Distressed Debt Business Plan

Liffey Recovery Capital | Dublin

DOCUMENT GUIDE

Contents

Proposed Irish corporate distressed debt purchase company | 3 October 2026 | Model 1.0

Decision document for prospective owners and funders. All purchases, capital and contracts are conditional planning assumptions.

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01 / BUSINESS

Executive summary

Liffey Recovery Capital Ltd is a hypothetical Dublin company buying distressed loans to incorporated Irish businesses on its own balance sheet. It proposes an initial EUR 20m face pool at 30 cents per euro and EUR 1m face monthly follow-on purchases. These are targets without a seller tape, founder credentials, binding bids or committed capital.

The decision is whether to fund a small, legally cleared pilot after file-level recovery evidence. The model assumes 55% lifetime gross recovery, six months to first receipts and twelve collection months. It recognizes purchase basis separately from recovery income and never treats face value as an asset at acquisition. Base profitability is conditional on those recovery assumptions. Downside losses, negative equity and a funding shortfall require stopping or redesigning the purchase program.

Base 2027 net profit is EUR 588,305 and minimum monthly cash is EUR 2,376,000. Downside minimum cash is EUR (5,556,117); incremental funding to preserve its EUR 1.5m reserve is EUR 7,056,117. This shortfall is not funded by the model.

Decision gate	Evidence required
Mandate	Corporate EUR bank-originated distressed loans, Irish jurisdiction
Capital	EUR 8m equity and EUR 3m term debt proposed, both uncommitted
Regulatory	Counsel opinion and licensed servicing arrangement
Underwriting	Actual tape, priority, collateral and timing evidence

02 / BUSINESS

Business identity and purpose

The working name and Irish limited-company structure are proposals for owner and lender discussion. No company registration, office, named founder or authorization is asserted. The company would acquire existing credit rights rather than originate new loans or accept deposits.

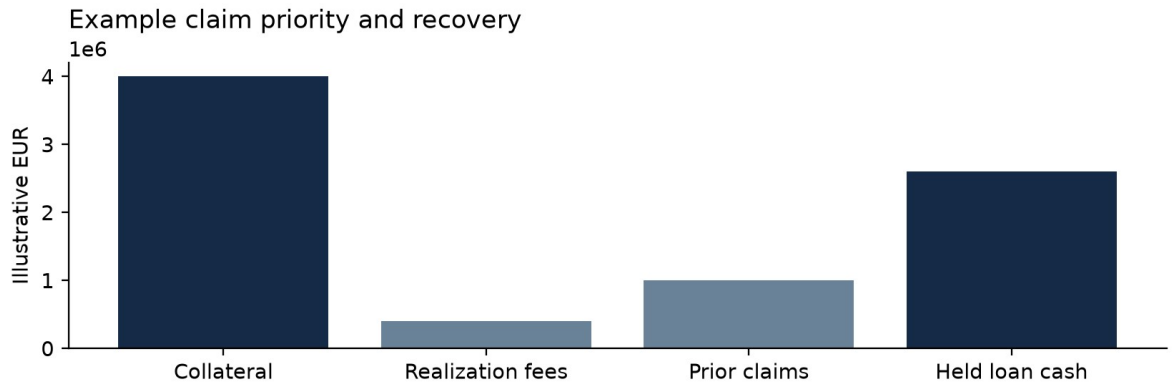
Its purpose is disciplined realization of acquired claims through an appointed servicer and approved restructuring or enforcement routes. It will not manage client money, market a fund or collect fees for third-party debt owners under this forecast. A change to those activities requires a revised regulatory and financial plan.

03 / BUSINESS

Concept and service offer

Buy corporate distressed debt only where legal title, claim amount, priority and expected proceeds can be independently verified. Use cash restructuring, negotiated settlement or lawful collateral enforcement through qualified advisers. Do not assume debt forgiveness, repossession, a new-money loan or a debt-to-equity conversion as automatic outcomes.

The forecast aggregates cash recoveries without separate default interest or penalty revenue. Every real file needs a dated recovery tree showing settlement, realization, costs, senior claims and time to receipt. The illustrative waterfall is a teaching example and does not calibrate the portfolio recovery rate.



Hypothetical EUR 5m held claim: collateral proceeds less fees and prior-ranking claims. This is independent of portfolio assumptions.

04 / BUSINESS

Mission objectives and measures

The first objective is a legally valid, funded and auditable pilot. Proposed measures are verified file completeness, net cash recovery versus approved basis, months to collection, complaints and unresolved reconciliation items. Board approval should require capital above reserve and enough analyst capacity for active cases.

Track realized proceeds by purchase vintage and seller, excluding uncollected estimates from cash returns. A positive Base profit does not validate a recovery forecast. Pause purchases on funding, legal, data or borrower-treatment exceptions. No contractual covenants or regulatory capital standards are invented here.

05 / PEOPLE

Owner role and capabilities

The proposed owner director earns EUR 7,000 gross monthly and is responsible for capital, credit committee decisions, controls and counterparties. No qualifications or track record have been supplied. Before appointment, verify restructuring experience, legal judgment, financial modeling and regulated-service oversight.

The director must not approve a transaction they have solely underwritten. The head of credit reviews analyst work, and the board or independently appointed committee approves exceptions. An unpaid governance body is a planning assumption; remuneration and composition need actual agreement.

06 / OPERATIONS

Location and premises

Dublin is the proposed commercial base for Irish bank and professional counterparties. No premises, local demand or connectivity advantage has been validated. Budget EUR 3,000 gross monthly within overhead for a small secure office; obtain written occupancy, service and privacy terms before signing.

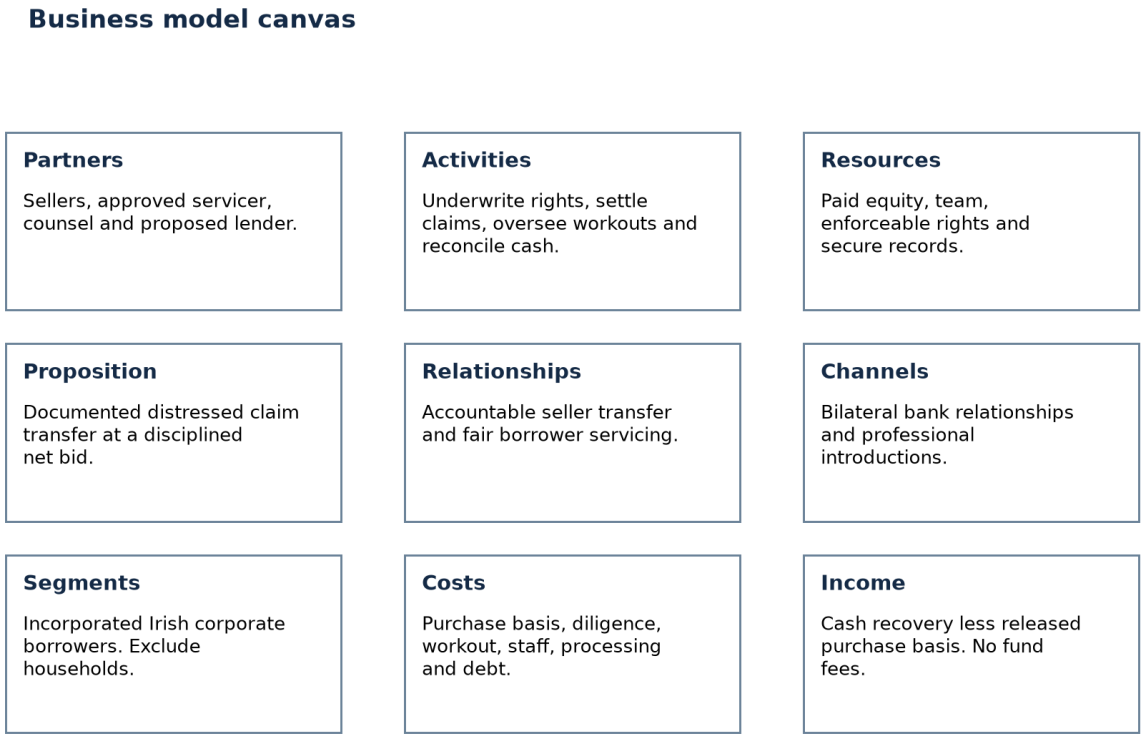
Records require controlled access, authenticated remote work and secure document storage. There is no purchased property, lease deposit or rental escalation beyond the modeled annual overhead growth. These omissions are explicit scope assumptions that must be replaced by an actual lease budget.

07 / BUSINESS

Business model canvas

Capital funds discounted debt purchases, operating staff and cash costs until proceeds arrive. Portfolio recovery income is earned only when expected purchase basis is released against cash receipts in this planning model. Third-party servicing and legal fees are expenses, and loan face is a contractual measure.

The model contains no management fees, carried interest, retail notes or distribution waterfall. Those features in the distressed-debt reference were not imported into this corporate purchaser.



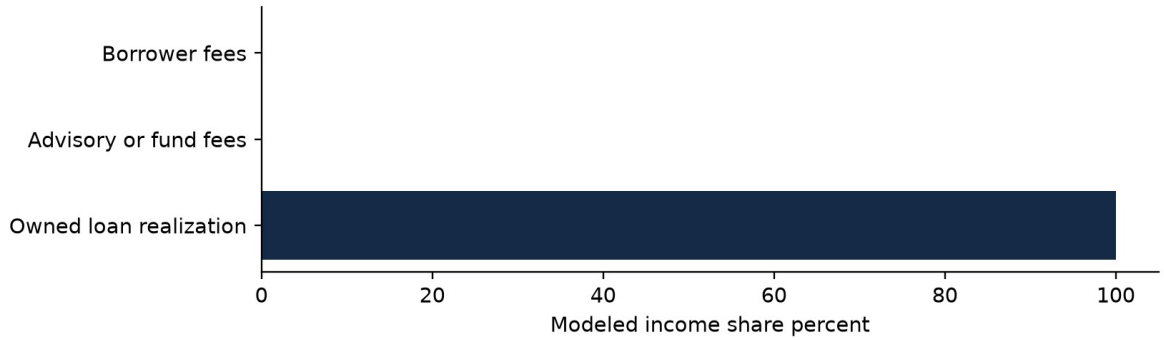
Nine planning blocks connect the mandate to cash recovery, costs and compliance gates.

08 / BUSINESS

Products and revenue mix

One product is proposed: owned corporate distressed credit rights. Forecast income is gross cash recovered less released purchase basis. Principal face purchased, purchase discount and initial expected recoveries are not recognized as sales revenue.

The company adds no collection fees to borrowers and forecasts no advisory commissions or loan coupon outside its total recovery assumption. Outsourced vendors may provide taxable collection services; their gross charges are included in the cost budget.



All modeled income comes from realization of owned debt. Receipts also release invested purchase basis.

09 / MARKET

Target counterparties

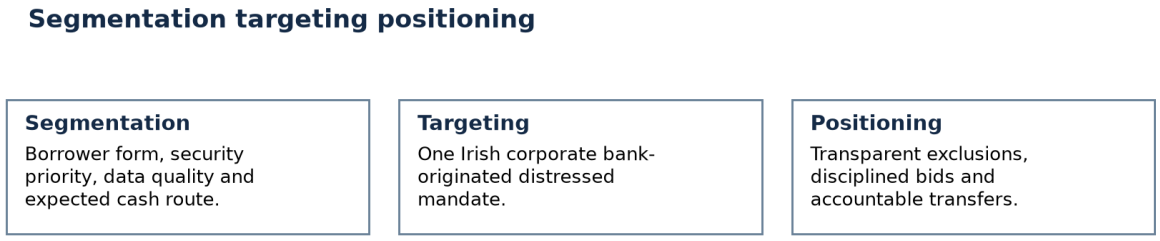
Sellers are Irish banks or eligible debt owners offering corporate loans with traceable origination and assignment rights. Borrowers remain contractual debtors and recipients of regulated servicing protection; they are not fee-paying customers in the forecast. Exclude natural persons, sole traders, residential mortgages and mixed pools until a separately approved mandate exists.

Prioritize incorporated businesses with a complete payment history, current documents and independently assessable collateral or cash restructuring. Corporate form alone does not resolve the Irish credit-servicing legal perimeter.

10 / MARKET

Segmentation targeting and positioning

Segment candidate pools by legal form, origination, security priority, sector, documentation and recoverability. Target one Irish corporate credit mandate first. Position the proposal around clear exclusions, reliable settlement and accountable borrower communications rather than the highest bid or fastest enforcement.



Planning segmentation requires seller interviews and file-level eligibility confirmation.

11 / MARKET

Value proposition canvas

A seller may seek capital release, an orderly transfer and fewer legacy servicing tasks. These preferences are hypotheses. The proposed buyer offers early exclusions, documented net bids and a reconciled transfer. Borrower rights and fair servicing remain separate obligations.

Validate the seller proposition with interviews and a trial tape. Do not treat professional introductions, a broad banking credit statistic or a seller conversation as an available pool.

Value proposition canvas

Seller jobs Transfer distressed rights and release capital accurately.	**Seller pains** Unclear exclusions, uncertain funding and transfer disputes.	**Seller gains** Clear net price, data obligations and documented settlement.
Offer Selective corporate claims purchased subject to funded approval.	**Pain relief** Early mandate feedback and independent file validation.	**Gain creation** Repeatable transfer controls and accountable servicing handover.

Seller-oriented hypotheses; no customer interviews or signed pool offer have been supplied.

12 / MARKET

Market size and trends

TAM is Irish corporate distressed loan face offered for sale during a defined year, rather than all outstanding business credit. SAM narrows it to assignable bank-originated EUR corporate claims with acceptable data, priority and servicing arrangements. No defensible size for either pool-sale market has been supplied.

The Central Bank publishes credit statistics describing balances and financial conditions [S6]. Those balances do not measure purchasable distressed loan supply. Base EUR 31m acquired face in 2027 is a deployment target, not a validated market share.

Market scope and evidence limits



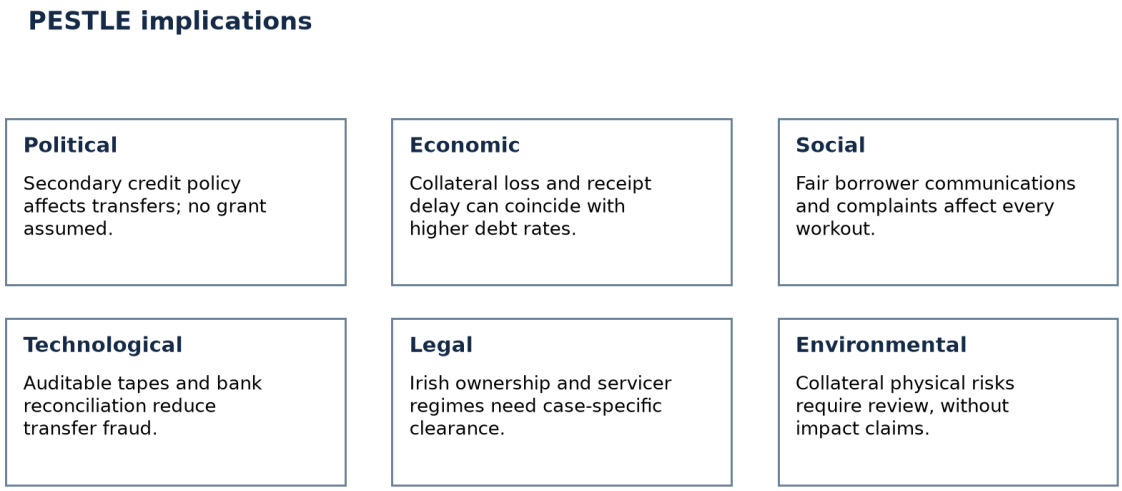
Scope chart is not size scaled. TAM and SAM remain unquantified; SOM is a target, not measured share.

13 / MARKET

PESTLE analysis

Policy, legal procedures and borrower protections shape permissible transfers and workouts. Economic stress may reduce collateral realizations while delaying receipts. Technology supports evidence and control but cannot repair unenforceable rights.

The business should review sector transition risks and avoid sustainability claims without borrower evidence. Six planning responses below require operating and legal validation.



Six aligned panels distinguish external conditions from proposed responses.

14 / MARKET

Local demand and evidence

Before deployment, obtain an anonymized seller tape, payment history, documentation sample and written sale interest. A proposed EUR 20m initial pool represents 80 files at EUR 250,000 average original face, followed by four file equivalents per month. These are workload assumptions rather than observed demand.

Two analysts screening two files each per working day over twenty working days provide eighty monthly initial screenings. The initial pool therefore consumes an entire screening month before independent credit signoff. Active workouts and exception review require additional time; trial the standard before a binding bid.

Seller evidence before deployment



Illustrative seller supply and screening workload; no actual pipeline is claimed.

15 / MARKET

Competitors and positioning

A bank can retain claims, restructure internally, sell to another debt buyer or appoint a servicer while keeping economic ownership. Competitor bids, execution terms, concentrations and borrower treatment need a matched comparison on the same tape. No ratings, price quotes or competitor performance statistics have been verified.

Alternative	Evidence needed
Retain claims	Capital use, expected net proceeds and time
Specialist purchaser	Net bid, warranties and financing certainty
Internal restructuring	Staff capacity and legal procedure
Outsourced servicing	Owner retains recovery and funding risk

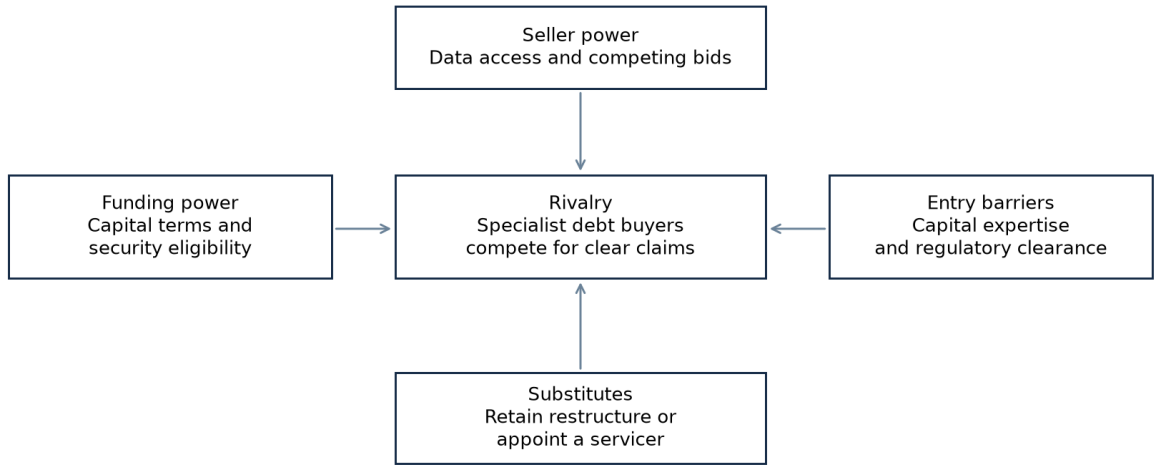
16 / STRATEGY

Porter five forces

Seller data quality and credible capital are sources of bargaining power. Buyers compete on net price, exclusions, transfer conditions and funding certainty. Entry requires expertise, capital and legal clearance, and substitutes include retaining or servicing the claims.

The proposed response is to reject unsupported recovery assumptions rather than increase bids to match acquisition targets.

Porter five forces



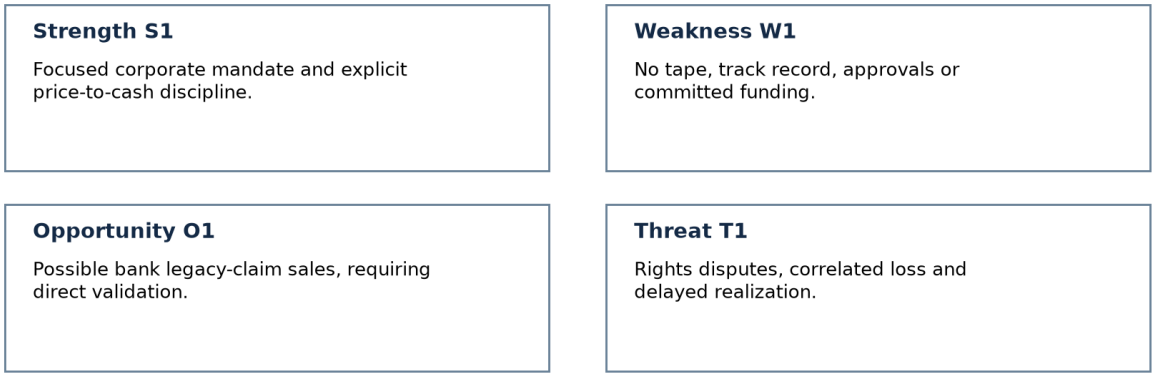
Rivalry at the center; qualitative planning judgments have no fabricated scores.

17 / STRATEGY

SWOT analysis

A focused corporate mandate and explicit purchase-basis model improve discipline. The proposal lacks seller files, named operators, approvals and capital. Possible seller balance-sheet needs create an opportunity that remains unverified. Correlated borrower stress, disputes and delayed collections can remove both expected margin and liquidity.

SWOT findings

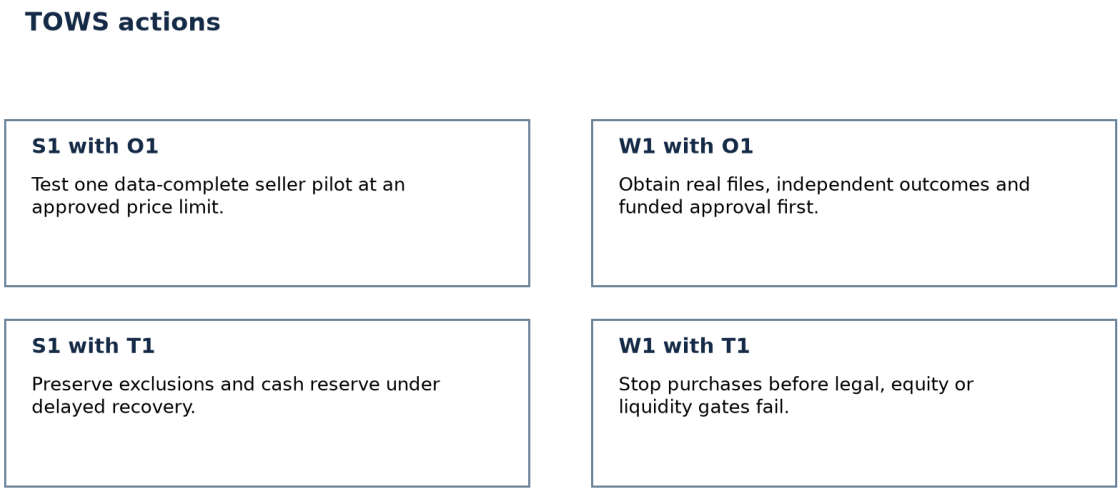


Business-specific strengths, weaknesses, opportunity and threats for an unlaunched purchaser.

18 / STRATEGY

TOWS strategy

Pair the narrow mandate with a pilot tape and enforceability review. Address missing evidence through staged approvals and independent valuations. Use price limits and reserve gates to respond to delayed recoveries. Do not relax exclusions because the monthly purchase target is missed.

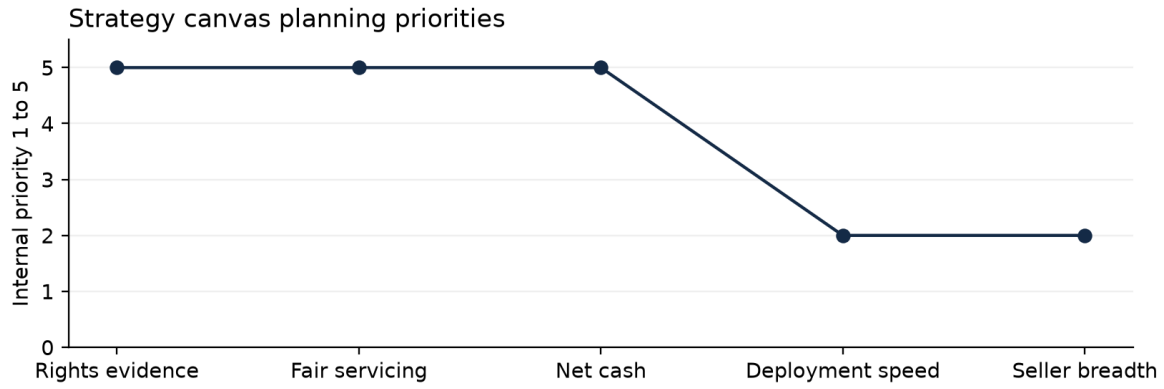


Actions are tied to the SWOT findings and modeled cash risks.

19 / STRATEGY

Strategy canvas

Prioritize verifiable rights, borrower treatment and net cash outcomes over rapid deployment. The canvas shows internal planning priorities from one to five, not competitor ratings or surveyed preferences. Replace these priorities with board-agreed policies once the operator and funding structure are known.



Internal priorities only; no comparative performance or customer survey is implied.

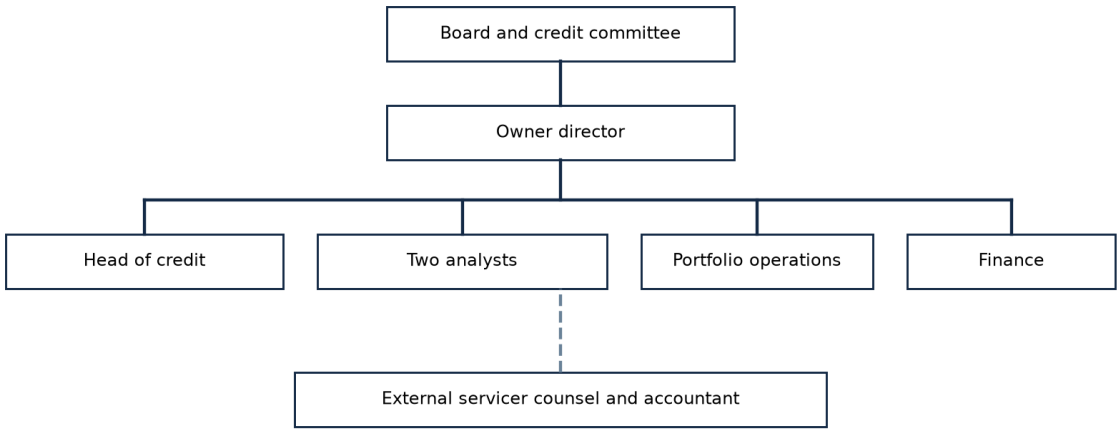
20 / PEOPLE

Organization and accountability

The owner director oversees a head of credit, two analysts, portfolio operations and finance. The head of credit reviews underwriting and workout exceptions. Operations reconciles loan and servicer records; finance controls bank cash and funding. Separate approval from settlement release.

External counsel, accountant and a legally suitable credit servicer support the company under proposed contracts. They are not appointed. The organization diagram uses solid reporting lines for staff and dashed external support.

Reporting and external support



Six paid full-time roles in Base; Upside adds one analyst at EUR 4,500 gross monthly.

21 / OPERATIONS

Asset and technology needs

Gross startup equipment totals EUR 120,000: EUR 70,000 platform and configuration, EUR 30,000 endpoints, and EUR 20,000 backup and security. Depreciate the initial cohort over sixty months from January 2027. An incremental EUR 30,000 security investment in month twenty-four has its own thirty-six-month depreciation.

The replacement is additional equipment rather than an assumed disposal of the initial cohort. No software resale, residual value or property assets are forecast. Access controls, backups and data recovery must pass a trial before receiving live borrower data.

Gross equipment EUR	Amount
Platform and configuration	70,000
Endpoints	30,000
Backup and security	20,000
Startup equipment	**120,000**
Month 24 incremental security	30,000

22 / BUSINESS

Pricing and claim economics

Base buys each EUR 1 of face for EUR 0.30 and assumes EUR 0.55 lifetime gross cash recovery. Variable workout cost is 8% of receipts, or EUR 0.044 per face; diligence is EUR 0.01 per face. Remaining contribution is EUR 0.196 before processing, fixed costs, interest, tax and time value.

These are unquoted assumptions. Bid limits must use probability-weighted file outcomes, enforceable priorities, costs and delays. Downside pays EUR 0.36 and recovers EUR 0.30 gross; 12% workout and 1.5% diligence make the economics negative before fixed costs.

Per EUR 1 face	Base
Purchase cash	0.300
Gross lifetime recovery	0.550
Workout cash	0.044
Diligence cash	0.010
Contribution before remaining costs	**0.196**

23 / CUSTOMER

Brand and borrower experience

Use clear ownership and payment communications, authenticated bank instructions, named complaint channels and privacy notices. Explain a proposed settlement without promising approval or threatening an outcome before legal review. Preserve applicable borrower protections following a transfer.

The 2023 Irish purchaser rules contain borrower communication requirements [S2]. Counsel and the appointed servicer must define the exact obligations for the actual loan population. No existing customer satisfaction or borrower-treatment performance is claimed.

24 / SALES

Sourcing channels and process

Use direct bank relationships and professional introductions. Stages are mandate fit, trial tape, cash and priority reconciliation, independent file underwriting, credit approval, committed funding confirmation, contract settlement and servicing handover. Conditional bids are not acquisitions.

Measure seller concentration, completion defects and net proceeds by vintage. Do not reward analysts for purchased face alone. A proposed 5% initial maximum obligor exposure and 25% sector limit are board policies needing real tape; the aggregate forecast does not calculate concentration compliance.

25 / SALES

Launch marketing

EUR 40,000 of preopening costs covers professional materials and seller research. Recurring business development is EUR 2,000 monthly within the overhead budget. These are proposed budgets, not campaign quotes or measured conversion rates.

Confirm equity communications and any investment promotion obligations with counsel before circulation. The forecast contains no retail advertising revenue, online sales funnel or institutional fundraising success assumption.

26 / SALES

Seller retention and follow on supply

Repeat sellers must pass the same price, documentation and recovery tests. Compare realized cash with initial underwriting and record disputed amounts. A seller relationship earns attention through accurate records and reliable transfers, not automatic acceptance.

The monthly EUR 1m face program is a scenario input. If eligible supply or capital is unavailable, purchases cannot proceed. The forecast deliberately shows the unchanged path under stress rather than assuming successful procurement or hidden acquisition reductions.

27 / OPERATIONS

Daily operations and suppliers

Reconcile bank receipts, the servicer ledger and the loan register daily. Review workout milestones and aged exceptions weekly. Keep settlement approval, payment release and borrower communication roles separate. No client-money balance, third-party receipt or custodial cash asset is forecast.

The proposed servicing retainer is EUR 5,000 gross monthly within fixed overhead, plus processing and variable workout charges. Legal allocation within overhead covers ongoing review; written vendor scopes must prevent overlap. The budgets are unquoted and are intentionally separate from the startup legal expense.

28 / OPERATIONS

Sustainability practices

Limit unnecessary travel and maintain proportionate data retention. Examine collateral physical risk and borrower-sector transition exposure in each file. A discounted loan purchase is not evidence of positive environmental or social impact.

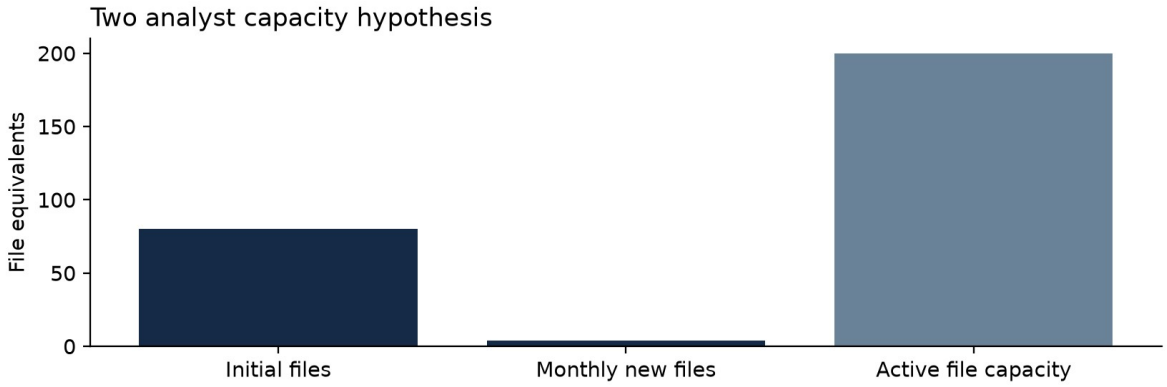
Workouts should document borrower circumstances, lawful alternatives and complaint handling. Track outcomes before making claims about jobs preserved, businesses rescued or emissions avoided. No such benefits have been measured for this hypothetical company.

29 / PEOPLE

Staffing and training

Base has six full-time paid roles. Owner EUR 7,000, head of credit EUR 7,000, two analysts EUR 4,500 each, operations EUR 4,000 and finance EUR 3,000 total EUR 30,000 gross per month. An 18% loading budget produces EUR 35,400 payroll. The loading is a planning total rather than a statutory PRSI rate.

Two analysts are assumed to handle one hundred active file equivalents each. Processing covers all months through a cohort’s final receipt. Trial both screening and workout time before hiring or increasing volume. Upside adds one analyst; annual salary growth is 3%.



Active file capacity and screening assumptions require observed workload testing.

30 / PEOPLE

Staff skills and fair work

Require expertise in corporate financial statements, restructuring, cash recoverability, priority rights and servicing oversight. Train staff in data security, fraud controls, fair communications and complaint escalation. Record competence before access to borrower data.

Working time, leave, benefits, pensions and PRSI should be reviewed against actual contracts. The financial model budgets an 18% loading and no overtime; it does not assert that this satisfies every employment obligation. If case complexity exceeds capacity, appoint support before further purchases.

31 / OPERATIONS

Legal and insurance requirements

Irish credit servicing can include legal title and ownership activities under the national regime; the separate 2023 EU framework authorizes servicers and imposes purchaser obligations [S1, S2]. Corporate borrowers do not automatically exclude the company. Obtain Irish counsel advice on both regimes and any required authorization, licensed servicing, notifications, data and assignment rights before acquisition.

The plan contains no deposit taking or third-party fund management. Counsel must review any collective investment implications of raising pooled equity. Professional indemnity, cyber and directors insurance require written scope and quotations. No legal clearance or regulatory approval is claimed.

32 / EXECUTION

Opening roadmap

The funded preparation period is two months, November and December 2026. The owner and two analysts are paid in both months; the head of credit, operations and finance are paid in December. At the modeled gross salaries and 18% loading, preparation payroll is EUR 54,280. The EUR 60,000 budget also includes EUR 5,720 recruitment and training. No earlier unpaid preparation is assumed. Define the mandate, commission legal review and screen the initial eighty files in November. Complete independent credit signoff, vendor appointment, cash reconciliation and control trials in December.

January 2027 is conditional. Settle only after paid equity, a signed term facility and approvals are in place. Each subsequent purchase needs current cash, legal and workload clearance.

Launch gate	Required evidence
Legal	Written perimeter opinion and required approvals
Capital	Paid equity and executed loan agreement
Underwriting	Verified tape and approved net recovery estimates
Operations	Servicer contract, trained staff and trial controls

33 / EXECUTION

Risks and management actions

Purchase price, claim priority, litigation, collateral deterioration and delayed realization can eliminate margin. Funding interest continues while collections wait. The model never borrows against an expected recovery estimate or adds equity automatically.

Downside is an unfunded program with negative equity; its purchases cannot lawfully be assumed to continue without a board-approved response. Reduce or stop deployment, reprice claims, obtain committed capital or abandon the purchase. An aggregate model does not replace file-level solvency and legal advice.

Risk	Proposed action
Recovery shortfall	Independent legal and cash outcome trees
Delay	Reserve and receipt-lag stresses before bids
Adverse selection	Tape, seller history and concentration checks
Rights dispute	Exclude unresolved claims before settlement
Vendor failure	Audit access, service continuity and escalation
Liquidity or equity breach	Stop purchases and approve revised funding

34 / EVIDENCE

Research and evidence

Official sources checked on 3 October 2026 establish legal and tax context, not loan supply or recovery performance. The Central Bank describes both national and EU credit servicing regimes [S1]; the Irish 2023 rules specify borrower and purchaser duties [S2]. Revenue distinguishes 12.5% trading income from 25% nontrading income [S3].

VAT treatment depends on the actual activity. Revenue financial guidance excludes debt collection and factoring from the cited payments/debts exemption [S5]; the model therefore assumes no recovered VAT and gross supplier costs, without claiming all servicing is exempt. Credit statistics [S6] do not size pool-sale supply. Reference workbook recovery-priority and debt-rollforward concepts were rebuilt, not imported.

S1 https://www.centralbank.ie/regulation/industry-market-sectors/credit-servicing-firms-credit-servicers

S2 https://www.irishstatutebook.ie/eli/2023/si/644/made/en/print

S3 https://www.revenue.ie/en/companies-and-charities/corporation-tax-for-companies/corporation-tax/basis-of-charge.aspx

S4 https://www.revenue.ie/en/vat/what-is-vat/exemption-from-vat.aspx

S5 https://www.revenue.ie/en/tax-professionals/tdm/value-added-tax/part03-taxable-transactions-goods-ica-services/Financial-Services/VAT-and-Payment-Services.pdf

S6 https://www.centralbank.ie/statistics/data-and-analysis/credit-and-banking-statistics

35 / EVIDENCE

Quotes and assumptions

No seller file, collateral appraisal, loan price, vendor quote, founder history, funder term sheet or demand survey has been supplied. Purchase price, gross recovery, timing, payroll, overhead, fees and capital are planning assumptions. Obtain dated independent evidence before investment approval.

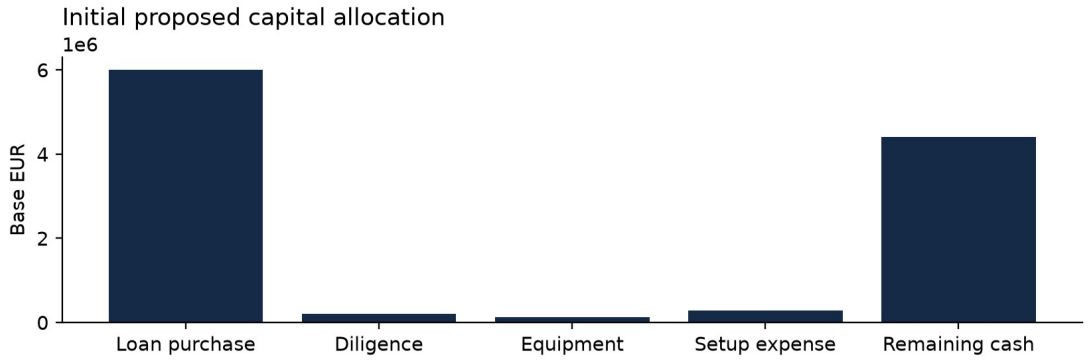
The purchase-basis release is a cash-realization planning policy, not audited IFRS9 purchased credit-impaired effective-interest accounting. Tax classification, deductibility, capital gains and any close-company surcharge require professional review. The model uses a conservative 25% positive monthly PBT provision, with no loss relief, surcharge or deferred tax calculation.

36 / FINANCE

Startup costs and funding

Proposed capital is EUR 8m equity and EUR 3m term debt, both uncommitted. EUR 120,000 equipment and EUR 280,000 preopening expense leave EUR 10.6m before loan purchases. The initial EUR 20m face pool costs EUR 6m and EUR 200,000 diligence, leaving EUR 4.4m before monthly payroll, processing, overhead and interest.

Claims are booked at purchase basis with any immediate downside impairment. Loan face and expected future proceeds are not additional cash sources.



Base proposed sources and uses; no committed capital or signed pool.

Startup EUR	Amount
Proposed equity	8,000,000
Proposed term debt	3,000,000
Total proposed capital	**11,000,000**
Initial equipment	120,000
Preopening expenses	280,000
Cash before loan purchases	**10,600,000**
Initial loan purchase	6,000,000
Initial diligence expense	200,000
Cash before month 1 recurring expense	4,400,000

37 / FINANCE

Itemized startup costs

Preopening expense consists of EUR 180,000 legal and setup, EUR 60,000 paid preparation, recruitment and training and EUR 40,000 seller research and materials. It creates an opening retained loss of EUR 280,000. Initial loan diligence is a separate month-one operating expense, not a duplicate startup cost.

All supplier budgets are gross including any irrecoverable VAT. No VAT asset, refund, property purchase, deposit or grant is forecast. Replace the budget with actual terms before commitment.

Gross startup EUR	Amount
Platform and configuration	70,000
Endpoints	30,000
Backup and security	20,000
Legal and setup	180,000
Paid preparation payroll	54,280
Recruitment and training	5,720
Seller research and materials	40,000
Nonloan startup uses	**400,000**

38 / FINANCE

Owner personal survival budget

EUR 7,000 owner gross monthly pay is included in company payroll. A 60% net retention assumption gives EUR 4,200 household cash against EUR 3,500 spending and EUR 700 estimated surplus. This is not an Irish payroll or personal tax calculation.

No dividends, equity distributions or personal borrowing are forecast. Confirm household affordability and actual tax before the owner relies on this salary.

Monthly personal EUR	Amount
Gross salary	7,000
Estimated net cash	4,200
Housing	1,800
Family and household	900
Transport	400
Other	400
Estimated surplus	**700**

39 / FINANCE

Financing terms and security

Proposed term debt is EUR 3m drawn before January 2027. Base interest is 8% on opening principal, with twelve months interest only followed by sixty equal principal installments of EUR 50,000. Principal starts January 2028, leaving EUR 1.8m at December 2029. No balloon or refinancing cash is inserted within the forecast.

Contracted tenor must cover all seventy-two months from draw. Security, perfection, covenants, prepayment and lender restrictions are not agreed. Expected recovery estimates do not create facility draws. There is no warehouse, client deposit, GP carry or investor distribution.

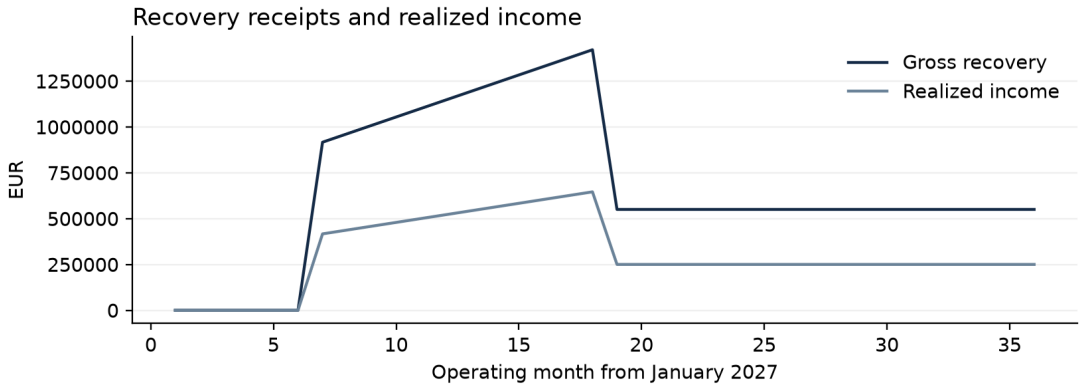
Proposed facility	Base
Equity	EUR 8m uncommitted
Term debt	EUR 3m uncommitted day 0 draw
Interest	8% annual opening balance
Principal	12 months grace then 60 x EUR 50,000
2029 residual	EUR 1.8m continuing loan
Security	Assignment and enforcement rights subject to legal opinion

40 / FINANCE

Recovery forecast and capacity

Each vintage receives equal monthly gross recoveries beginning at age six months over twelve months. January purchases first collect in July 2027. The Base lifetime EUR 0.55 receipt per face is a hypothesis, not a guarantee, observed default rate or appraisal.

Gross receipts release invested purchase basis; only their excess is realized recovery income. Later vintages retain unamortized basis after the thirty-six-month horizon. There is no terminal portfolio sale or completed investment return claim.



Calendar 2027–2029 Base model 1.0. Gross receipts are not all profit.

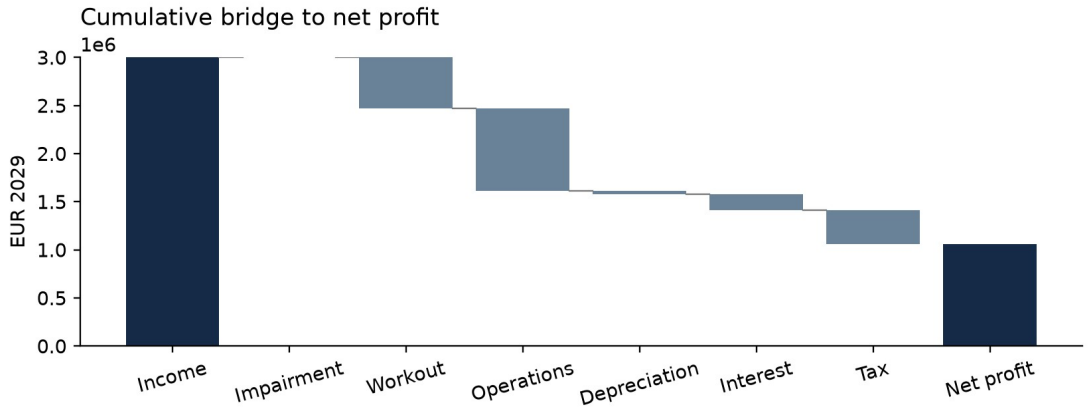
EUR annual	2027	2028	2029
Acquired face	31,000,000	12,000,000	12,000,000
Loan cash price	9,300,000	3,600,000	3,600,000
Gross recovery receipts	6,187,500	11,137,500	6,600,000
Realized recovery income	2,812,500	5,062,500	3,000,000

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Costs and projected profit

Variable workout cost is 8% of gross receipts, diligence 1% of acquired face and processing EUR 40 per active file monthly. Payroll and fixed overhead grow 3% annually. Immediate impairment reduces purchase basis when expected lifetime net receipts fall below price.

The cumulative bridge deducts impairment, workout, other operating cost, depreciation, interest and tax from realized recovery income. Every numerical series comes from the same model results.



2029 Base cumulative profit bridge; gross receipts less basis form the starting income.

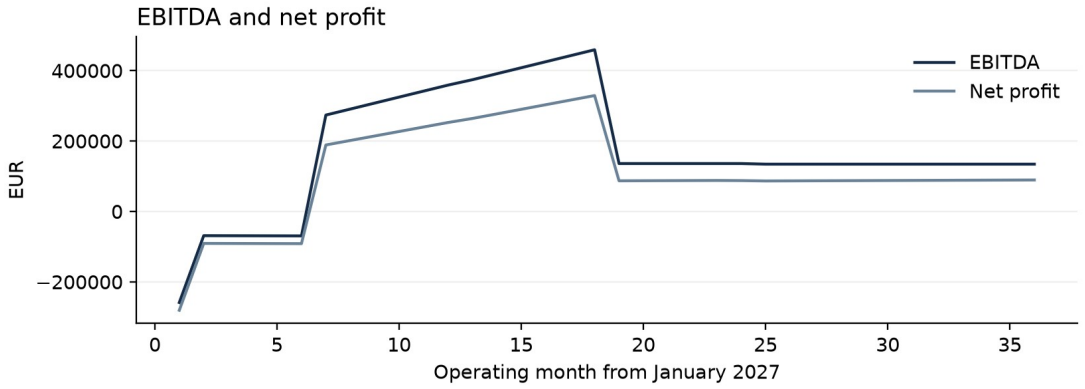
EUR annual	2027	2028	2029
Impairment	0	0	0
Workout expense	495,000	891,000	528,000
Other operating cost	1,023,760	855,144	859,846
Depreciation	24,000	24,833	34,000
Debt interest	240,000	218,000	170,000

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Profit and loss forecast

EBITDA is defined after purchase impairment, workout and other operating expense, before equipment depreciation and term-debt interest. Tax is 25% of each positive monthly PBT and paid in the same month. This conservative cash provision ignores loss relief and is not an Irish statutory return or tax calendar.

Trading classification could change the rate; capital-gain and close-company rules need advice. Strong Base recovery profits are scenario outputs rather than evidence of attainable returns.



Base EUR 2027–2029 model 1.0 with hypothetical recovery and purchase assumptions.

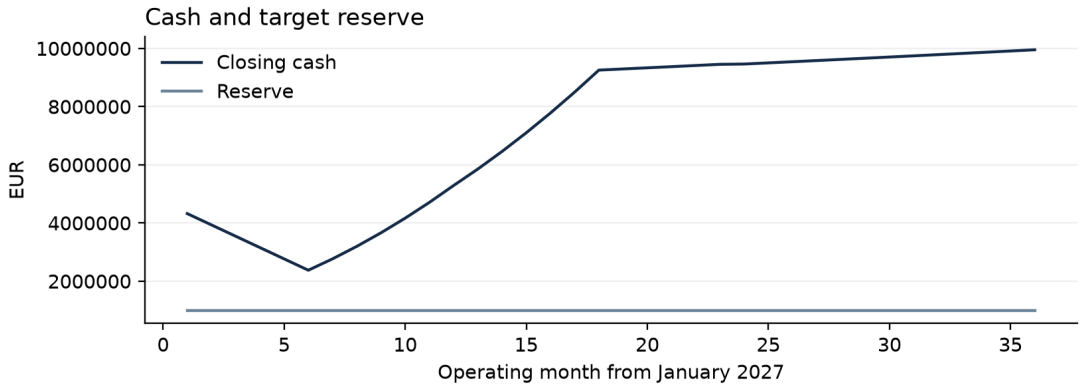
EUR annual	2027	2028	2029
Realized recovery income	2,812,500	5,062,500	3,000,000
Impairment	0	0	0
Workout expense	495,000	891,000	528,000
Other operating cost	1,023,760	855,144	859,846
EBITDA	**1,293,740**	**3,316,356**	**1,612,154**
Depreciation	24,000	24,833	34,000
Debt interest	240,000	218,000	170,000
Profit before tax	**1,029,740**	**3,073,523**	**1,408,154**
CIT	441,435	768,381	352,038
Net profit	**588,305**	**2,305,142**	**1,056,115**

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Cash flow and financial position

Base minimum monthly cash is EUR 2,376,000. Additional cash to retain its EUR 1m target reserve is EUR 0 on this unchanged path. Cash before loan purchases is EUR 10.6m; purchases and diligence begin immediately, while the first receipt is six months later.

Downside minimum cash is EUR (5,556,117) and reserve funding need is EUR 7,056,117 against its EUR 1.5m target. Negative cash represents an unfunded purchase program, not an available overdraft. Negative net equity also requires a solvency response. No rescue capital is added.



Income and basis release together reconcile to recovery cash after expenses. Financing is conditional.

EUR annual	2027	2028	2029
Operating cash	612,305	2,329,975	1,090,115
Basis cash release	3,375,000	6,075,000	3,600,000
Loan purchases cash	(9,300,000)	(3,600,000)	(3,600,000)
Incremental capex cash	0	(30,000)	0
Debt principal cash	0	(600,000)	(600,000)
Closing cash	**5,287,305**	**9,462,280**	**9,952,396**
Minimum monthly cash	2,376,000	5,853,418	9,501,748

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Cash flow forecast months one to six

The first six months pay salaries, processing, fixed overhead, interest and diligence while buying claims. Base recovery cash is zero through June 2027. Purchase cost is recorded as a financial asset rather than operating expense; initial diligence remains an operating cash cost.

No expected receipt, unrealized purchase discount or face-value claim finances the company. EUR 8m equity and EUR 3m debt are assumed paid before the horizon, not repeated each month.

Month 2027	Operating	Basis release	Loan purchases	Closing cash
Month 1	(278,600)	0	(6,000,000)	4,321,400
Month 2	(88,760)	0	(300,000)	3,932,640
Month 3	(88,920)	0	(300,000)	3,543,720
Month 4	(89,080)	0	(300,000)	3,154,640
Month 5	(89,240)	0	(300,000)	2,765,400
Month 6	(89,400)	0	(300,000)	2,376,000

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Cash flow forecast months seven to twelve

July begins the initial vintage’s twelve recovery installments. Later monthly pools begin collecting at their own six-month age. Only actual forecast receipts replenish cash. Basis released and income are accounting components of the same receipt, not two separate bank collections.

The term loan stays interest only throughout 2027. Further acquisitions remain conditional on actual reserve and legal checks, even when this scenario shows available cash.

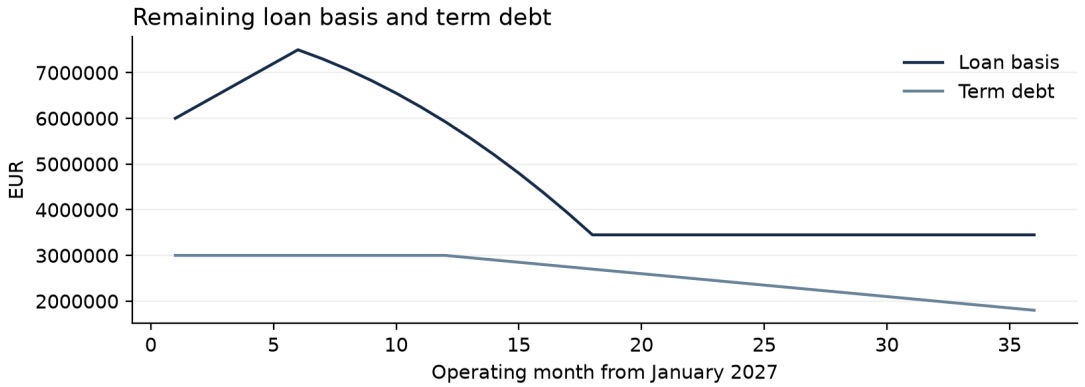
Month 2027	Operating	Basis release	Loan purchases	Closing cash
Month 7	190,830	500,000	(300,000)	2,766,830
Month 8	203,585	525,000	(300,000)	3,195,415
Month 9	216,340	550,000	(300,000)	3,661,755
Month 10	229,095	575,000	(300,000)	4,165,850
Month 11	241,850	600,000	(300,000)	4,707,700
Month 12	254,605	625,000	(300,000)	5,287,305

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Financial position summary

Assets are cash, remaining loan purchase basis and depreciated equipment. Gross future expected recoveries are disclosed separately and are not another balance-sheet asset. Term debt is the only forecast liability; all vendor costs and taxes are paid in the modeled month, so no AR, AP or tax liability is inserted.

Opening equity less startup expense and cumulative net profit forms net equity. Each of the thirty-six monthly balance sheets and cash rollforwards reconciles without an asset or funding plug. Downside negative cash and equity remain visible as a failed deployment path.



Uncollected estimates are not cash, and loan face is not an additional accounting asset.

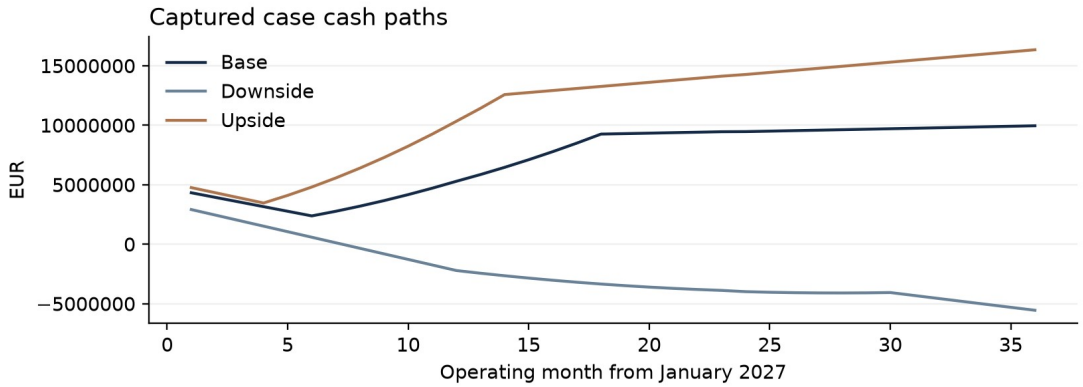
EUR year end	2027	2028	2029
Closing cash	**5,287,305**	**9,462,280**	**9,952,396**
Loan carrying basis	5,925,000	3,450,000	3,450,000
Equipment net book value	96,000	101,167	67,167
Total assets	**11,308,305**	**13,013,447**	**13,469,562**
Term debt	3,000,000	2,400,000	1,800,000
Paid capital	8,000,000	8,000,000	8,000,000
Retained earnings	308,305	2,613,447	3,669,562
Net equity	**8,308,305**	**10,613,447**	**11,669,562**
Total liabilities and equity	**11,308,305**	**13,013,447**	**13,469,562**
Balance sheet difference	0	0	(0)

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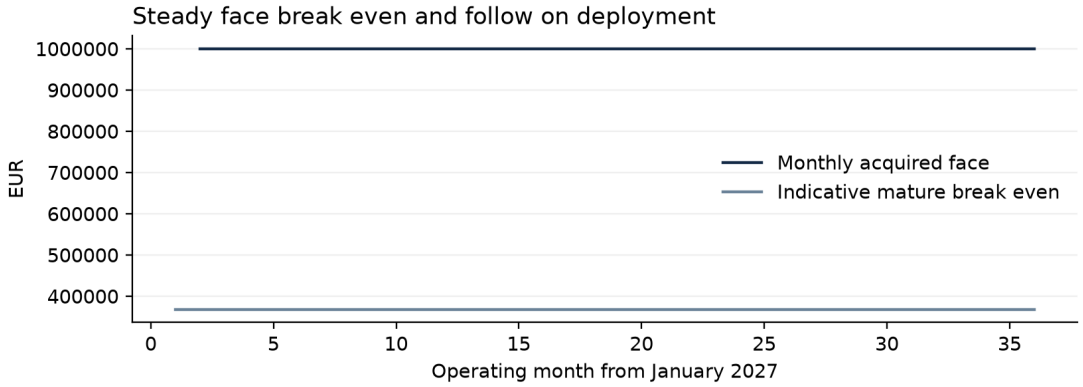
Break even and scenarios

Indicative steady monthly acquired-face break even is EUR 368,202. It assumes mature continuous vintages and divides current fixed payroll, overhead and debt interest by lifetime net recovery less purchase price, diligence and full active-file processing per face. It excludes tax, depreciation, capital spending and liquidity timing. It is not a launch funding threshold or validated market size.

Downside pays 36% for 30% gross recovery, first receipts at age twelve over eighteen months, 12% workout cost and 11% interest. Upside pays 28% for 65% recovery, starts at age four over ten months and adds one analyst. Captures flag stale inputs in Excel.



Case snapshots use the live model; rebuild results and Word after changing inputs.



Indicative steady-state estimate excludes launch liquidity timing.

Captured case	2027 income	2027 net profit	Minimum cash
Base	2,812,500	588,305	2,376,000
Downside	0	(4,563,000)	(5,556,117)
Upside	7,163,200	3,584,172	3,461,152

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Model guide and completion

Inputs C5 selects 1 Base, 2 Downside or 3 Upside. Blue inputs feed Cohorts, Recoveries, AssetsDebt and Statements, with Summary linking finished results. Cases stores static captures and checks all case drivers for edits. Its stale warning requires a new build and coordinated document refresh.

Retained JavaScript reproduces thirty-six months, annual summaries, native charts and model results. The file is a planning tool, not audited accounting or a launch approval. Required evidence remains seller files, legal clearance, committed capital, professional tax treatment and vendor contracts.

Completion gate	Status
48 topics and frameworks	Business-specific integrated planning document
Live schedules	36 months and three cases with retained JavaScript
External evidence	Official context verified; commercial assumptions pending
Launch	Conditional on legal, funding and operating approval