(5,710)	(1,832)	-	-
Transfers to lifetime ECL not credit-impaired (stage 2)	(6,517)	6,517	-	-	-
Transfers to lifetime ECL credit-impaired (stage 3)	(1,801)	(1,143)	2,944	-	-
Loans/leases originations	50,346	1,524	9	83	51,962
Repayments and disposals	(84,852)	(1,106)	(606)	(2,338)	(88,902)
Foreign exchange and other movements	3,375	23	23	(8)	3,413
Gross carrying amount as at 31 January 2024	167,915	486	545	2,568	171,514

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4. Financial Risk Management – continued

(a) Credit Risk - continued

(iv) *Write-off policy*

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on the portfolio is such that there is no reasonable expectation of recovering in full.

The outstanding contractual amounts that were written off during the period ended 31 January 2025 was €3.2m (2024 €0.9m). The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

(v) *Modification of financial assets*

The Group sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery. Such restructuring activities include extended payment terms arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. From assessments performed during the year, there was no material modifications as any modifications during the year did not result in derecognition of the original assets.

4. Financial Risk Management - continued

(b) Market Risk

(i) FX Risk

Details of the Groups' policies and procedures in relation to the management of market risk are detailed in Section 4 of the Risk Management report. FX Risk is measured using a conversion factor matrix method, utilising the CRD IV articulated conversion factors. The Group has transactional FX Risk in the following currencies GBP, USD, CHF, SEK, NOK, PLN, DKK, and CZK. The future foreign currency cash-flows are time bucketed into a maturity ladder and netted against the Group's FX derivative positions. This net un-hedged long or short position by currency is used to calculate the total implied FX loss on a Euro basis which is monitored against prescribed risk limits which are linked to the regulatory capital position on a daily basis.

The FX Mismatch Risk position during the course of the reporting year was:

	January 2025	January 2024
	Group	Group
	€'000	€'000
FX Risk position as at financial period end	6,115	3,893
Average FX Risk position for the financial period	3,893	2,543
Maximum FX Risk position during the financial period	6,207	6,002

(ii) Interest Rate Risk

IRRBB exposure is primarily identified through the use of the standardised interest rate risk framework as set out by the Basel Committee on Banking Supervision. In the first instance the economic value of interest rate sensitive assets and liabilities and their associated derivatives are subjected to a 200bps parallel shift with the result measured against prescribed limits. The Bank also applies a number of stress scenarios to test the shape and steepness of the yield curve, the purpose being to measure exposure to the curve. The Group maintains an interest rate swap portfolio to mitigate its interest rate risk exposure.

Interest Rate Risk position during the financial period was:

	January 2025	January 2024
	Group	Group
	€'000	€'000
200bps upward shock stress scenario as at financial period end	(3,097)	741
Average 200bps upward shock stress scenario for the financial period	469	(452)
Maximum positive 200bps downward shock stress scenario during the financial period	5,209	3,954
Maximum negative 200bps upward shock stress scenario during the financial period	(6,092)	(5,884)

4. Financial Risk Management - continued

(b) Market Risk – continued

(iii) Interest Rate Risk (Interest re-pricing)

The table below sets out the carrying value of interest earning assets and interest-bearing liabilities and the earlier of the time periods in which they mature or re-price.

Group as at 31 January 2025	Less than 3 months €'000	3-6 months €'000	6-12 months €'000	1-5 years €'000	More than 5 years €'000	Carrying Value €'000
Interest bearing Assets						
Cash and balances with central banks	164,808	-	-	-	-	164,808
Cash in bank	151,931	-	-	-	-	151,931
Debt Securities at Amortised cost	25,534	-	-	1,500	-	27,034
Loans and advances to banks	13,972	13,677	26,569	92,805	833	147,855
Loans and advances to Customers	253,266	221,024	393,947	1,071,503	3,896	1,943,635
	609,511	234,701	420,515	1,165,808	4,729	2,435,264
Interest bearing Liabilities						
Amounts due to group Undertakings	(103,280)	-	-	-	-	(103,280)
Deposits from banks	(702,997)	-	-	-	-	(702,997)
Debt securities in issue	-	-	(18,173)	(1,495,500)	-	(1,513,673)
	(806,278)	-	(18,173)	(1,495,500)	-	(2,319,950)
Interest Rate Swap Nominals*						
Pay Fixed	(319,853)	(204,841)	(340,027)	(989,731)	(304)	(1,854,756)
Receive Floating	1,854,756	-	-	-	-	1,854,756
Receive Fixed	-	-	-	1,500,000	-	1,500,000
Pay Floating	(1,500,000)	-	-	-	-	(1,500,000)
	34,903	(204,841)	(340,027)	510,269	(304)	-
Interest Sensitivity gap	(161,864)	29,860	62,316	180,577	4,425	115,313

*including cross currency interest rate swaps

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4. Financial Risk Management - continued

(b) Market Risk - continued

The table below sets out the carrying value of interest earning assets and interest-bearing liabilities and the earlier of the time periods in which they mature or re-price.

Bank as at as at 31 January 2025	Less than 3 months €'000	3-6 months €'000	6-12 months €'000	1-5 years €'000	More than 5 years €'000	Carrying Value €'000
<u>Interest bearing Assets</u>						
Cash and balances with central banks	164,808	-	-	-	-	164,808
Cash in bank	95,684	-	-	-	-	95,684
Debt Securities at Amortised cost	25,534	-	-	1,500	-	27,034
Loans and advances to banks	13,972	13,677	26,569	92,805	833	147,855
Loans and advances to cus- tomers	253,266	221,024	393,947	1,071,503	3,896	1,943,635
	553,263	234,701	420,515	1,165,808	4,729	2,379,016
<u>Interest bearing Liabilities</u>						
Amounts due to Group undertakings	(656,302)	-	-	-	-	(656,302)
Deposits from banks	(103,157)	-	-	-	-	(103,157)
Debt securities in Issue	-	-	(18,173)	(1,495,500)	-	(1,513,673)
	(759,460)	-	(18,173)	(1,495,500)	-	(2,273,132)
<u>Interest Rate Swap Nominals*</u>						
Pay Fixed	(173,947)	(129,585)	(208,061)	(716,503)	(304)	(1,228,400)
Receive Floating	1,228,400	-	-	-	-	1,228,400
Receive Fixed	-	-	-	1,500,000	-	1,500,000
Pay Floating	(1,500,000)	-	-	-	-	(1,500,000)
	(445,547)	(129,585)	(208,061)	783,497	(304)	-
Interest Sensitivity gap	(651,744)	105,116	194,281	453,805	4,425	105,884

*including cross currency interest rate swaps

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4. Financial Risk Management - continued

(b) Market Risk - continued

The table below sets out the carrying value of interest earning assets and interest-bearing liabilities and the earlier of the time periods in which they mature or re-price.

Group as at 31 January 2024	Less than 3 months €'000	3-6 months €'000	6-12 months €'000	1-5 years €'000	More than 5 years €'000	Carrying Value €'000
Interest bearing Assets						
Cash and balances with central banks	65,422	-	-	-	-	65,422
Cash in bank	183,632	-	-	-	-	183,632
Debt Securities at Amortised cost	-	-	264,221	11,759	-	275,980
Loans and advances to banks	14,708	13,619	25,737	116,038	1,308	171,410
Loans and advances to Customers	269,104	229,708	407,343	1,145,135	616	2,051,906
	532,866	243,327	697,301	1,272,932	1,924	2,748,350
Interest bearing Liabilities						
Amounts due to group Undertakings	(84,578)	-	-	-	-	(84,578)
Deposits from banks	(1,168,582)	-	-	-	-	(1,168,582)
Debt securities in issue	-	-	(503,344)	(966,647)	-	(1,469,991)
	(1,253,160)	-	(503,344)	(966,647)	-	(2,723,151)
Interest Rate Swap Nominals*						
Pay Fixed	(414,542)	(288,291)	(434,300)	(1,127,970)	(3,133)	(2,268,236)
Receive Floating	2,268,236	-	-	-	-	2,268,236
Receive Fixed	-	-	-	1,500,000	-	1,500,000
Pay Floating	(1,500,000)	-	-	-	-	(1,500,000)
	353,694	(288,291)	(434,300)	372,030	(3,133)	-
Interest Sensitivity gap	(366,600)	(44,964)	(240,343)	678,315	(1,209)	25,199

*including cross currency interest rate swaps

4. Financial Risk Management - continued

(b) Market Risk - continued

The table below sets out the carrying value of interest earning assets and interest-bearing liabilities and the earlier of the time periods in which they mature or re-price

Bank as at 31 January 2024	Less than 3 months €'000	3-6 months €'000	6-12 months €'000	1-5 years €'000	More than 5 years €'000	Carrying Value €'000
<u>Interest bearing Assets</u>						
Cash and balances with central banks	65,422	-	-	-	-	65,422
Cash in bank	127,649	-	-	-	-	127,649
Debt Securities at Amortised cost	-	-	264,221	11,759	-	275,980
Loans and advances to banks	14,708	13,619	25,737	116,038	1,308	171,410
Loans and advances to cus- tomers	269,104	229,708	407,343	1,145,135	616	2,051,906
	476,883	243,327	697,301	1,272,932	1,924	2,692,367
<u>Interest bearing Liabilities</u>						
Amounts due to Group undertakings	(726,979)	-	-	-	-	(726,979)
Deposits from banks	(468,650)	-	-	-	-	(468,650)
Debt securities in Issue	-	-	(503,344)	(966,647)	-	(1,469,991)
	(1,195,629)	-	(503,344)	(966,647)	-	(2,665,620)
<u>Interest Rate Swap Nominals*</u>						
Pay Fixed	(319,261)	(205,056)	(282,963)	(759,260)	(3,133)	(1,569,673)
Receive Floating	1,569,673	-	-	-	-	1,569,673
Receive Fixed	-	-	-	1,500,000	-	1,500,000
Pay Floating	(1,500,000)	-	-	-	-	(1,500,000)
	(249,589)	(205,056)	(282,963)	740,740	(3,133)	-
Interest Sensitivity gap	(968,334)	38,271	(89,006)	1,047,025	(1,209)	26,747

*including cross currency interest rate swaps

4. Financial Risk Management - continued

(c) Liquidity Risk – Financial Liabilities

The tables below summarise the maturity profile of the Group's financial liabilities at 31 January 2025 and at 31 January 2024 on the basis of its contractual undiscounted repayment obligations. The Group does not manage liquidity risk on the basis of contractual maturity. Instead the Group manages liquidity risk based on expected cash flows. The balances will not agree directly to the statement of financial position as the table incorporates all cash flows, on an undiscounted basis, related to both principal and interest payments. Details of the Groups policies and procedures in relation to management of liquidity risk are detailed in section 5 of the Risk Management Report.

Group as at 31 January 2025	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Gross Cash flows
	€'000	€'000	€'000	€'000	€'000	€'000
Financial Liabilities:						
Deposits from banks	154,066	67,092	228,562	279,250	63	729,032
Debt Securities in Issue	-	-	43,125	1,620,000	-	1,663,125
Amounts due to group undertakings	31,651	71,629	-			103,280
Other Liabilities and Current Tax Liabilities	4,829	78,070	2,330	-	-	85,229
Commitments	197,707					197,707
Total cash outflow	388,253	216,791	274,017	1,899,250	63	2,778,374

Derivative Financial Instruments:						
FX Inflows*	(128,083)	(111,026)	(276,068)	(467,879)	(274)	(983,330)
FX Outflows*	130,961	117,149	290,068	474,851	252	1,013,282
Interest rate swaps	34	409	2,708	4,027	-	7,179
Total cash outflow	2,911	6,532	16,709	11,000	(22)	37,130

Bank As at 31 January 2025	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Gross Cash flows
	€'000	€'000	€'000	€'000	€'000	€'000
Financial Liabilities:						
Deposits from Banks	103,646	-	-	-	-	103,646
Debt Securities in Issue	-	-	43,125	1,620,000	-	1,663,125
Amounts due to group undertakings	35,745	71,629	-	548,928		656,302
Other Liabilities and Current Tax Liabilities	4,829	78,025	2,330	-	-	85,184
Commitments	197,707					197,707
Total cash outflow	341,927	149,654	45,455	2,168,928	-	2,705,964

Derivative Financial Instruments:						
FX Inflows*	(117,356)	(62,414)	(175,740)	(347,509)	(274)	(703,293)
FX Outflows*	119,611	66,177	185,081	353,170	252	724,291
Interest rate swaps	12	179	1,581	2,622	-	4,394
Total cash outflow	2,267	3,942	10,922	8,284	(22)	25,393

*includes cross currency interest rate swaps and fx forwards

4. Financial Risk Management - continued

(c) Liquidity Risk – Financial Liabilities- continued

The collateralised loan facility was €500m (2024: €500m) as at 31 January 2025. The facility matures in December 2026 and rolls and reprices on a monthly basis. In relation to the collateralised loan facility, the amount of drawn funding resets depending on the size of the pool and the drawn amount is adjusted up or down each month reflecting movements in the pool of receivables. For the purposes of the above table the drawn funding is shown in the time bucket of up to 1 month, however an amount only becomes repayable if the size of the pool reduces, or the Bank decides not to draw on the facility. There was €18m (2024: €309m) drawn on the facility as at 31 January 2025; with €25m (2024: €381m) of encumbered receivables. The undrawn amount of the facility was €482m as at 31 January 2025 (2024: €191m).

The securitised loan facility was €800m (2024: €800m) as at 31 January 2025. The facility matures in December 2026 and is expected to be extended prior to maturity. The maturity date does not require full repayment of the outstanding loan by the Group. The final maturity date falls two years after the end of the initial term of the last maturing contract. There was €600m (2024: €700m) drawn on the facility as at 31 January 2025; with €701m (2024: €815m) of encumbered receivables. The undrawn amount of the facility was €200m (2024: €100m) as at 31 January 2025.

On 24 June 2020, the Bank issued €500 million Senior Unsecured 1.625% Notes which matured in June 2024.

On 27 October 2021, the Bank issued €500 million Senior Unsecured 0.5% Notes maturing in October 2026. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin and were issued under the €2bn EMTN programme established in 2021.

On 18 October 2022, the bank issued €500 million Senior Unsecured 4.5% Notes maturing in October 2027. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin and were issued under the €2bn EMTN programme established in 2021.

In June 2024, the Bank issued €500 million Senior Unsecured 3.6% Notes maturing in June 2029. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin. The issuance was completed under the €2bn EMTN programme established in 2021.

The Group has a long-term borrowing facility from an affiliate, Dell Global BV. The total funding available is €400m with an additional €100m of contingency funding. The maturity date of the facility is 28 September 2025. There was no balance drawn down as at 31 January 2025 (2024: € Nil).

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4. Financial Risk Management - continued

(c) Liquidity Risk – Financial Liabilities- continued

Group as at 31 January 2024	Up to 1 month €'000	1-3 months €'000	3-12 months €'000	1-5 years €'000	More than 5 years €'000	Gross Cash flows €'000
Financial Liabilities:						
Deposits from banks	426,892	129,095	290,495	358,166	18	1,204,666
Debt Securities in Issue	-	-	533,125	1,072,500	-	1,605,625
Amounts due to group undertakings	29,370	55,208	-	-	-	84,578
Other Liabilities and Current Tax Liabilities	17,596	9,939	86	-	-	27,621
Commitments	182,602	-	-	-	-	182,602
Total cash outflow	656,460	194,242	823,706	1,430,666	18	3,105,092

Derivative Financial Instruments:

FX Inflows*	(103,840)	(128,914)	(272,717)	(332,965)	(119)	(838,555)
FX Outflows*	106,060	133,812	281,537	339,507	116	861,032
Interest rate swaps	11	(3,883)	(5,591)	(5,109)	-	(14,572)
Total cash outflow	2,231	1,015	3,229	1,433	(3)	7,905

Bank As at 31 January 2024	Up to 1 month €'000	1-3 months €'000	3-12 months €'000	1-5 years €'000	More than 5 years €'000	Gross Cash flows €'000
Financial Liabilities:						
Deposits from Banks	383,088	59,354	28,570	-	-	471,012
Debt Securities in Issue	-	-	533,125	1,072,500	-	1,605,625
Amounts due to group undertakings	34,779	55,208	-	636,992	-	726,979
Other Liabilities and Current Tax Liabilities	17,543	7,687	2,338	-	-	27,568
Commitments	182,602	-	-	-	-	182,602
Total cash outflow	618,012	122,249	564,033	1,709,492	-	3,013,786

Derivative Financial Instruments:

FX Inflows*	(95,556)	(99,027)	(209,162)	(207,401)	(119)	(611,265)
FX Outflows*	97,497	102,966	215,740	212,461	116	628,780
Interest rate swaps	80	4,244	5,487	3,522	-	13,333
Total cash outflow	2,021	8,183	12,065	8,582	(3)	30,848

*includes cross currency interest rate swaps and fx forwards

No Fin

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5. Net Interest Income

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Interest income		
Financial instruments measured at amortised cost		
Loans and advances to customers	43,431	40,340
Loans and advances to banks	1,690	1,837
Other interest	7,386	1,499
Interest income on financial assets measured at amortised cost	52,507	43,676
Interest income on finance lease receivables	64,843	62,190
Total Interest income	117,350	105,866
Interest income calculated using effective interest method	52,507	43,676
Other interest receivable and similar income calculated using effective interest method	64,843	62,190
Total Interest income	117,350	105,866
Interest expense		
Collateralised loan	(9,833)	(11,877)
Securitised loan	(32,311)	(35,223)
Intercompany loan	(48)	(47)
Debt Securities in Issue	(41,778)	(38,745)
Other interest	(2,433)	(7,886)
Total Interest expense	(86,402)	(93,778)
Total Net interest income	30,948	12,088

For the purposes of IFRS 8 Operating Segments the Group has only one revenue segment being the provisioning of IT equipment financing. As a result, within the Group, reporting segments are not used in internal reporting when assessing performance and allocating resources by the Chief Operating Decision Maker (CODM). Similarly financial statements and internal financial reports are not produced using segmented information.

The Group has no reliance on one major customer, during the year, revenues from a single external customer did not account for 10% or more of net interest income.

A breakdown of the Group's Loans and Advances to Customers by region can be seen in note 4 Credit Risk.

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6. Operating Lease Income

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Lease to customers	315,916	322,125
Lease to banks	17,458	8,806
Total Operating Lease Income	333,375	330,931

Assets held for operating lease are disclosed as Property Plant and Equipment in the Statement of financial position.

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Maturity analysis of operating lease payments

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Not later than 1 year	252,763	267,956
Later than 1 year and not later than 2 years	157,617	176,403
Later than 2 year and not later than 3 years	74,560	80,231
Later than 3 year and not later than 4 years	17,177	18,243
Later than 4 year and not later than 5 years	391	1,237
Later than 5 years	-	-

7. Fees and Commission

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	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Commission income relating to insurance products	3,521	4,750
Portfolio and other management fees	717	757
Total Fee and Commission Income	4,238	5,507
Fees and Commission Expense	(898)	(718)
Total Net Fee and Commission Income	3,340	4,789

8. Net Income from End of Lease Activities

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	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Remarketing Revenue	18,445	16,109
Buyout Revenue	47,628	22,042
Other Income from End of Lease Activities	66,073	38,151
Remarketing Cost of Goods Sold	(12,184)	(9,052)
Buyout Cost of Goods Sold	(33,671)	(13,935)
Expenses from End of Lease Activities	(45,855)	(22,987)
Net income from End of Lease Activities	20,218	15,164

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9. Other Income from syndications

During the year, the Bank did not syndicate any receivables originated or purchased and sold (2024: €44m).

Therefore, there was no gain recognised (2024: €0.6m).

10. Net Trading Expense

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
MTM loss on Interest rate swaps	(20,971)	(29,831)
MTM loss on Cross currency swaps (interest element)	(8,351)	(19,765)
Net loss on Cross currency swaps/FX Forwards (FX element)	(17,315)	(24,526)
Foreign exchange gain	14,565	21,758
Net interest expense/income on derivatives	(7,447)	2,705
Net Trading Expense	(39,519)	(49,659)

Net trading expense includes the gains and losses on financial instruments at fair value through profit or loss. It includes the gains and losses arising on the purchase and sale of these instruments, the fair value movement on these instruments and the interest accrual. The Group economically hedges foreign exchange risk related to financial assets and liabilities denominated in currencies other than Euro. The Group uses foreign exchange derivatives to manage its exposure to foreign currency risk and uses interest rate derivatives to manage exposure to interest rate risk. A number of swaps have been designated into qualifying cashflow hedge and fair value hedge relationships. The nominal amounts and associated fair values of these derivatives are outlined in Note 22.

11. Personnel Expenses

The average number of persons employed by the Group within each category during the year was:

	January 2025	January 2024
IT	6	5
Credit	17	16
Finance and Treasury	27	39
Legal, Compliance and Risk	19	22
Sales and Operations	66	75
Total	135	157

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11. Personnel Expenses - continued

Total personnel costs comprised of:

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Wages and salaries	16,561	16,875
Other employee benefits	4,070	6,552
Social security costs	1,720	2,002
Pension costs	1,087	1,304
Directors' fees (note 12)	254	250
Total	23,692	26,983

There were no amounts of personnel expenses capitalised into assets in the current year (2024: €Nil).

Included in other employee benefits are equity settled share-based payments to eligible employees.

	2025	
	Number of shares	Average share price
Outstanding at 1 February 2024	56,715	
Vested during the period	(27,588)	\$107.05
Granted during the period	11,561	\$107.00
Transferred	-	-
Forfeited during the period	(9,095)	\$112.57
Outstanding at 31 January 2025	31,593	

	2024	
	Number of shares	Average share price
Outstanding at 1 January 2023	125,577	
Vested during the period	(37,531)	\$37.45
Granted during the period	31,308	\$37.51
Transferred	(62,178)	\$69.29
Forfeited during the period	(461)	\$50.20
Outstanding at 31 January 2024	56,715	

Prior year figure has been restated from 56,473 to 56,715. This had no material impact on the recognised expense.

During the year, an expense of €0.6m (2022: €2.4m) was recorded in relation to the share-based payment awards.

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12. Directors' Remuneration

Directors' remuneration is comprised of:

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Directors' remuneration for other services	662	834
Fees for services as Director	254	250
Long-term incentives (cash, shares)	483	1,716
Retirement Contributions to:		
- defined contributions schemes	31	43
Total	1,431	2,843

The number of Directors to whom retirement contributions are accruing under defined contributions scheme is 2 (2024: 2), and defined benefit schemes is €Nil (2024: €Nil).

There were no amounts paid to persons connected with a Director in the current year (2024: €Nil).

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13. General and Administrative Expenses

	12 months ended 31 January 2025	13 months ended 31 January 2024
	Group	Group
	€'000	€'000
Administrative expenses	5,174	7,094
IT and software costs	1,526	2,429
Travel and entertainment	262	359
Recruitment and training	46	76
Total	7,008	9,958

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14. Depreciation and Amortisation Expenses

	12 months ended 31 January 2025	13 months ended 31 January 2024
	Group	Group
	€'000	€'000
Depreciation on own use property plant and Equipment (Note 25)	5	8
Depreciation and impairment on operating leases (Note 25)	278,699	291,458
Amortisation of software and other intangible assets (Note 24)	-	799
Total	278,705	292,265

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15. Other Operating Expense

	12 months ended 31 January 2025	13 months ended 31 January 2024
	Group	Group
	€'000	€'000
Business support services	10,519	9,274
Consultancy fees	1,727	2,532
Auditors' remuneration	509	531
Total	12,755	12,337

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16. Impairment charge/(write-back) on loans and receivables

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Movement in impairment loss allowances		
ECL adjustment on Loans and advances	(790)	2,266
New specific provisions	4,973	4,176
ECL adjustment on Other receivables	62	476
ECL adjustment on Investment bonds	(158)	61
Manual overlay adjustments	-	(5,400)
Recoveries	(603)	(1,021)
Net impairment losses	3,484	558

All of the above relates to loans and advances to customers and banks under both finance leases and loans.

Expected credit loss on commitments and placements with banks is immaterial.

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17. Profit before Taxation

The following items are included in the profit before taxation:

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Depreciation on property, plant, equipment and operating leases (Note 25)	278,705	291,466
Amortisation of intangible assets (Note 24)	-	799
 Auditors' remuneration for Group and Bank (exclusive of VAT)		
- Statutory audit of bank, branch and securitisation entity	389	443
- Other IT audit services	50	88
- Other non-audit services	120	155

Statutory audit fee of €337k relates to the audit of the Bank. In respect of the remaining audit fees of €52k, an amount of €32K was payable to Grant Thornton Spain in relation to the audit of the Spanish branch and an amount of €20k was payable to Grant Thornton Ireland in respect of the SPV entity.

Other IT audit services represent fees payable to PwC for agreed upon procedures in relation to the Group's funding facilities and comfort letters relating to debt listings and issuances.

Other non-audit services represent fees payable to Grant Thornton for agreed upon procedures in relation to the Group's funding facilities and comfort letters relating to debt listings and issuances.

18. Income Tax Charge

	12 months ended 31 January 2025 Group €'000	13 months ended 31 January 2024 Group €'000
Current taxes on income for the reporting year		
Irish Corporation tax	3,327	313
Foreign tax	-	-
Current taxes referring to previous years	(38)	399
Reclassification between Current and Deferred Taxes relating to prior years		
Withholding tax	868	1,018
Total current tax	4,157	1,730
 Deferred tax	76	(4,017)
Adjustments for prior years	277	(323)
Reclassification between Current and Deferred Taxes relating to prior year	-	-
 Total deferred tax (Note 26)	353	(4,340)
 Income tax charge/(credit)	4,510	(2,610)

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18. Income Tax Charge – continued

The income tax charge comprises the following:

Further information about deferred income tax is presented in Note 26. The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the basic tax rate of the Group as follows:

	12 months ended 31 January 2025	13 months ended 31 January 2024
	Group	Group
	€'000	€'000
Profit before taxation	22,718	(28,205)
Theoretical tax charge at statutory rate 12.5% (2024: 12.5%)	2,839	(3,526)
Effects of:		
Adjustments for prior years	237	80
Other	(6)	(131)
Group hedge accounting adjustment not taxable	-	-
Expenses not deductible for tax purposes	47	(260)
Impact of difference in tax rate for Spanish Branch	525	209
Withholding Tax	868	1,018
Income tax charge/(credit)	4,510	(2,610)

Deferred tax as included on the statement of financial position is as follows:

	31 January 2025	31 January 2024
	Group & Bank	Group & Bank
	€'000	€'000
Tax effect of taxable timing differences		
Temporary differences	1,535	1,567
Tax losses carried forward	655	4,047
Recognised deferred tax asset	2,190	5,614

At the end of the financial period, the Group had tax losses of €0.7m (2024: €4.0m) available for utilisation against future operating profits of the business.

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19. Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balances:

	31 January 2025 Group €'000	31 January 2024 Group €'000
Cash and balances with central banks	164,808	65,422
Cash and balances with banks	151,931	183,632
	316,739	249,054
Restricted cash included in loans and advances to banks repayable on demand	(59,011)	(61,901)
Cash and Cash Equivalents	257,728	187,153

	31 January 2025 Bank €'000	31 January 2024 Bank €'000
Cash and balances with central banks	164,808	65,422
Cash and balances with banks	95,684	127,648
	260,492	193,070
Restricted cash included in loans and advances to banks repayable on demand	(8,140)	(7,510)
Cash and Cash Equivalents	252,352	185,560

The Bank maintains balances with the CBI which are disclosed under cash and balances with central banks in the statement of financial position. Restricted cash reflects the SPV cash balances and other restricted cash balances including cash collateral on derivatives. The Group does not have full autonomy over payment execution on these accounts.

Operating cash is presented as loans and advances to banks in the statement of financial position (Note 20).

20. Loans and Advances to Banks

	31 January 2025 Group €'000	31 January 2024 Group €'000
Cash and balances with banks	151,931	183,632
Loans and advances to banks	147,945	171,514
Less: allowance for impairment	(90)	(104)
Net Loans and Advances to Banks	299,786	355,042

	31 January 2025 Bank €'000	31 January 2024 Bank €'000
Cash and balances with banks	95,684	127,649
Loans and advances to banks	147,945	171,514
Less: allowance for impairment	(90)	(104)
Net Loans and Advances to Banks	243,539	299,059

Loans and advances to banks represent finance leases and loans.

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20. Loans and Advances to Banks - continued

The following tables show the gross carrying amount and impairment loss allowances subject to 12 month and lifetime Expected Credit Losses (ECL) on loans and advances to banks at amortised cost at 31 January 2025.

January 2025 Gross carrying amount at amortised cost (before impairment losses allowance)	Finance lease receivables €'000	Hire purchase re- ceivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	107,996	31	31,715	139,742
Stage 2 - Lifetime ECL (not credit impaired)	7,061	-	266	7,327
Stage 3 - Lifetime ECL (credit impaired)	326	-	-	326
Purchased or Originated credit impaired	550	-	-	550
Gross carrying amount at 31 January 2025	115,933	31	31,981	147,945

January 2025 Impairment loss allowance	Finance lease receivables €'000	Hire purchase re- ceivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	(47)	-	(21)	(68)
Stage 2 - Lifetime ECL (not credit impaired)	(20)	-	-	(20)
Stage 3 - Lifetime ECL (credit impaired)	(2)	-	-	(2)
Purchased or Originated credit impaired	-	-	-	-
Impairment loss allowance at 31 January 2025	(69)	-	(21)	(90)

January 2024 Gross carrying amount at amortised cost (before impairment losses allowance)	Finance lease receivables €'000	Hire purchase re- ceivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	128,565	120	39,230	167,915
Stage 2 - Lifetime ECL (not credit impaired)	293	-	193	486
Stage 3 - Lifetime ECL (credit impaired)	541	4	-	545
Purchased or Originated credit impaired	2,568	-	-	2,568
Gross carrying amount at 31 January 2024	131,967	124	39,423	171,514

January 2024 Impairment loss allowance	Finance lease receivables €'000	Hire purchase re- ceivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	(63)	-	(33)	(96)
Stage 2 - Lifetime ECL (not credit impaired)	(2)	-	-	(2)
Stage 3 - Lifetime ECL (credit impaired)	(1)	(4)	-	(5)
Purchased or Originated credit impaired	(1)	-	-	(1)
Impairment loss allowance at 31 January 2024	(67)	(4)	(33)	(104)

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20. Loans and Advances to Banks – continued

Credit impairment provision coverage ratio*	Total Group & Bank 31 January 2025	Total Group & Bank 31 January 2024
Stage 1	0.05%	0.06%
Stage 2	0.27%	0.42%
Stage 3	0.67%	0.88%
POCI	0.06%	0.04%

* Credit impairment provision coverage ratio is calculated as loss allowance/gross loan balance as a percentage

Analysis of finance leases and hire purchases receivables to banks

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Not later than 1 year	43,144	45,273
Later than 1 year and not later than 2 years	33,406	36,059
Later than 2 year and not later than 3 years	25,142	26,698
Later than 3 year and not later than 4 years	14,700	20,909
Later than 4 year and not later than 5 years	4,491	5,481
Later than 5 years	880	1,202
	121,764	135,622
Less: unearned finance income on finance lease	(5,800)	(3,531)
Present value of minimum lease payments, receivable	115,964	132,091
Not later than 1 year	41,917	44,523
Later than 1 year and not later than 2 years	32,192	35,339
Later than 2 year and not later than 3 years	23,936	26,008
Later than 3 year and not later than 4 years	13,573	20,276
Later than 4 year and not later than 5 years	3,666	4,960
Later than 5 years	680	985
	115,964	132,091

The unguaranteed residual values for banks included in the carrying amount at 31 January 2025 was €2.1m (2024: €2.2m).

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21. Loans and Advances to Customers

The following tables show the gross carrying amount and impairment loss allowances subject to 12 month and lifetime Expected Credit Losses (ECL) on loans and advances to customers at amortised cost at 31 January 2024.

January 2025 Gross carrying amount at amortised cost (before impairment losses allowance)	Finance lease receivables €'000	Hire purchase receivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	989,857	101,104	636,675	1,727,635
Stage 2 - Lifetime ECL (not credit impaired)	69,640	10,774	55,896	136,311
Stage 3 - Lifetime ECL (credit impaired)	50,061	2,990	7,347	60,398
Purchased or Originated credit impaired	39,622	1,357	474	41,453
Gross carrying amount at 31 January 2025	1,149,179	116,225	700,392	1,965,797
January 2025 Impairment loss allowance	Finance lease receivables €'000	Hire purchase receivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	(7,154)	(746)	(3,019)	(10,919)
Stage 2 - Lifetime ECL (not credit impaired)	(2,177)	(88)	(1,693)	(3,958)
Stage 3 - Lifetime ECL (credit impaired)	(5,857)	(638)	(41)	(6,537)
Purchased or Originated credit impaired	(660)	(42)	(46)	(748)
Impairment loss allowance at 31 January 2025	(15,848)	(1,514)	(4,799)	(22,162)
Loans and Advances to Customers	1,133,332	114,711	695,593	1,943,635
January 2024 Gross carrying amount at amortised cost (before impairment losses allowance)	Finance lease receivables €'000	Hire purchase receivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	996,192	102,322	828,036	1,926,550
Stage 2 - Lifetime ECL (not credit impaired)	54,508	1,633	11,727	67,868
Stage 3 - Lifetime ECL (credit impaired)	29,053	1,418	8,064	38,535
Purchased or Originated credit impaired	41,962	69	1,335	43,366
Gross carrying amount at 31 January 2024	1,121,715	105,443	849,161	2,076,319
January 2024 Impairment loss allowance	Finance lease receivables €'000	Hire purchase receivables €'000	Loans €'000	Total Group & Bank €'000
Stage 1 - 12 months ECL (not credit impaired)	(8,436)	(1,019)	(3,952)	(13,407)
Stage 2 - Lifetime ECL (not credit impaired)	(1,927)	(80)	(515)	(2,522)
Stage 3 - Lifetime ECL (credit impaired)	(3,412)	(865)	(3,240)	(7,517)
Purchased or Originated credit impaired	(759)	(129)	(79)	(967)
Impairment loss allowance at 31 January 2024	(14,534)	(2,093)	(7,786)	(24,413)
Loans and Advances to Customers	1,107,181	103,349	841,376	2,051,906

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21. Loans and Advances to Customers - continued

Credit impairment provision coverage ratio*	Total Group & Bank 31 January 2025	Total Group & Bank 31 January 2024
Stage 1	0.63%	0.70%
Stage 2	2.90%	3.72%
Stage 3	10.85%	19.51%
POCI	1.77%	2.23%

* Credit impairment provision coverage ratio is calculated as loss allowance/gross loan balance as a percentage

Analysis of Loans and Advances to Customers

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Not later than 1 year	574,108	538,537
Later than 1 year and not later than 2 years	402,527	391,796
Later than 2 year and not later than 3 years	234,935	238,259
Later than 3 year and not later than 4 years	102,518	103,754
Later than 4 year and not later than 5 years	27,965	27,630
Later than 5 years	1,917	619
	1,343,970	1,300,595
Less: unearned finance income on finance lease	(78,566)	(73,438)
Present value of minimum lease payments receivable	1,265,405	1,227,157
Not later than 1 year	548,274	515,819
Later than 1 year and not later than 2 years	379,275	370,467
Later than 2 year and not later than 3 years	217,811	221,499
Later than 3 year and not later than 4 years	93,098	94,272
Later than 4 year and not later than 5 years	25,148	24,569
Later than 5 years	1,799	531
	1,265,405	1,227,157

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21. Loans and Advances to Customers - continued

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Loans receivable:		
Not later than 1 year	332,445	406,639
Later than 1 year and not later than 5 years	365,928	442,451
Later than 5 years	2,020	71
	700,392	849,161

There were €730m of encumbered receivables as at 31 January 2025 (2024: €1,194m) relating to the Securitised and Collateralised Loan Facilities (Note 4).

The unguaranteed residual values included in the carrying amount at 31 January 2025 was €48.8m (2024: €39.6m).

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22. Derivative Financial Instruments

Group Year as at 31 January 2025	Notional	Asset	Liability
	€'000	€'000	€'000
FX Forward Derivatives	284,503	1,828	(1,452)
Cross Currency Swaps	841,741	4,025	(23,420)
Interest Rate Swaps	840,275	1,328	(7,506)
Total derivative financial instruments trading	1,966,519	7,181	(32,379)
Interest Rate Swaps designated as fair value hedges	1,500,000	47,865	-
Cross Currency Swaps designated as cash flow hedges	172,740	309	(4,909)
Total derivative financial instruments	3,639,259	55,355	(37,288)

Group Year as at 31 January 2024	Notional	Asset	Liability
	€'000	€'000	€'000
FX Forward Derivatives	395,905	3,383	(7,908)
Cross Currency Swaps	773,983	11,550	(11,064)
Interest Rate Swaps	1,099,018	6,164	(5,726)
Total derivative financial instruments trading	2,268,906	21,097	(24,698)
Interest Rate Swaps designated as fair value hedges	1,733,527	25,864	(7,482)
Cross Currency Swaps designated as cash flow hedges	161,708	2,178	(2,152)
Total derivative financial instruments	4,164,141	49,139	(34,332)

Bank Year as at 31 January 2025	Notional	Asset	Liability
	€'000	€'000	€'000
FX Forward Derivatives	284,503	1,828	(1,452)
Cross Currency Swaps	595,504	3,788	(15,843)
Interest Rate Swaps	506,099	549	(4,713)
Total derivative financial instruments trading	1,386,106	6,164	(22,008)
Interest Rate Swaps designated as fair value hedges	1,500,000	47,865	0
Cross Currency Swaps designated as cash flow hedges	126,796	291	(3,403)
Total derivative financial instruments	3,012,903	54,319	(25,411)

Bank Year as at 31 January 2024	Notional	Asset	Liability
	€'000	€'000	€'000
FX Forward Derivatives	395,905	3,383	(7,908)
Cross Currency Swaps	510,772	9,016	(6,868)
Interest Rate Swaps	725,108	2,031	(4,530)
Total derivative financial instruments trading	1,631,785	14,429	(19,306)
Interest Rate Swaps designated as fair value hedges	1,733,527	25,864	(7,482)
Cross Currency Swaps designated as cash flow hedges	100,265	1,501	(1,346)
Total derivative financial instruments	3,465,577	41,795	(28,134)

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22. Derivative Financial Instruments - continued

Held for trading

The loans and advances to banks and customers have been economically hedged by using interest rate swaps as part of a macro interest rate risk management strategy. The Group economically hedges foreign exchange risk related to financial assets and liabilities denominated in currencies other than Euro. The Group uses foreign exchange derivatives to manage its exposure to foreign currency risk and uses interest rate derivatives to manage exposure to interest rate risk. Other than noted below, the derivatives have not been designated in a qualifying hedge relationship. However, they do form part of economic hedge relationships.

At 31 January 2025, cash collateral of €8.1 million (2024: €7.5 million) was placed against these liabilities and is reported within loans and advances to banks (Note 20).

Fair value hedges

Fair value hedges are used by the Group to protect it against changes in the fair value of financial assets and liabilities due to movements in interest rates. The financial instruments hedged are three €500m fixed rate debt issuances and a number of fixed rate investment bonds.

Group	January 2025	January 2024
	€'000	€'000
Gain on hedging instruments	29,038	6,825
Loss on hedged items attributable to hedged risk	(29,901)	(7,227)
Hedge ineffectiveness	(863)	(402)

Cash flow hedges

The Group designates certain currency derivatives in cash flow hedge relationships in order to hedge the exposure to variability in future cash flows arising from operating leases in a foreign currency. Movements in the cash flow hedge reserve are shown in the Consolidated statement of changes in equity.

Group	January 2025	January 2024
	€'000	€'000
Opening Balance	(22)	(6,053)
Changes in fair value	3,356	8,496
Amount reclassified to profit or loss	1,266	(1,604)
Deferred tax on reserve movements	(575)	(862)
Closing Balance	4,025	(22)

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22. Derivative Financial Instruments - continued

As at 31 January 2025, the notional amounts, by residual maturity of derivatives were as follows:

As at 31 January 2025	Notional Amount €'000	Less than 1 year €'000	Between 1 and 5 years €'000	More than 5 years €'000
Group				
FX Forward Derivatives	284,503	-	284,503	-
Cross Currency Swaps	841,741	-	829,777	11,964
Interest Rate Swaps	840,275	3,356	836,919	-
Total derivative financial instruments trading	1,966,519	3,356	1,951,200	11,964
Interest Rate Swaps designated as fair value hedges	1,500,000	-	1,500,000	-
Cross Currency Swaps designated as cash flow hedges	172,740	-	172,740	-
Total Derivative Financial Instruments	3,639,259	3,356	3,623,940	11,964

As at 31 January 2024	Notional Amount €'000	Less than 1 year €'000	Between 1 and 5 years €'000	More than 5 years €'000
Group				
FX Forward Derivatives	395,905	392,721	3,184	-
Cross Currency Swaps	773,983	4,089	742,564	27,330
Interest Rate Swaps	1,099,018	30,091	1,040,928	27,999
Total derivative financial instruments trading	2,268,907	426,901	1,786,676	55,329
Interest Rate Swaps designated as fair value hedges	1,733,527	723,527	1,010,000	-
Cross Currency Swaps designated as cash flow hedges	161,708	399	143,784	17,525
Total Derivative Financial Instruments	4,164,141	1,150,827	2,940,460	72,854

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22. Derivative Financial Instruments - continued

As at 31 January 2025, the notional principal amounts, by residual maturity of derivatives were as follows:

As at 31 January 2025	Notional Amount	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank	€'000	€'000	€'000	€'000
FX Forward Derivatives	284,503	-	284,503	-
Cross Currency Swaps	595,504	-	583,540	11,964
Interest Rate Swaps	506,099	-	506,099	-
Total derivative financial instruments trading	1,386,106	-	1,374,143	11,964
Interest Rate Swaps designated as fair value hedges	1,500,000	-	1,500,000	-
Cross Currency Swaps designated as cash flow hedges	126,796	-	126,796	-
Total Derivative Financial Instruments	3,012,903	-	3,000,939	11,964

As at 31 January 2024, the notional principal amounts, by residual maturity of derivatives were as follows:

As at 31 January 2024	Notional Amount	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank	€'000	€'000	€'000	€'000
FX Forward Derivatives	395,905	392,721	3,184	-
Cross Currency Swaps	510,772	954	482,488	27,330
Interest Rate Swaps	725,108	25,000	672,108	28,000
Total derivative financial instruments trading	1,631,785	418,675	1,157,780	55,330
Interest Rate Swaps designated as fair value hedges	1,733,527	723,527	1,010,000	-
Cross Currency Swaps designated as cash flow hedges	100,265	29	82,713	17,523
Total Derivative Financial Instruments	3,465,577	1,142,231	2,250,493	72,854

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22. Derivative Financial Instruments - continued

The below table analyses derivative financial instruments measured at fair value at the end of the reporting period by the fair value hierarchy into which the fair value measurement is categorised as at 31 January 2025. The fair value of the below over the counter derivatives is calculated using discounted cash flow valuation techniques which use observable market data such as foreign exchanges, interest rates and quoted asking market prices.

As at 31 January 2025	Total Fair value €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000
Group				
Fair value of Derivative Financial Instruments				
Assets				
FX Forward Derivatives	1,828	-	1,828	-
Cross Currency Swaps	4,025	-	4,025	-
Interest Rate Swaps	1,328	-	1,328	-
Total Derivative Financial Instrument Assets Trading	7,181	-	7,181	-
Interest Rate Swaps designated as fair value hedges	47,865	-	47,865	-
Cross Currency Swaps designated as cash flow hedges	309	-	309	-
Fair value of Derivative Financial Assets	55,355	-	55,355	-
Liabilities				
FX Forward Derivatives	(1,452)	-	(1,452)	-
Cross Currency Swaps	(23,420)	-	(23,420)	-
Interest Rate Swaps	(7,506)	-	(7,506)	-
Total Derivative Financial Instrument Liabilities Trading	(32,379)	-	(32,379)	-
Interest Rate Swaps designated as fair value hedges	-	-	-	-
Cross Currency Swaps designated as cash flow hedges	(4,909)	-	(4,909)	-
Fair value of Derivative Financial Liabilities	(37,288)	-	(37,288)	-

As at 31 January 2025	Total Fair value €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000
Bank				
Fair value of Derivative Financial Instruments				
Assets				
FX Forward Derivatives	1,828	-	1,828	-
Cross Currency Swaps	3,788	-	3,788	-
Interest Rate Swaps	549	-	549	-
Total Derivative Financial Instrument Assets Trading	6,164	-	6,164	-
Interest Rate Swaps designated as fair value hedges	47,865	-	47,865	-
Cross Currency Swaps designated as cash flow hedges	291	-	291	-
Fair value of Derivative Financial Assets	54,319	-	54,319	-
Liabilities				
FX Forward Derivatives	(1,452)	-	(1,452)	-
Cross Currency Swaps	(15,843)	-	(15,843)	-
Interest Rate Swaps	(4,713)	-	(4,713)	-
Total Derivative Financial Instrument Liabilities Trading	(22,008)	-	(22,008)	-
Interest Rate Swaps designated as fair value hedges	-	-	-	-
Cross Currency Swaps designated as cash flow hedges	(3,403)	-	(3,403)	-
Fair value of Derivative Financial Liabilities	(25,411)	-	(25,411)	-

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22. Derivative Financial Instruments - continued

As at 31 January 2024	Total Fair value	Level 1	Level 2	Level 3
Group	€'000	€'000	€'000	€'000
Fair value of Derivative Financial Instruments				
Assets				
FX Forward Derivatives	3,383	-	3,383	-
Cross Currency Swaps	11,550	-	11,550	-
Interest Rate Swaps	6,164	-	6,164	-
Total Derivative Financial Instrument Assets Trading	21,097	-	21,097	-
Interest Rate Swaps designated as fair value hedges	25,864	-	25,864	-
Cross Currency Swaps designated as cash flow hedges	2,178	-	2,178	-
Fair value of Derivative Financial Assets	49,139	-	49,139	-
Liabilities				
FX Forward Derivatives	(7,908)	-	(7,908)	-
Cross Currency Swaps	(11,064)	-	(11,064)	-
Interest Rate Swaps	(5,726)	-	(5,726)	-
Total Derivative Financial Instrument Liabilities Trading	(24,698)	-	(24,698)	-
Interest Rate Swaps designated as fair value hedges	(7,482)	-	(7,482)	-
Cross Currency Swaps designated as cash flow hedges	(2,152)	-	(2,152)	-
Fair value of Derivative Financial Liabilities	(34,332)	-	(34,332)	-
As at 31 January 2024	Total Fair value	Level 1	Level 2	Level 3
Bank	€'000	€'000	€'000	€'000
Fair value of Derivative Financial Instruments				
Assets				
FX Forward Derivatives	3,383	-	3,383	-
Cross Currency Swaps	9,016	-	9,016	-
Interest Rate Swaps	2,030	-	2,030	-
Total Derivative Financial Instrument Assets Trading	14,429	-	14,429	-
Interest Rate Swaps designated as fair value hedges	25,864	-	25,864	-
Cross Currency Swaps designated as cash flow hedges	1,502	-	1,502	-
Fair value of Derivative Financial Assets	41,795	-	41,795	-
Liabilities				
FX Forward Derivatives	(7,908)	-	(7,908)	-
Cross Currency Swaps	(6,868)	-	(6,868)	-
Interest Rate Swaps	(4,530)	-	(4,530)	-
Total Derivative Financial Instrument Liabilities Trading	(19,306)	-	(19,306)	-
Interest Rate Swaps designated as fair value hedges	(7,482)	-	(7,482)	-
Cross Currency Swaps designated as cash flow hedges	(1,346)	-	(1,346)	-
Fair value of Derivative Financial Liabilities	(28,134)	-	(28,134)	-

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23. Debt Securities at amortised cost

	31 January 2025	31 January 2024
	Group & Bank	Group & Bank
	€'000	€'000
Debt securities at amortised cost	27,050	276,154
Less: Allowance for impairment	(16)	(174)
Total debt securities at amortised cost	27,034	275,980

The movement on debt securities at amortised cost is analysed as follows:

	31 January 2025	31 January 2024
	Group & Bank	Group & Bank
	€'000	€'000
Balance at 1 February 2024	275,980	282,437
Purchased during the year	15,000	76,500
Matured during the year	(265,500)	(89,500)
FV Hedge	2,159	8,930
Other movements*	(606)	(2,387)
Balance at 31 January 2025	27,034	275,980

*Other movements primarily relate to deferred costs

During the year, the Group purchased one debt security for High Quality Liquid Asset (HQLA) purposes. Debt securities that were pledged as collateral in line with the terms and conditions of the ECB's TLTRO facility matured during the year. Debt securities are subsequently measured at amortised cost. There are no debt securities designated into fair value hedge relationships at 31 January 2025.

There were no significant changes in the impairment loss allowance on debt securities at amortised cost, assets are Stage 1. The asset quality of debt securities at amortised cost is set out in note 4.

24. Intangible Assets and Goodwill

Group & Bank January 2025	Goodwill €'000	Assets (External Purchase) €'000	Software €'000	Total €'000
Costs				
Balance at 1 February 2024	13,226	7,121	28,455	48,802
Additions / Internally developed	-	-	-	-
Disposals	-	-	-	-
Transfer	-	-	-	-
Balance at 31 January 2025	13,226	7,121	28,455	48,802
Accumulated Amortisation				
Balance at 1 February 2024	-	(7,121)	(28,455)	(35,576)
Charge for the year	-	-	-	-
Disposals	-	-	-	-
Balance at 31 January 2025	-	(7,121)	(28,455)	(35,576)
Net book value at 31 January 2025	13,226	-	-	13,226

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24. Intangible Assets and Goodwill- continued

Group & Bank January 2024	Goodwill €'000	Assets (External Purchase) €'000	Software €'000	Total €'000
Costs				
Balance at 1 January 2023	13,226	7,121	28,646	48,993
Additions / Internally developed	-	-	-	-
Disposals	-	-	(191)	(191)
Transfer	-	-	-	-
Balance at 31 January 2024	13,226	7,121	28,455	48,802
Accumulated Amortisation				
Balance at 1 January 2023	-	(6,686)	(28,091)	(34,777)
Charge for the year	-	(435)	(364)	(799)
Disposals	-	-	-	-
Balance at 31 January 2024	-	(7,121)	(28,455)	(35,576)
Net book value at 31 January 2024	13,226			13,226

Intangible assets and goodwill were recognised as a result of the acquisition in 2013.

Impairment review of goodwill

Goodwill is reviewed annually for impairment, or more frequently if events or circumstance indicate that impairment may have occurred by comparing the carrying value of the goodwill to its recoverable amount. An impairment charge arises if the carrying value exceeds the recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value-in-use (VIU), where the VIU is the present value of the future cash flows expected to be derived from the assets.

No impairment losses on goodwill were recognised during the period ended 31 January 2025 (2024: Nil).

Impairment testing of goodwill

Goodwill is allocated to cash generating unit (CGU) at a level which represents the smallest identifiable group of assets that generate largely independent cash flows. The Group has one CGU. The calculation of the recoverable amount of goodwill for the CGU is based upon a value in use calculation. A discounted cash flow (DCF) model is applied in order to calculate the value in use. The two key parameters in application of the DCF are the discount rate and the cash flow forecast. The values assigned to key assumptions reflect past experience, performance of the business to date and management judgement.

- Cash flow forecasts

For this purpose, the best estimate of the value in use is determined on the basis of a cash flow forecast as derived from the Group's annual planning cycle. This plan reflects management's best estimates of market conditions, growth in operations and other relevant factors. Projections are made for a three-year period. A terminal growth rate of 6.75% (2024: 4%) is applied for the period into perpetuity.

- Discount rates

The pre-tax discount rate is used to determine the present value of forecasted cash flows in order to derive the value in use of the CGU. A rate of 12.4% (2024: 11.2%) has been used in the model.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of either CGU to decline below the carrying amount.

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25. Property, Plant and Equipment

Group & Bank January 2025	Leased Equipment €'000	Computer Equipment €'000	Fixtures and Fit- tings €'000	Total €'000
Cost				
Balance at 1 February 2024	1,181,054	29	-	1,181,083
Additions	326,589	-	-	326,589
Disposal of operating lease equipment	(202,260)	-	-	(202,260)
Disposal of own use computer equipment	-	(16)	-	(16)
Operating lease impairment	-	-	-	-
Balance at 31 January 2025	1,305,384	13	-	1,305,397
Accumulated depreciation				
Balance at 1 February 2024	(533,474)	(18)	-	(533,492)
Charge for the year	(278,700)	(5)	-	(278,705)
Disposal of operating lease equipment	147,009	-	-	147,009
Disposal of own use computer equipment	-	15	-	15
Operating lease impairment	(623)	-	-	(623)
Balance at 31 January 2025	(665,789)	(7)	-	(665,796)
Net book value at 31 January 2025	639,595	6	-	639,601

The unguaranteed residual values included in the carrying amount at 31 January 2025 was €155.3mm (2024: €192.1m).

Group & Bank January 2024	Leased Equipment €'000	Computer Equipment €'000	Fixtures and Fit- tings €'000	Total €'000
Cost				
Balance at 1 January 2023	986,794	17	140	986,951
Additions	380,584	12	-	380,596
Disposal of operating lease equipment	(186,324)	-	-	(186,324)
Disposal of own use computer equipment	-	-	(140)	(140)
Operating lease impairment	-	-	-	-
Balance at 31 January 2024	1,181,054	29	-	1,181,083
Accumulated depreciation				
Balance at 1 January 2023	(410,809)	(10)	(140)	(410,959)
Charge for the year	(291,451)	(8)	-	(291,459)
Disposal of operating lease equipment	168,970	-	140	169,110
Disposal of own use computer equipment	-	-	-	-
Operating lease impairment	(184)	-	-	(184)
Balance at 31 January 2024	(533,474)	(18)	-	(533,492)
Net book value at 31 January 2024	647,580	11	-	647,591

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25. Property, Plant and Equipment - continued

Leased equipment net book value analysed as follows:

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
On operating lease for periods:		
- Not later than 1 year	196,175	197,042
- Later than 1 year and not later than 5 years	443,409	450,538
- Later than 5 years	11	-
Total	639,595	647,580

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26. Deferred Income Tax Assets

The movement on the deferred income tax account is as follows:

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
At 1 February 2024	5,614	412
Income statement charge	(349)	4,340
Cash flow hedge reserve	576	862
Relief for tax losses brought back	(3,651)	-
At 31 January 2025	2,190	5,614

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Deferred income tax assets are attributable to the following items:

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Tax losses carried forward	655	4,047
Temporary differences	1,535	1,567
Total deferred income tax assets	2,190	5,614

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Deferred tax assets expected to be recovered within 12 months	654	1,567
Deferred tax assets expected to be recovered after 12 months	1,536	4,047

27. Other Assets

	31 January 2025 Group €'000	31 January 2024 Group €'000
VAT receivable	132,670	138,029
Other debtors	60,825	51,388
Less: Allowance for impairment	(474)	(453)
Total other assets	193,021	188,964

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Other assets are analysed as follows:

Due within 1 year	134,183	162,712
Due after 1 year	58,837	26,252
	193,021	188,964

27. Other Assets - continued

	31 January 2025	31 January 2024
	Bank	Bank
	€'000	€'000
VAT receivable	132,670	138,029
Other debtors	59,361	50,926
Less: Allowance for impairment	(474)	(453)
Total other assets	191,556	188,502
Other assets are analysed as follows:		
Due within 1 year	132,719	162,250
Due after 1 year	58,837	26,252
	191,556	188,502

Comparatives have been presented on a basis consistent with the current year presentation.

The Bank provides leasing services from a cross border perspective, VAT is generally not charged on the rentals issued to customers. The purchase of equipment from local suppliers is however subject to local VAT. For this reason, the Bank is in a significant VAT recoverable position in most countries where it provides finance.

Other debtors contains €38.2m of rental receivables from operating leases (FY24: €30.3m).

28. Pension Costs

Pension entitlements arise under a defined contribution pension scheme and are secured by contributions by the Bank to a separately administered pension fund. Annual contributions are charged to the income statement on an accrual's basis. The cost to the Bank for the year was €1.1m (2024: €1.3m).

The total amount owing to the pension scheme at 31 January 2025 was €Nil (2024: €Nil).

29. Deposit from Banks

	31 January 2025	31 January 2024
	Group	Group
	€'000	€'000
Secured funding	617,906	1,008,984
Monetary Authority secured funding	-	86,861
Derivative collateral	35,040	21,890
Multi-Currency Notional Pool	50,051	50,847
Total	702,997	1,168,582

	31 January 2025	31 January 2024
	Bank	Bank
	€'000	€'000
Secured funding	18,066	309,052
Monetary Authority secured funding	-	86,861
Derivative collateral	35,040	21,890
Multi-Currency Notional Pool	50,051	50,847
Total	103,157	468,650

29. Deposit from Banks – continued

Included in Secured funding of €618m is €600m (2024: €1,009m) relating to the Securitised loan facility and €18m (2024: €309m) relating to the collateralised loan facility. With respect to the Bank, the secured funding of €18m (2024: €309m) is exclusively related to the collateralised loan facility. Dell Technologies is acting as guarantor for the secured funding. The maturity of both the collateralised loan and securitised loan is currently December 2026.

The Group repaid its Targeted Long-Term Refinancing Operation (“TLTRO”) funding from the ECB, through the Central Bank of Ireland during the year. This was categorised as Monetary Authority secured funding.

The Bank has access to draw funds from a notional pool. The notional pool is reliant on cash being made available by other Dell entities to support the drawdown within the facility. Dell Bank has access to draw funds from the pool but does not contribute to the pool.

Further detail of the Groups funding sources and maturity dates is included in note 4.

30. Debt Securities in Issue

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Debt securities in issue	1,513,673	1,469,991
Total debt securities in issue	1,513,673	1,469,991

The movement on debt securities in issue is analysed as follows:

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Balance at 1 February 2024	1,469,992	1,410,161
Issued during the year	500,000	-
Repaid during the year	(500,000)	-
FV of hedged risk	39,824	54,582
Other movements*	3,858	5,248
Balance at 31 January 2025	1,513,673	1,469,991

**Other movements primarily relate to accrued interest and deferred costs

In June 2024, the Bank issued €500 million Senior Unsecured 3.6% Notes maturing in June 2029. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin. The issuance was completed under the €2bn EMTN programme established in 2021.

In October 2022, the Bank issued €500 million Senior Unsecured 4.5% Notes maturing in October 2027. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin. The issuance was completed under the €2bn EMTN programme established in 2021.

In October 2021, the Bank issued €500 million Senior Unsecured 0.5% Notes maturing in October 2026. The notes bear interest on the outstanding nominal amount, payable annually in arrears. The Notes are listed on the Global Exchange Market of Euronext Dublin. The issuance was completed under the €2bn EMTN programme established in 2021.

In June 2020, the Bank issued €500 million Senior Unsecured 1.625% Notes which matured in June 2024.

The debt securities were designated into a qualifying hedge relationship at inception and the Group has determined that it expects the hedge to be highly effective over the life of the hedging instrument.

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31. Other Liabilities

	31 January 2025	31 January 2024
	Group	Group
	€'000	€'000
Accounts payable	91,594	21,438
Creditors and accruals	2,818	2,797
Deferred income	24,594	23,327
Income tax deducted under PAYE/PRSI	463	527
Value added tax	1,332	2,773
Total other liabilities	120,801	50,862

Other liabilities (excluding deferred income) are analysed as follows:

	31 January 2025	31 January 2024
	Bank	Bank
	€'000	€'000
Within 1 year*	96,207	27,534
After 1 year	-	-
Total other liabilities (excluding deferred income)	96,207	27,534

Comparatives have been presented on a basis consistent with the current year presentation.

	31 January 2025	31 January 2024
	Bank	Bank
	€'000	€'000
Accounts payable	91,549	21,386
Creditors and accruals	2,818	2,797
Deferred income	24,594	23,326
Income tax deducted under PAYE/PRSI	463	527
Value added tax	1,332	2,773
Total other liabilities	120,756	50,809

Other liabilities (excluding deferred income) are analysed as follows:

	31 January 2025	31 January 2024
	Bank	Bank
	€'000	€'000
Within 1 year*	96,162	27,483
After 1 year	-	-
Total other liabilities (excluding deferred income)	96,162	27,483

32. Equity

	31 January 2025	31 January 2024
	Group	Group
	€'000	€'000
Share capital	50,000	50,000
Capital contribution	732,500	732,500
Other reserves	(9,139)	(4,766)
Revenue reserves	84,926	66,718
Total equity reserve	858,287	844,452

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32. Equity - continued

	31 January 2025 Bank €'000	31 January 2024 Bank €'000
Share capital	50,000	50,000
Capital contribution	732,500	732,500
Other reserves	(7,837)	(4,652)
Revenue reserves	83,430	66,581
Total equity reserve	858,093	844,429

Share capital

The Group has authorised ordinary share capital of 50,000,001 shares (2024: 50,000,001 shares) at a nominal amount of €1 each. All the ordinary shares are fully paid.

Capital contribution

Capital contributions represent the receipt of non-demandable considerations arising from transactions with the parent company, DFS BV. The contributions are classified as equity and may be either distributable or non-distributable. Capital contributions are distributable if the assets received are in the form of cash or another asset that is readily convertible to cash. Otherwise, they are treated as non-distributable. All the capital contributions received by the Bank from its parent company were in the form of cash and are fully distributable. There were no additional cash capital contributions in the period (2024: €Nil). The Bank did not declare a dividend on its share capital during the year (2024: €Nil).

Other reserves

The Group designates certain currency derivatives in cash flow hedge relationships in order to hedge the exposure to variability in future cash flows arising from operating leases in a foreign currency. Movements in the cash flow hedge reserve are shown in the Cash flow hedge reserve.

The Group has a recharge agreement with its ultimate parent company, Dell Technologies relating to share based payment awards with employees.

33. Contingent Liabilities and Commitments

Commitments

The Group had the following off-balance sheet financial commitments to customers due within one year:

	31 January 2025 Group & Bank €'000	31 January 2024 Group & Bank €'000
Lease and loan funding commitments	197,707	182,602
	197,707	182,602

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34. Changes in liabilities arising from financing activities

As at 31 January 2025

Group	Deposits by banks*	Debt securities in issue	Intercompany loan	Total
	€'000	€'000	€'000	€'000
At 1 February 2024	(1,144,406)	(1,500,000)	-	(2,644,406)
Drawdown on debt facilities	(1,725,407)	(500,000)	-	(2,225,407)
Repayment of debt facilities	2,200,897	500,000	-	2,700,897
At 31 January 2025	(668,916)	(1,500,000)	-	(2,168,916)

	Interest on Deposits by banks*	Interest on Debt securities in issue	Intercompany loan	Total
	€'000	€'000	€'000	€'000
At 1 February 2024	(3,304)	(12,072)	-	(15,376)
Interest paid	43,887	33,125	-	77,012
Charge to income statement	(40,983)	(39,226)	-	(80,209)
At 31 January 2025	(401)	(18,173)	-	(18,573)

*Deposits by banks consists of the Collateralised loan, Securitised loan facilities, Monetary Authority secured funding, MCNP and corporate deposits

Bank	Deposits by banks*	Debt securities in issue	Intercompany loan	Total
	€'000	€'000	€'000	€'000
At 1 February 2024	(444,347)	(1,500,000)	(636,992)	(2,581,339)
Drawdown on debt facilities	(1,131,989)	(500,000)	-	(1,631,989)
Repayment of debt facilities	1,507,784	500,000	88,064-	2,095,848
At 31 January 2025	(68,552)	(1,500,000)	(548,929)	(2,117,480)

	Interest on Deposits by banks*	Interest on Debt securities in issue	Interest on Intercompany loan	Total
	€'000	€'000	€'000	€'000
At 1 February 2024	(2,737)	(12,072)	-	(14,809)
Interest paid	12,677	33,125	-	45,802
Charge to income statement	(9,939)	(39,226)	-	(49,165)
At 31 January 2025	1	(18,173)	-	(18,172)

*Deposits by banks consists of the Collateralised loan, Monetary Authority secured funding, MCNP and corporate deposits

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34. Changes in liabilities arising from financing activities- continued

As at 31 January 2024

Group	Deposits by banks*	Debt securities in issue	Intercompany loan	Total
				€'000
At 1 January 2023	(1,226,764)	(1,500,000)	-	(2,726,764)
Drawdown on debt facilities	(1,063,879)	-	-	(1,063,879)
Repayment of debt facilities	1,146,237	-	-	1,146,237
At 31 January 2024	(1,144,406)	(1,500,000)	-	(2,644,406)

	Interest on Deposits by banks*	Interest on Debt securities in issue	Intercompany loan	Total
				€'000
At 1 January 2023	2,801	(9,260)	-	(6,459)
Interest paid	46,614	33,125	-	79,739
Charge to income statement	(52,719)	(35,937)	-	(88,656)
At 31 January 2024	(3,304)	(12,072)	-	(15,376)

*Deposits by banks consists of the Collateralised loan, Securitised loan facilities, Monetary Authority secured funding, MCNP and corporate deposits

Bank	Deposits by banks*	Debt securities in issue	Intercompany loan	Total
				€'000
At 1 January 2023	(504,842)	(1,500,000)	(629,527)	(2,634,369)
Drawdown on debt facilities	(671,279)	-	(7,465)	(678,744)
Repayment of debt facilities	731,774	-	-	731,774
At 31 January 2024	(444,347)	(1,500,000)	(636,992)	(2,581,339)

	Interest on Deposits by banks*	Interest on Debt securities in issue	Interest on Intercompany loan	Total
				€'000
At 1 January 2023	3,229	(9,260)	-	(6,031)
Interest paid	12,235	33,125	-	45,360
Charge to income statement	(18,201)	(35,937)	-	(54,138)
At 31 January 2024	(2,737)	(12,072)	-	(14,809)

*Deposits by banks consists of the Collateralised loan, Securitised loan facilities, Monetary Authority secured funding, MCNP and corporate deposits

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35. Immediate and Ultimate Parent Undertaking

The Group's immediate parent undertaking is DFS BV, a Company incorporated in the Netherlands, with a registered office at Transformatorweg 38-72, 1014 AK Amsterdam, Netherlands.

The Group's ultimate parent undertaking is Dell Technologies, a publicly traded company with a registered office at 2711 Centerville Road, Suite 400, Wilmington DE 19808, United States.

36. Related party transactions

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. All related party transactions are settled in cash with the exception of share based payments which are equity settled with the ultimate parent, refer to note 11 for further details.

a) Loans and advances from/to related parties

The Group has a long-term borrowing facility from an affiliate, Dell Global BV. The total funding available is €500m. The maturity date of the facility is 28 September 2026.

At the year end, the balance outstanding to Dell Global BV was €Nil (2024: €Nil).

	Jan 2025	Jan 2024
	Group	Group
	€'000	€'000
Loans outstanding at 1 February	-	-
Loans issued during the year	-	-
Loan repayments during the year	-	-
Loans outstanding at period end	-	-
Interest expense paid	-	-
Commitment fees paid	49	46

Loans to Subsidiaries

The Group has one wholly owned subsidiary, Dell Receivables Financing 2016 d.a.c. (the 'SPV'). The SPV is an Irish registered company and qualifies for the regime contained in Section 110 of the Irish Tax Consolidation Act, 1997 (the "TCA").

The Bank provides funding to the SPV by way of a junior loan. The junior loan agreement between the Bank and the SPV provides for an interest amount payable to the Bank for an amount equal to the SPV's profit less a monthly amount of €100. The interest income on the junior loan in the period was €5.8m (2024: €9.3m). As at 31 January 2025, the gross amount of the junior loan was €156m (2024: €140m). The SPV purchased lease and loan receivables from the Bank during the financial period. The carrying amount of the lease receivables associated asset was €701m (2024: €777m) at the year end.

Other than the SPV funding noted above, the Group did not have any loans and advances to related parties (2024: €Nil).

36. Related party transactions - continued

Other

The Group also entered into day to day transactions with other Dell Group companies, mainly comprising the purchase of lease equipment and recharges of other various costs incurred on the Group's behalf, allocation charges for facilities and other operating costs. All amounts are interest free to the extent that settlements are made on time.

The allocation charges and other recharges during the year are analysed as:

	Jan 2025	Jan 2024
	Group	Group
	€'000	€'000
Recharges outstanding at 1 January	84,578	98,494
Purchases of equipment	836,220	1,851,021
Recharges during the year (Other)	23,642	(44)
Payments during the year	(841,160)	(1,864,893)
Balances outstanding at period end	103,280	84,578

Amounts due to group undertakings at period end	103,280	84,578
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	Jan 2025	Jan 2024
	Bank	Bank
	€'000	€'000
Loans outstanding at 1 January	636,992	629,527
Loans issued during the year	-	7,465
Loan repayments during the year	(88,064)	-
Loans outstanding at period end	548,928	636,992

Interest expense paid

	Jan 2025	Jan 2024
	Bank	Bank
	€'000	€'000
Recharges outstanding at 1 January	89,987	99,002
Purchases of equipment	836,220	1,851,021
Recharges during the year (Other)	22,327	4,857
Payments during the year	(841,160)	(1,864,893)
Balances outstanding at period end	107,374	89,987

Amounts due to group undertakings at period end	656,302	726,979
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36. Related party transactions - continued

b) Transactions with Directors and Key Management Personnel

Except for the compensation information detailed below, the Bank did not enter into any transactions and arrangements during the year with either key management personnel and connected persons or companies controlled by key management personnel and connected persons. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

	Year ended 31 January 2025	Year ended 31 January 2024
	Group	Group
	€'000	€'000
Salaries and other short-term employee benefits	3,438	3,536
Directors fees	254	250
Post-employment benefits	151	161
Termination benefits	-	265
Share-based payments	359	1,621
Total key management compensation	4,202	5,833

For the purposes of IAS 24: Related Party Disclosures, key management personnel of 18 (2024:17) comprise the Directors and other key management of the Bank.

At 31 January 2025, a liability of €3.7m (2024: €4.1m) was included in respect of these conditional cash payments. Total compensation paid during the period in relation to the variable cash payments was €2.8m (2024: €2.9m). The number of stock units outstanding to Key Management Personnel (KMP) and Directors is presented in the following table:

	31 January 2025	31 January 2024
	Group	Group
	No. units of stock	No. units of stock
Opening balance	33,564	86,281
Granted during the year	7,052	21,530
Forfeited during the year	(5,251)	-
Vested during the year	(16,809)	(21,704)
Transferred	1,143	(52,543)
Closing balance	19,699	33,564

c) Loans and deposits transactions with Directors, key management and connected persons.

There were no loans, deposits, quasi-loans, credit transactions, guarantees or security entered into or agreed to enter into by the Bank with or for its Directors, key management and connected persons in the current year or prior year. There were no assignments or assumptions by the Bank of any rights, obligations or liabilities under a transaction, and no arrangements under which another person enters into transaction which, if it had been entered into by the Bank would have fallen into section 307(1) or 307(2) of the Companies Act 2014.

37. Fair Values of Assets and Liabilities

The fair value of a financial instrument is defined as 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. Where possible, the Group calculates fair value using observable market prices. Where market prices are not available, fair values are determined using valuation techniques which may include discounted cash flow models or comparisons to instruments with characteristics either identical or similar to those of the instruments held by the Group or of recent arm's length market transactions. These fair values are classified within a three level fair value hierarchy, based on the inputs used to value the instrument.

Where the inputs might be categorised within different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The levels are defined as:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

A description of the methods and assumptions used to calculate fair values of these assets and liabilities is set out below.

Derivative financial instruments

Note 22 details the fair value assessment of derivative financial instruments.

Cash and Balances at Central Banks

The estimated fair value of cash and balances at Central Banks is the amount repayable on demand.

Debt securities at amortised cost

Debt securities at amortised cost are recorded as Level 2. The fair value is obtained using Bloomberg valuations.

Amounts due to Group Undertakings

For the purposes of this disclosure, the directors estimate that the fair value is equivalent to the carrying value. Given the relatively short-term average maturity of the portfolio, the carrying amount of the amounts due to group undertakings is deemed to equate to its fair value.

Deposits by banks

Bank Deposits are recorded as Level 2. Due to their relative short-term nature and regular repricing, management are of the view that the carrying amount approximates to their respective fair values.

Debt securities in issue

Debt securities in issue are recorded as Level 2. The fair value is obtained using Bloomberg valuations.

37. Fair Values of Assets and Liabilities - continued

The following table sets out the carrying amount and fair value assessment of the financial assets and liabilities at 31 January 2025:

Group	Carrying Amount €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	1,828	-	1,828	-	1,828
Interest rate derivatives	49,193	-	49,193	-	49,193
Cross currency swap derivatives	4,335	-	4,335	-	4,335
Financial assets not measured at fair value					
Cash and balances at central banks	164,808	-	164,808	-	164,808
Debt securities at amortised cost	27,034	-	26,520	-	26,520
Total	247,197	-	246,684	-	246,684
Financial liabilities measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	1,452	-	1,452	-	1,452
Interest rate derivatives	7,506	-	7,506	-	7,506
Cross currency swap derivatives	28,329	-	28,329	-	28,329
Financial liabilities not measured at fair value					
Deposits by banks	702,997	-	702,997	-	702,997
Debt securities in issue	1,513,673	-	1,512,615	-	1,512,615
Amounts due to group undertakings	103,280	-	103,280	-	103,280
Total	2,357,238	-	2,356,181	-	2,356,181

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37. Fair Values of Assets and Liabilities - continued

Bank	Carrying Amount €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	1,828	-	1,828	-	1,828
Interest rate derivatives	48,413	-	48,413	-	48,413
Cross currency swap derivatives	4,078	-	4,078	-	4,078
Financial assets not measured at fair value					
Cash and balances at central banks	164,808	-	164,808	-	164,808
Debt securities at amortised cost	27,034	-	26,520	-	26,520
Total	246,161	-	245,648	-	245,648
Financial liabilities measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	1,452	-	1,452	-	1,452
Interest rate derivatives	4,713	-	4,713	-	4,713
Cross currency swap derivatives	19,246	-	19,246	-	19,246
Financial liabilities not measured at fair value					
Deposits by banks	103,157	-	103,157	-	103,157
Debt securities in issue	1,513,673	-	1,512,615	-	1,512,615
Amounts due to group undertakings	656,302	-	656,302	-	656,302
Total	2,298,543	-	2,297,485	-	2,297,485

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37. Fair Values of Assets and Liabilities - continued

The following table sets out the carrying amount and fair value assessment of the financial assets and liabilities at 31 January 2024:

Group	Carrying Amount €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	3,383	-	3,383	-	3,383
Interest rate derivatives	32,028	-	32,028	-	32,028
Cross currency swap derivatives	13,728	-	13,728	-	13,728
Financial assets not measured at fair value					
Cash and balances at central banks	65,422	-	65,422	-	65,422
Debt securities at amortised cost	275,980	-	274,336	-	274,366
Total	390,541	-	388,897	-	388,897
Financial liabilities measured at fair value					
Derivative financial instruments					
Exchange rate derivatives	7,908	-	7,908	-	7,908
Interest rate derivatives	13,208	-	13,208	-	13,208
Cross currency swap derivatives	13,216	-	13,216	-	13,216
Financial liabilities not measured at fair value					
Deposits by banks	1,168,582	-	1,168,582	-	1,168,582
Debt securities in issue	1,469,991	-	1,476,875	-	1,476,875
Amounts due to group undertakings	84,578	-	84,578	-	84,578
Total	2,757,483	-	2,764,367	-	2,764,367

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37. Fair Values of Assets and Liabilities - continued

Bank	Carrying Amount €'000	Level 1	Level 2	Level 3	Total	
		€'000	€'000	€'000	€'000	
Financial assets measured at fair value						
Derivative financial instruments						
Exchange rate derivatives	3,383	-	3,383	-	3,383	
Interest rate derivatives	27,894	-	27,894	-	27,894	
Cross currency swap derivatives	10,518	-	10,518	-	10,518	
Financial assets not measured at fair value						
Cash and balances at central banks	65,422	-	65,422	-	65,422	
Debt securities at amortised cost	275,980	-	274,336	-	274,336	
Total	383,197	-	381,553	-	381,553	
Financial liabilities measured at fair value						
Derivative financial instruments						
Exchange rate derivatives	7,908	-	7,908	-	7,908	
Interest rate derivatives	12,012	-	12,012	-	12,012	
Cross currency swap derivatives	8,214	-	8,214	-	8,214	
Financial liabilities not measured at fair value						
Deposits by banks	468,650	-	468,650	-	468,650	
Debt securities in issue	1,469,991	-	1,476,875	-	1,476,875	
Amounts due to group undertakings	726,979	-	726,979	-	726,979	
Total	2,693,754	-	2,700,638	-	2,700,638	

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38. Offsetting Financial Assets and Financial Liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the statement of financial position.

The Group has a number of ISDA Master Agreements (netting agreements) in place which allows it to net the termination values of derivative contracts upon the occurrence of an event of default with respect to its counterparties.

The following tables show financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements at 31 January 2025:

	31 January 2025 Gross Financial Asset/(Liability) Group €'000	31 January 2025 Cash collateral Group €'000	31 January 2025 Net Amount with Offsetting permissible Group €'000
Derivatives with Positive Fair Value	55,355	(27,653)	27,702
Total	55,355	(27,653)	27,702
Derivatives with Negative Fair Value	(37,288)	8,140	(29,148)
Total	(37,288)	8,140	(29,148)

	31 January 2024 Gross Financial Asset/(Liability) Group €'000	31 January 2024 Cash collateral Group €'000	31 January 2024 Net Amount with Offsetting permissible Group €'000
Derivatives with Positive Fair Value	49,139	(20,725)	28,414
Total	49,139	(20,725)	28,414
Derivatives with Negative Fair Value	(34,332)	7,510	(26,822)
Total	(34,332)	7,510	(26,822)

	31 January 2025 Gross Financial Asset/(Liability) Bank €'000	31 January 2025 Cash collateral Bank €'000	31 January 2025 Net Amount with Offsetting permissible Bank €'000
Derivatives with Positive Fair Value	54,319	(35,040)	19,279
Total	54,319	(35,040)	19,279
Derivatives with Negative Fair Value	(25,411)	8,140	(17,271)
Total	(25,411)	8,140	(17,271)

	31 January 2024 Gross Financial Asset/(Liability) Bank €'000	31 January 2024 Cash collateral Bank €'000	31 January 2024 Net Amount with Offsetting permissible Bank €'000
Derivatives with Positive Fair Value	41,795	(20,725)	21,070
Total	41,795	(20,725)	21,070
Derivatives with Negative Fair Value	(28,134)	7,510	(20,624)
Total	(28,134)	7,510	(20,624)

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39. Special Purpose Vehicle Accounting

The Bank retains control of the receivables transferred to the SPV and therefore these assets are not derecognised and remain on the Bank's Statement of financial position. Amounts due to group undertakings in the Bank's Statement of financial position includes a deemed loan representing the financing received from the SPV in relation to the securitised receivables. Refer to Note 36 for further information.

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40. Events after the financial period

No adjusting or significant non-adjusting events have occurred between the 31 January reporting date and the date of authorisation.

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41. Profit of Reporting Entity

In accordance with section 304 of Companies Act 2014, the Bank has availed of the exemption from filing its Statement of comprehensive income with the Registrar of Companies. The Bank's profit after tax for the period ended 31 January 2025, determined in accordance with IFRS, is €18.2m (2024: €25.6m loss).

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42. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 17 April 2025.

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Glossary of Terms

This section is an additional disclosure and does not form an integral part of the audited financial statements.

Cost-Asset under management ratio

Cost-Asset under Management ratio is calculated as total operating expenses divided by average volumes of interest-bearing assets based on monthly balances throughout the year. Interest-bearing assets reflects assets which are held on balance sheet as either finance lease, loans or property plant and equipment on operating leases to customers (net of depreciation).

Net interest margin

Net interest margin (NIM) is stated as net interest income, as reported in the Summary of Financial Performance plus operating lease income (less depreciation) divided by the average volumes of the interest-bearing assets. The average volumes of Loans to customers and banks and operating leases (net of depreciation) are based on monthly balances throughout the year.

Credit impairment provision coverage ratio

The coverage ratio is calculated by expressing the total expected loss allowance as a percentage of the gross carrying amount of loans and advances to banks and customers.

Return on Assets (ROA)

Return on assets is calculated by dividing the net profit after tax by total assets on the statement of financial position.

