

**Black River Lasso Ireland II Limited**

**Annual report and audited financial statements**

**For the year ended 31 December 2023**

Registered number 554068

# Black River Lasso Ireland II Limited

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# Black River Lasso Ireland II Limited

## General Information

<b>Directors</b>	Jason Lee (Ireland) (appointed 4 April 2025) Alexander Stewart (Ireland) (appointed 12 July 2022) Claire O'Donovan (Ireland) (appointed 1 March 2021, resigned 4 April 2025)
<b>Corporate Administrator</b>	Maples Fiduciary Services (Ireland) Limited 32 Molesworth Street Dublin 2 Ireland
<b>Secretary</b>	MFD Secretaries Limited 32 Molesworth Street Dublin 2 Ireland
<b>Independent Auditor</b>	Valaston Limited Chartered Accountants and Statutory Audit Firm Ground Floor 59-60 O'Connell Street Limerick, V94 E95T Ireland
<b>Investment Manager</b>	Argentem Creek Partners LP 156 West 56 <sup>th</sup> Street, Suite 1702 New York NY 10019
<b>Bankers</b>	BNY Mellon 225 Liberty Street New York NY 10286  The Northern Trust Company 50 South La Salle Street Chicago IL 60603
<b>Solicitors</b>	McCann FitzGerald Riverside One Sir John Rogerson's Quay Dublin 2
<b>Registered Office</b>	32 Molesworth Street Dublin 2 Ireland

# Black River Lasso Ireland II Limited

## Directors' report

The Directors present their report together with the audited financial statements of Black River Lasso Ireland II Limited (the "Company") for the financial year ended 31 December 2023.

### Principal activities

The Company is a single member private company limited by shares which was incorporated on 10 December 2014 under the laws of Ireland. The Company was established to acquire, manage, hold, sell, dispose of, finance and trade in all forms of financial assets and to carry on the business of a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended).

Black River Latin American Special Situation Opportunity Fund LP ("LASSO"), a Cayman Islands company, held claims arising from a Mexican suspension of payments of Altos Hornos de Mexico S.A.B. de C.V. (AHMSA). In 2015, the Company acquired these claims from LASSO. On 30 December 2015 LASSO changed its name to Argentem Creek Latin America Special Situation Opportunity Fund LP. The Company issued \$156,731,885 Portfolio Credit Linked Notes on 23 June 2015. The proceeds received from the issuance of notes were used to fund the acquisition of the claims and the payment of certain associated costs and expenses. The notes were subscribed to by a Luxembourg company, Black River Lasso Luxembourg ("LASSO Luxembourg"), (the "Noteholder"). The notes constitute unsecured and fully funded direct obligations of the Company with a specified maturity date of 23 June 2115.

LASSO and LASSO Luxembourg entered into a tracking loan facility agreement whereby LASSO has made a committed loan facility available to LASSO Luxembourg. Both LASSO and LASSO Luxembourg had agreed to offset their respective payment obligations under the note purchase agreement and tracking loan facility agreement pursuant to a payment settlement agreement entered into by the Company, LASSO and LASSO Luxembourg.

On 8 January 2016, 25 April 2016 and 27 June 2016, the Noteholder paid an additional subscription amount of \$20,000, \$60,000 and \$359,512, respectively, to the Company thereby increasing the principal amount of the Note from \$156,731,885 to \$157,171,397. There were no additional subscriptions during the year ended 31 December 2016.

On 13 May 2016, LASSO Luxembourg sold the notes issued by the Company to two Luxembourg incorporated companies ("Existing Noteholder"), SOF Parallel Investments Sarl and SOF Investments Sarl. Following the sale, Blackstone Alternative Solutions L.L.C., through SOF Parallel Investments Sarl and SOF Investments Sarl, became the Company's ultimate controlling parent.

During 2016, the Company disposed of the claims it had acquired from LASSO in 2015 and acquired a new portfolio of assets from AHMSA.

In May 2019, the Company disposed of assets it had acquired from AHMSA for \$51,261,290. Of these proceeds \$47,236,057 was used to repay the Notes issued by the Company.

On 30 January 2023, AHMSA was declared bankrupt due to its failure to meet creditor obligations under Suspension de Pagos claims. At 31 December 2023, the Company's investment in AHMSA is valued at \$1,299,513 (2022: \$20,568,942) based on a third-party valuation service provider, Altos Hornos Investments, which represents the value at 31 December 2023.

The Investment Manager and the Directors continued to closely monitor developments related to the bankruptcy proceedings. On 13 November 2024, the Instituto Federal de Especialistas en Concursos Mercantiles (IFECOM) formally designated Víctor Manuel Aguilera Gómez as the liquidator in the bankruptcy of AHMSA. This appointment marked the start of the formal liquidation process to oversee the inventory and sale of AHMSA's assets. Refer to subsequent events Note 19 for more details.

# Black River Lasso Ireland II Limited

## Directors' report (continued)

### **Business review**

Please refer to Note 19 subsequent events for the latest developments in the Company.

### **Results and dividend**

The results for the period are set out on page 9. The Directors do not propose the payment of a dividend. The Company made a profit before tax of USD 2,000 for the year ended 31 December 2023 (2022: USD 2,000).

### **Directors and Company Secretary**

The Directors and Company Secretary who held office at 31 December 2023 are listed on page 1.

### **Directors, Secretary and their interests**

None of the Directors or Secretary who held office on 31 December 2023 held any shares in the Company at that date, or during the period. Jason Lee, Alexander Stewart and Claire O'Donovan are/were employees of Maples Fiduciary Services (Ireland) Limited (the "Corporate Administrator").

### **Principal risks and uncertainties**

The Company is subject to various risks. The key risks facing the Company and the manner in which these risks have been dealt with are disclosed in Note 3 to the financial statements.

### **Issue of shares**

The authorised share capital of the Company is \$100 divided into 100 ordinary shares of \$1.00 each. Issued share capital is one ordinary share of \$1.00 taken by MaplesFS Trustees Ireland Limited. The share capital is disclosed in Note 15.

### **Accounting records**

The Directors believe that they have complied with the requirements of section 281 - 285 of the Companies Act 2014 with regard to the accounting records by employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 32 Molesworth Street, Dublin 2, Ireland.

### **Going concern**

As disclosed in Note 1, the Directors have approved and authorised the financial statements for the years ended 31 December 2023 and 31 December 2024 concurrently. The 31 December 2024 financial statements are the final set of financial statements. The Board of Directors are in the process of appointing a liquidator to liquidate the Company. As such, these financial statements are prepared on a basis other than going concern under IAS 1.

### **Future developments**

Please refer to Note 19 subsequent events for the latest developments in the Company.

### **Subsequent events**

On 13 November 2024, the Instituto Federal de Especialistas en Concursos Mercantiles (IFECOM) formally designated Víctor Manuel Aguilera Gómez as the liquidator in the bankruptcy of AHMSA. This appointment marked the start of the formal liquidation process to oversee the inventory and sale of AHMSA's assets.

The value of the AHMSA shares as of 31 December 2024 was nil (2023: \$1,299,513).

# Black River Lasso Ireland II Limited

## Directors' report (continued)

### Subsequent events (continued)

On 4 April 2025, Claire O'Donovan resigned as Director and on the same day, Jason Lee was appointed as Director.

On 2 July 2025, the Investment Manager and Existing Noteholder terminated the Investment Advisory Agreement and entered into a Notes Redemption Agreement. As part of the Notes Redemption Agreement the Existing Noteholder agreed that US\$1,543,455 of advisory fees, which represented 80% of the advisory fees owed to the Investment Manager as at 31 December 2024 (US\$1,929,319 was the full amount), was paid to the Investment Manager, which in turn terminated this agreement. The Existing Noteholder received \$1,201,929 as a full and final settlement of their final redemption. US\$1,100,000 of this US\$1,543,455 has been paid to the Investment Manager as of the date that these financial statements were signed.

On the same day, the Company entered into a series of transactions related to its investment in Altos Hornos de México, S.A.B. de C.V. ("AHMSA"). The Company issued New Notes to 3 New investors namely Badger Investments LLC, Abbot Ventures LLC and 2691501 Ontario Inc for a nominal amount of US\$1,000.

These New Notes were subsequently redeemed and in return these new Noteholders received the remaining shares in AHMSA which were valued at US\$Nil. This transaction was required to enable the Directors and Investment Manager to put this Company into liquidation.

The Board of Directors are in the process of appointing a liquidator to liquidate the Company.

On 5 December 2025, the charge on the Notes as detailed in Note 18 was removed.

Other than as previously noted, the Directors have evaluated all events that have occurred up to the date of approval of the financial statements and determined that no other events have occurred that would require recognition or additional disclosures in the financial statements.

### Independent Auditor

During the year, Ernst & Young, Statutory Audit Firm, resigned as auditor of the Company in accordance with Section 400 of the Companies Act 2014.


In accordance with Section 382(1) of the Companies Act 2014, Valaston Limited was appointed as auditor, and have signified their willingness to continue in office in accordance with Section 382(2).


### Statement of relevant audit information

All relevant audit information has been disclosed to the auditors. Each Director has taken all necessary steps to make himself aware of all relevant audit information.

This report was approved by the Board on 1 April 2026 and signed on its behalf.

On behalf of the Board

Signed by:  
  
646DFA9EAC09496...  
**Jason Lee**  
Director

DocuSigned by:  
  
63E5EB2EE8C14D7...  
**Alexander Stewart**  
Director

# Black River Lasso Ireland II Limited

## Statement of Directors' Responsibilities

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


Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so. These financial statements are prepared on a basis other than going concern.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit and loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

On behalf of the Board

Signed by:  
  
646DFA9EAC09496...  
**Jason Lee**  
**Director**

DocuSigned by:  
  
63E5EB2EE8C14D7...  
**Alexander Stewart**  
**Director**

Date: 1 April 2026

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK RIVER LASSO IRELAND II LIMITED

### Opinion

We have audited the financial statements of Black river Lasso Ireland II Limited (the "Company"), for the year ended 31 December 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows, for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Financial Reporting Standards 102; *the Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS102").

In our opinion, the financial statements:

- a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its results for the year then ended;
- have been properly prepared in accordance with FRS 102; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standards issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA") and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matters

We draw your attention to note *19 Subsequent Events*.

We draw attention to note *2 (d) Use of estimates and judgements - Going concern*, which states that a key judgement relates to the basis of measurement of financial assets and liabilities due to the fact that the audited financial statements are being prepared on a basis other than going concern. As disclosed in note 1, the Board of Directors are in the process of appointing a liquidator to liquidate this Company. Consequently, the financial statements for the year ended 31 December 2023 are prepared on a basis other than going concern under IAS 1 "Presentation of Financial Statements" paragraph 25". Our opinion is not modified in respect of these matters.

### Other Matter

The financial statements of the Company for the year ended 31 December 2022 were audited by Ernst & Young, who expressed an unmodified opinion on the Company's financial statements on 12 December 2023.

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK RIVER LASSO IRELAND II LIMITED (CONTINUED)

**Other information** *(continued)*

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2014**

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit;
- In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- In our opinion, the information given in the Directors' report is consistent with the financial statements and has been prepared in accordance with the Companies Act 2014.

**Matters on which we are required to report by exception**

In light of our knowledge and understanding of the Company and its environment, obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the provisions of Sections 305 to 312 of the Companies Act 2014, which require us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by law are not made. We have nothing to report in this regard.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK RIVER LASSO IRELAND II LIMITED (CONTINUED)**

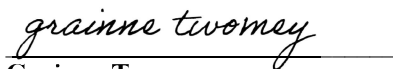
**Auditor's responsibilities for the audit of the financial statements***(continued)*

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

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

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

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



**Grainne Twomey**  
**For and on behalf of Valaston Limited**  
**Statutory Audit Firm**  
Ground Floor  
59-60 O'Connell Street  
Limerick  
V94 E95T  
Ireland

Date: 1 April 2026

# Black River Lasso Ireland II Limited

## Statement of Comprehensive Income For the financial year ended 31 December 2023

	Note	Financial Year Ended 31-Dec-2023 USD	Financial Year Ended 31-Dec-2022 USD
Net (loss)/gain on investments designated at fair value through profit and loss	4	(19,269,428)	994,982
Net gain/(loss) on debt securities issued at fair value through profit and loss	5	20,039,584	(973,194)
<b>Total net gains on financial assets and liabilities at fair value through profit or loss</b>		<b>770,156</b>	<b>21,788</b>
Other income	6	-	6,208
Operating expenses	7	(768,156)	(25,996)
<b>Profit on ordinary activities before taxation</b>		<b>2,000</b>	<b>2,000</b>
Tax	9	(500)	(500)
<b>Profit for the year</b>		<b>1,500</b>	<b>1,500</b>

There are no recognised gains and losses during the financial year other than those within the Statement of Comprehensive Income.

All items dealt with and arriving at the result for the year ended 31 December 2023 related to continuing activities.

The accompanying notes on pages 13 to 26 form an integral part of the financial statements.


# Black River Lasso Ireland II Limited

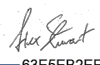
## Statement of Financial Position As at 31 December 2023

	Note	31-Dec-2023	31-Dec-2022
		USD	USD
<b>ASSETS</b>			
Investments designated at fair value through profit and loss	12	1,299,513	20,568,942
Cash and cash equivalents	10	3,399,280	4,152,171
Other receivables	11	40,781	43,343
<b>TOTAL ASSETS</b>		<b>4,739,574</b>	<b>24,764,456</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Debt securities issued designated at fair value through profit and loss	14	4,650,394	24,689,978
Other payables	13	75,679	62,477
<b>TOTAL LIABILITIES</b>		<b>4,726,073</b>	<b>24,752,455</b>
<b>Equity</b>			
Share capital	15	1	1
Retained earnings		13,500	12,000
<b>TOTAL EQUITY</b>		<b>13,501</b>	<b>12,001</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4,739,574</b>	<b>24,764,456</b>

The accompanying notes on pages 13 to 26 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 1 April 2026 and are signed on its behalf by:

Signed by:  
  
 646DFA9EAC09496...  
**Jason Lee**  
**Director**

DocuSigned by:  
  
 63E5EB2EE8C14D7...  
**Alexander Stewart**  
**Director**

# Black River Lasso Ireland II Limited

## Statement of Changes in Equity *For the financial year ended 31 December 2023*

	Share Capital USD	Retained Earnings USD	Total Equity USD
Balance at 1 January 2023	1	12,000	12,001
Issue of shares	-	-	-
Profit for the year	-	1,500	1,500
<b>Balance at 31 December 2023</b>	<b>1</b>	<b>13,500</b>	<b>13,501</b>

	Share Capital USD	Retained Earnings USD	Total Equity USD
Balance at 1 January 2022	1	10,500	10,501
Issue of shares	-	-	-
Profit for the year	-	1,500	1,500
<b>Balance at 31 December 2022</b>	<b>1</b>	<b>12,000</b>	<b>12,001</b>

The notes on pages 13 to 26 form an integral part of these financial statements.

# Black River Lasso Ireland II Limited

## Statement of Cash Flows

*For the financial year ended 31 December 2023*

	Note	Financial Year Ended 31-Dec-2023 USD	Financial Year Ended 31-Dec-2022 USD
<b>Cash flows from operating activities</b>			
Profit for the year		1,500	1,500
<b>Adjustments for</b>			
Loss/(gain) on Investments designated at fair value through profit and loss	4	19,269,428	(994,982)
(Gain)/loss on Debt securities issued at fair value through profit and loss	5	(20,039,584)	973,194
		<u>(768,656)</u>	<u>(20,288)</u>
<b>Movements in working capital</b>			
Decrease/(increase) in receivables	11	2,562	(43,342)
Increase/(decrease) in other payables	13	13,202	(76,306)
<b>Net cash flows from/(used) in operating activities</b>		<u><b>15,764</b></u>	<u><b>(139,936)</b></u>
Net decrease in cash and cash equivalents		(752,891)	(139,936)
Cash and cash equivalents at beginning of year		<u>4,152,171</u>	<u>4,292,107</u>
<b>Cash and cash equivalents at year end</b>	10	<u><b>3,399,280</b></u>	<u><b>4,152,171</b></u>

The accompanying notes on pages 13 to 26 form an integral part of these financial statements.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements

*For the financial year ended 31 December 2023*

### **1 Background to the Company**

The Company is a single member private company limited by shares which was incorporated on 10 December 2014 under the laws of Ireland. The Company was established to acquire, manage, hold, sell, dispose of, finance and trade in all forms of financial assets and to carry on the business of a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended).

Black River Latin American Special Situation Opportunity Fund LP (“LASSO”), a Cayman Islands company, held claims arising from a Mexican suspension of payments of Altos Hornos de Mexico S.A.B. de C.V. (AHMSA). In 2015, the Company acquired these claims from LASSO. On 30 December 2015, LASSO changed its name to Argentem Creek Latin America Special Situation Opportunity Fund LP. The Company issued \$156,731,885 Portfolio Credit Linked Notes on 23 June 2015. The proceeds received from the issuance of notes were used to fund the acquisition of the claims and the payment of certain associated costs and expenses. The notes were subscribed to by a Luxembourg company, Black River Lasso Luxembourg (“LASSO Luxembourg”), (the “Noteholder”). The notes constitute unsecured and fully funded direct obligations of the Company with a specified maturity date of 23 June 2115.

LASSO and LASSO Luxembourg entered into a tracking loan facility agreement whereby LASSO has made a committed loan facility available to LASSO Luxembourg. Both LASSO and LASSO Luxembourg had agreed to offset their respective payment obligations under the note purchase agreement and tracking loan facility agreement pursuant to a payment settlement agreement entered into by the Company, LASSO and LASSO Luxembourg.

On 8 January 2016, 25 April 2016 and 27 June 2016, the Noteholder paid an additional subscription amount of \$20,000, \$60,000 and \$359,512, respectively, to the Company thereby increasing the principal amount of the Note from \$156,731,885 to \$157,171,397. There were no additional subscriptions during the year ended 31 December 2016.

On 13 May 2016, LASSO Luxembourg sold the notes issued by the Company to two Luxembourg incorporated companies (“Existing Noteholder”), SOF Parallel Investments Sarl and SOF Investments Sarl. Following the sale, Blackstone Alternative Solutions L.L.C., through SOF Parallel Investments Sarl and SOF Investments Sarl, became the Company’s ultimate controlling parent.

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# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) *For the financial year ended 31 December 2023*

### **2 Significant accounting policies**

#### **(a) Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”).

The financial statements are also prepared in accordance with Irish Statute comprising the Companies Act 2014.

#### **(b) Basis of preparation**

The Board of Directors have approved and authorised the financial statements for the years ended 31 December 2023 and 31 December 2024 concurrently. The 31 December 2024 financial statements are the final set of financial statements. The Board of Directors are in the process of appointing a liquidator to liquidate the Company. Consequently, the financial statements for the year ended 31 December 2023 are prepared on a basis other than going concern under IAS 1 “Presentation of Financial Statements” paragraph 25. The financial statements of the Company as calculated and presented to the noteholders at 31 December 2023 was calculated using the fair value basis for financial assets and liabilities designated at fair value through profit or loss.

#### **(c) Functional and presentation currency**

The financial statements are presented in US Dollar which is the Company’s functional currency, being the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that US Dollar most faithfully represents the economic effects of the underlying transactions, events and conditions. US Dollar is the basis of translation for the Statement of Comprehensive Income and Statement of Financial Position.

#### **(d) Use of estimates and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the period and any future period affected.

#### Going concern

A key judgement relates to the basis of measurement of financial assets and liabilities due to the fact that the audited financial statements are being prepared on a basis other than going concern. As disclosed in note 1, the Board of Directors are in the process of appointing a liquidator to liquidate this Company. Consequently, the financial statements for the year ended 31 December 2023 are prepared on a basis other than going concern under IAS 1 “Presentation of Financial Statements” paragraph 25.

The Board of Directors have approved and authorised the financial statements for the years ended 31 December 2023 and 31 December 2024 concurrently.

The financial statements of the Company as calculated and presented to the noteholders at 31 December 2023 was calculated using the fair value basis for financial assets and liabilities designated at fair value through profit or loss.

The Company has made no other significant judgements in applying its accounting policies nor are there any other sources of estimated uncertainty that may have a significant risk or result in a material adjustment to the carrying amount of assets or liabilities.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) *For the financial year ended 31 December 2023*

### **2 Significant accounting policies (continued)**

#### **(e) Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using the tax rates applicable to the Company's activities enacted or substantially enacted at the Statement of Financial Position date.

Deferred taxation is accounted for, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Statement of Financial Position. Provision is made at the tax rates which are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not that they will be recovered.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

#### **(f) Cash and cash equivalents**

Cash and cash equivalents include cash held with banks, which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

#### **(g) Share Capital**

The share capital of the Company comprises one Ordinary Share, which is classified as equity.

#### **(h) Other receivables and other payables**

Other receivables and other payables are measured at amortised cost in the Statement of Financial Position.

#### **(i) Financial instruments**

The financial instruments held or issued by the Company include the following:

- Investments designated at fair value through profit or loss
- Debt securities issued designated at fair value through profit or loss

#### ***Classification***

On initial application of FRS 102, in accounting for its financial instruments a reporting entity is required to apply either a) the full requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, b) the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, or c) the recognition and measurement provisions of IFRS 9 Financial Instruments and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments. The Company has chosen to implement the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) *For the financial year ended 31 December 2023*

### 2 Significant accounting policies (continued)

#### (i) Financial instruments (continued)

##### *Classification (continued)*

In March 2018 the FRC issued amendments to FRS 102 stating that when IAS 39 is superseded by IFRS 9, an entity shall apply the version of IAS 39 that applied immediately prior to IFRS 9 superseding IAS 39.

IAS 39 establishes specific categories into which all financial assets and liabilities must be classified. The classification of financial instruments dictates how these assets and liabilities are subsequently measured in the financial statements. There are four categories of financial assets: at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale investments. There are two categories of financial liabilities: at fair value through profit or loss and other liabilities.

##### *Investments designated at fair value through profit or loss*

Investments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than:

- a) those that the Company intends to sell immediately or in the short term which are classified as held for trading;
- b) those that Directors designate at fair value through profit or loss at inception; or
- c) those that are held to maturity.

Investments designated at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Subsequent measurement is at fair value and all changes in fair value are reported in the income statement, either as net trading income or as gains less losses from financial assets.

##### *Debt securities issued – designated at fair value through profit or loss*

Debt securities issued are non-derivative financial liabilities and are classified as other liabilities and measured at fair value with all gains and losses being recognised in the Statement of Comprehensive Income.

##### *Initial Recognition*

The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments.

The Company has designated financial assets and liabilities at fair value through profit or loss when either:

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; or
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

Assets are designated at fair value through profit or loss as they are managed on a fair value basis and liabilities are designated at fair value through profit or loss to avoid an accounting mismatch.

##### *Subsequent Recognition*

From trade date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded in the Statement of Comprehensive Income.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) *For the financial year ended 31 December 2023*

### **2 Significant accounting policies (continued)**

#### **(i) Financial instruments (continued)**

##### ***Derecognition***

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

#### **(j) Net (loss)/gain on investments designated at fair value through profit and loss**

Net (loss)/gain on investments designated at fair value through profit or loss relates to unrealised fair value changes, realised gains or losses and coupons.

#### **(k) Net gain/(loss) on debt securities issued at fair value through profit or loss**

Net gain/(loss) on debt securities issued at fair value through profit or loss relates to unrealised fair value changes, realised gains or losses and coupons.

#### **(l) Other income and expenses**

Other income and expense are accounted for on an accruals basis.

### **3 Financial risk management**

#### ***Risk management framework***

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The risk profile of the Company is such that market, credit, liquidity and other risks of the financial assets are borne fully by the holders of the Notes.

All substantial risks and rewards associated with the financial assets are ultimately borne by the Noteholders. Therefore any change in risk variables would not affect the equity or the results of the Company.

The Company has exposure to the following risks from its use of financial instruments:

- a) Market risk;
- b) Credit risk; and
- c) Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

#### **a) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and securities prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) For the financial year ended 31 December 2023

### 3 Financial risk management (continued)

#### a) Market risk (continued)

Market risk embodies the potential for both losses and gains and includes interest rate risk, currency risk and other price risk.

The Noteholders are exposed to the market risk of the reference obligations of the Profit Participating Note. The Noteholders have limited recourse against the secured assets and are exposed to the combined market risk of the collateral and the reference obligations. Refer to Note 19 Subsequent events for further details.

##### i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Longer term obligations are usually more sensitive to interest rate changes.

The carrying amounts of the interest bearing financial assets and liabilities represent the maximum interest rate exposure. The maximum exposure to interest rate risk at year-end was as follows:

<b>31-Dec-2023</b>	<b>Floating Rate USD</b>	<b>Fixed Rate USD</b>	<b>Non-interest Bearing USD</b>	<b>Total USD</b>
Financial Assets				
Investments designated at fair value through profit or loss	-	-	1,299,513	1,299,513
Cash and cash equivalents	-	-	3,399,280	3,399,280
Other receivables	-	-	40,781	40,781
Financial Liabilities				
Debt securities issued designated at fair value through profit or loss	-	-	(4,650,394)	(4,650,394)
Other payables	-	-	(75,679)	(75,679)
	-	-	<b>13,501</b>	<b>13,501</b>
<b>31-Dec-2022</b>	<b>Floating Rate USD</b>	<b>Fixed Rate USD</b>	<b>Non-interest Bearing USD</b>	<b>Total USD</b>
Financial Assets				
Investments designated at fair value through profit or loss	-	-	20,568,942	20,568,942
Cash and cash equivalents	-	-	4,152,171	4,152,171
Other receivables	-	-	43,343	43,343
Financial Liabilities				
Debt securities issued designated at fair value through profit or loss	-	-	(24,689,978)	(24,689,978)
Other payables	-	-	(62,477)	(62,477)
	-	-	<b>12,001</b>	<b>12,001</b>

The interest rate risk of the investment is borne by the holders of debt securities and thus changes in interest rates have no net impact on the equity or the results of the Company.

##### Sensitivity analysis

As there are no floating rate assets or liabilities, a sensitivity analysis is not required.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements For the financial year ended 31 December 2023

### 3 Financial risk management (continued)

#### a) Market risk (continued)

##### ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The foreign currency net exposure of the Company in USD equivalent is as follows:

#### Currency 2023

	Amounts in USD	
	MXN	Total
Investments designed at fair value through profit and loss	1,299,513	1,299,513
<b>Net exposure</b>	<b>1,299,513</b>	<b>1,299,513</b>

#### Currency 2022

	Amounts in USD	
	MXN	Total
Investments designed at fair value through profit and loss	20,568,942	20,568,942
<b>Net exposure</b>	<b>20,568,942</b>	<b>20,568,942</b>

#### Sensitivity analysis

At 31 December 2023, had the MXN strengthened by 5% in relation to all currencies, with all other variables held constant, the increase in the financial assets figure above would have amounted to \$64,976 (2022: \$1,028,447).

##### iii) Price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk and currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

#### Sensitivity analysis

A 5% increase in market prices at 31 December 2023 would increase both the value of the financial assets by \$64,976 (2022: \$1,028,447) and financial liabilities by \$232,520 (2022: \$1,234,499).

#### b) Credit risk

Credit risk is the risk of financial loss to the Company if another party to a financial instrument or transaction fails to discharge its contractual obligation when it falls due and arises principally from the investments in Financial Assets at fair value through the profit and loss held by the Company. The Company holds its cash with BNY Mellon and The Northern Trust Company, both of which are recognised financial institutions with a Standard & Poor's credit rating of AA- (2022: AA-) and A+ (2022: A+), respectively.

The following table shows the total carrying value of assets, which represents the maximum credit exposure at period end:

	31-Dec-23	31-Dec-22
	USD	USD
Cash and cash equivalents	3,399,280	4,152,171
Other receivables	40,781	43,343
	<b>3,440,061</b>	<b>4,195,514</b>

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) For the financial year ended 31 December 2023

### 3 Financial risk management (continued)

#### b) Credit risk (continued)

The carrying amounts of financial assets represent the maximum credit exposure.

The Company limits its exposure to credit risk by only investing according to portfolio guidelines approved by the Investment Manager of the Company. The risk of default on these assets is borne by the holders of debt securities issued.

#### c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The following table details the Company's liquidity analysis for its financial liabilities:

	<b>31-Dec-2023</b>				
	<b>Maturing &lt; 1 year USD</b>	<b>Maturing 1 to 5 years USD</b>	<b>Maturing &gt; 5 years USD</b>	<b>Gross Contractual Cash flows USD</b>	<b>Carrying Amount USD</b>
Debt securities issued	-	-	4,650,394	4,650,394	4,650,394
Accruals	75,679	-	-	75,679	75,679
	<b>75,679</b>	<b>-</b>	<b>4,650,394</b>	<b>4,726,073</b>	<b>4,726,073</b>
	<b>31-Dec-2022</b>				
	<b>Maturing &lt; 1 year USD</b>	<b>Maturing 1 to 5 years USD</b>	<b>Maturing &gt; 5 years USD</b>	<b>Gross Contractual Cash flows USD</b>	<b>Carrying Amount USD</b>
Debt securities issued	-	-	24,689,978	24,689,978	24,689,978
Accruals	62,477	-	-	62,477	62,477
	<b>62,477</b>	<b>-</b>	<b>24,689,978</b>	<b>24,752,455</b>	<b>24,752,455</b>

The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risk in damaging the Company's reputation. Refer to note 1 and note 19 for more details on plans for the Board of Directors to appoint a liquidator to liquidate the Company.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) For the financial year ended 31 December 2023

### 3 Financial risk management (continued)

#### d) Fair value measurement

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Inputs that are quoted market prices (unadjusted) in active markets for identical instruments (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data (Level 2); and
- Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the observable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments (Level 3).

31-Dec-23	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Financial Assets</b>				
Investments designated at fair value through profit and loss	-	-	1,299,513	1,299,513
<b>Total financial assets</b>	-	-	<b>1,299,513</b>	<b>1,299,513</b>
<b>Financial liabilities</b>				
Debt securities designated at fair value through profit and loss	-	-	4,650,394	4,650,394
<b>Total financial liabilities</b>	-	-	<b>4,650,394</b>	<b>4,650,394</b>
31-Dec-22	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Financial Assets</b>				
Investments designated at fair value through profit and loss	-	-	20,568,942	20,568,942
<b>Total financial assets</b>	-	-	<b>20,568,942</b>	<b>20,568,942</b>
<b>Financial liabilities</b>				
Debt securities designated at fair value through profit and loss	-	-	24,689,978	24,689,978
<b>Total financial liabilities</b>	-	-	<b>24,689,978</b>	<b>24,689,978</b>

The above investments and debt securities fair values are based on a mark to model approach. The model contains standing data from the terms of the investments and debt securities with key inputs such as cash flows, discount rates, liquidity premiums and project premiums for the investments and debt securities. These inputs, discount rates and premiums are derived by reference to a variety of market sources such as bonds issued by comparable companies in the same industry which are used by the Investment Manager.

The Investment Manager and the Directors engaged a third party valuation service provider, Altos Hornos Investments, to complete an enterprise valuation of the Company as at 31 December 2023, utilizing market inputs and financial reports. This enterprise valuation is a key model input.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements For the financial year ended 31 December 2023

### 3 Financial risk management (continued)

#### d) Fair value measurement (continued)

The value calculations for the investments and debt securities are sensitive to the key model inputs, discount rates and premiums. The investments and debt securities are classified as Level 3. Level 3 reconciliations are disclosed in notes 12 and 14. Sensitivity analysis is disclosed in note 3(a)(iii).

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used as at 31 December 2023 and 31 December 2022.

Type	Fair Value 2023 \$'000	Fair Value 2022 \$'000	Valuation Technique	Unobservable Inputs
Investments designated at fair value through profit or loss	1,300	20,569	Revenue multiple	Multiple Private Company Discount
Debt securities designated at fair value through profit and loss	4,650	24,689	Revenue multiple	Multiple Private Company Discount

#### 4 Net (loss)/gain on investments designated at fair value through profit and loss

	31-Dec-23 USD	31-Dec-22 USD
Net (loss)/gain on investments designated at fair value through profit and loss	(19,269,428)	994,982
	<b>(19,269,428)</b>	<b>994,982</b>

#### 5 Net gain/(loss) on debt securities issued at fair value through profit and loss

	31-Dec-23 USD	31-Dec-22 USD
Net gain/(loss) on debt securities issued at fair value through profit and loss	20,039,584	(973,194)
	<b>20,039,584</b>	<b>(973,194)</b>

#### 6 Other income

	31-Dec-23 USD	31-Dec-22 USD
Other income	-	6,208
	<b>-</b>	<b>6,208</b>

#### 7 Operating expenses

	31-Dec-23 USD	31-Dec-22 USD
Professional and legal fees	(754,999)	(16,615)
Bank charges	(9,265)	(7,190)
Custody fee	(4,000)	(2,000)
Other expenses	108	(191)
	<b>(768,156)</b>	<b>(25,996)</b>

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) For the financial year ended 31 December 2023

### 8 Auditors remuneration

	31-Dec-23	31-Dec-22
	USD	USD
Audit of financial statements	15,000	15,000
	<b>15,000</b>	<b>15,000</b>

### 9 Taxation

	31-Dec-23	31-Dec-22
	USD	USD
Corporation tax on profit on ordinary activities for the year	500	500
Total current tax for the year	<b>500</b>	<b>500</b>

The differences are explained below:

	31-Dec-23	31-Dec-22
	USD	USD
<i>Current Tax reconciliation</i>		
Profit on ordinary activities before tax	2,000	2,000
Tax at 25%	500	500
<i>Tax effects:</i>		
Adjustment for prior year under-provision of Corporation tax	-	-
Total Current Tax for the year	<b>500</b>	<b>500</b>

The Company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such, the profits are chargeable to corporation tax under Case III of Schedule D, at the rate of 25%, but are computed in accordance with the provisions applicable to Schedule D Case I.

### 10 Cash and cash equivalents

	31-Dec-23	31-Dec-22
	USD	USD
BNY Mellon	3,395,073	4,147,964
The Northern Trust Company	4,207	4,207
	<b>3,399,280</b>	<b>4,152,171</b>

The Company holds its cash with BNY Mellon and The Northern Trust Company, both recognised financial institutions with a Standard & Poor's credit rating of AA- (2022: AA-) and A+ (2022: A+), respectively.

### 11 Other receivables

	31-Dec-23	31-Dec-22
	USD	USD
Unpaid share capital	1	1
Other receivables	40,780	43,342
	<b>40,781</b>	<b>43,343</b>

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) For the financial year ended 31 December 2023

### 12 Investments designated at fair value through profit and loss

	31-Dec-23	31-Dec-22
	USD	USD
Investments	1,299,513	20,568,942
	<b>1,299,513</b>	<b>20,568,942</b>

#### Movement in investments

	31-Dec-23	31-Dec-22
	USD	USD
At beginning of year	20,568,942	19,573,960
Disposals	-	-
(Loss)/gain	(19,269,429)	994,982
At end of year	<b>1,299,513</b>	<b>20,568,942</b>

### 13 Other payables

	31-Dec-23	31-Dec-22
	USD	USD
Accrued expenses	(75,679)	(62,477)
	<b>(75,679)</b>	<b>(62,477)</b>

### 14 Debt securities issued designated at fair value through profit and loss

	31-Dec-23	31-Dec-22
	USD	USD
Debt securities issued	(4,650,394)	(24,689,978)
	<b>(4,650,394)</b>	<b>(24,689,978)</b>

#### Movement in debt securities issued

	31-Dec-23	31-Dec-22
	USD	USD
At beginning of year	(24,689,978)	(23,716,784)
Redeemed	-	-
Gain/(loss)	20,039,584	(973,194)
At end of year	<b>(4,650,394)</b>	<b>(24,689,978)</b>

The Company issued \$156,731,885 Portfolio Credit Linked Notes on 23 June 2015. The proceeds received from the issuance of notes were used to fund the acquisition of the claims arising from a Mexican suspension of payments of AHMSA and the payment of certain associated costs and expenses (see note 12). The notes were subscribed to by a Luxembourg company, LASSO Luxembourg. On 13 May 2016, LASSO Luxembourg sold the notes issued by the Company to two Luxembourg-incorporated companies, SOF Parallel Investments Sarl and SOF Investments Sarl. Following the sale, Blackstone Alternative Solutions L.L.C., through SOF Parallel Investments Sarl and SOF Investments Sarl, became the Company's ultimate controlling parent. The notes constitute unsecured and fully funded direct obligations of the Company with a specified maturity date of 23 June 2115.

The Company issued further Portfolio Credit Linked Notes during the year ended 31 December 2016 of \$439,518.

On 22 May 2019, the Company disposed of assets it had acquired from AHMSA for \$51,261,290. Of these proceeds, \$47,236,057 was used to repay the Notes issued by the Company.

The total fair value of the Portfolio Credit Linked Notes at 31 December 2023 was \$4,650,394 (2022: \$24,689,978). Refer to Note 19 for details of subsequent events.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements For the financial year ended 31 December 2023

### 15 Share capital

	31-Dec-23 USD	31-Dec-22 USD
<b>Authorised</b>		
100 ordinary shares of USD 1 each	<b>100</b>	<b>100</b>
<b>Issued</b>		
1 ordinary shares of USD 1 each	<b>1</b>	<b>1</b>

### 16 Transactions with related parties

The Administrator provides corporate administration services to the Company at commercial rates. Maples Fiduciary Services (Ireland) Limited provides Directors to the Company as part of its service under the Corporate Service Agreement. The Directors did not receive any remuneration during the financial year. Directors' fees for the year ended 31 December 2023 were Nil (2022: Nil).

The individuals acting as Directors provided by the Corporate Administrator do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as Directors of the Company. For the avoidance of doubt, notwithstanding that the Directors of the Company are employees of the Corporate Administrator, they each do not receive any remuneration for acting as Directors of the Company.

The Company issued \$156,731,885 Portfolio Credit Linked Notes on 23 June 2015. The proceeds received from the issuance of notes were used to fund the acquisition of the claims and the payment of certain associated costs and expenses from LASSO. The notes were subscribed to by LASSO Luxembourg (see note 17).

During the year the Company incurred a management fee of \$204,401 (2022: \$204,401) payable to Argentem Creek Partners LP. At the year end 31 December 2023, the Company has provided an allowance against the management fees of \$204,401 (2022: \$204,401). Therefore, the total expense for year in relation to the management fee is \$Nil (2022: \$Nil).

### 17 Parent and ultimate controlling party

At 31 December 2023, MaplesFS Trustees Ireland Limited is the registered holder of the share. The share is held under the terms of the declaration of trust dated 23 June 2015 under which the relevant share trustee holds the issued share of the Company on trust for a charity.

The Board of Directors are responsible for the day-to-day management and administration of the Company. The Board is composed of two Directors, both of whom are employees of the Corporate Administrator.

On 13 May 2016, LASSO Luxembourg sold the notes issued by the Company to two Luxembourg incorporated companies, SOF Parallel Investments Sarl and SOF Investments Sarl. Following the sale Blackstone Alternative Solutions L.L.C., through SOF Parallel Investments Sarl and SOF Investment Sarls, became the Company's ultimate controlling parent.

### 18 Charge

The Notes issued by the Company are secured by way of a charge on the book debts of the Company.

# Black River Lasso Ireland II Limited

## Notes to the Financial Statements (continued) *For the financial year ended 31 December 2023*

### **19 Subsequent events**

On 4 April 2025, Claire O'Donovan resigned as Director and on the same day, Jason Lee was appointed as Director.

On 2 July 2025, the Investment Manager and Existing Noteholder terminated the Investment Advisory Agreement and entered into a Notes Redemption Agreement. As part of the Notes Redemption Agreement the Existing Noteholder agreed that US\$1,543,455 of advisory fees, which represented 80% of the advisory fees owed to the Investment Manager as at 31 December 2024 (US\$1,929,319 was the full amount), was paid to the Investment Manager, which in turn terminated this agreement. The Existing Noteholder received \$1,201,929 as a full and final settlement of their final redemption. US\$1,100,000 of this US\$1,543,455 has been paid to the Investment Manager as of the date that these financial statements were signed.

On the same day, the Company entered into a series of transactions related to its investment in Altos Hornos de México, S.A.B. de C.V. ("AHMSA"). The Company issued New Notes to 3 New investors namely Badger Investments LLC, Abbot Ventures LLC and 2691501 Ontario Inc for a nominal amount of US\$1,000.

These New Notes were subsequently redeemed and in return these new Noteholders received the remaining shares in AHMSA which were valued at US\$Nil. This transaction was required to enable the Directors and Investment Manager to put this Company into liquidation.

The Board of Directors are in the process of appointing a liquidator to liquidate the Company.

On 5 December 2025, the charge on the Notes as detailed in Note 18 was removed.

Other than as previously noted, the Directors have evaluated all events that have occurred up to the date of approval of the financial statements and determined that no other events have occurred that would require recognition or additional disclosures in the financial statements.

### **20 Approval of the financial statements**

The financial statements were approved by the Board on 1 April 2026.