

---

**KKR LENDING PARTNERS (EUR) UNLEVERED DESIGNATED ACTIVITY COMPANY**

---

**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

CONTENTS

Company Information	1
Directors' Report	2 - 5
Directors' Responsibility Statement	6
Independent Auditor's Report Placeholder	7 - 10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 36

**COMPANY INFORMATION**

<b>DIRECTORS</b>	Oisin Thomas Dolly (non – executive director) (appointed 30 April 2025) Aileen Mannion (non – executive director) Chandrima Bhushan (non – executive director) (appointed 8 February 2024) Jerrick Sy (Alternate director to Aileen Mannion) Michael Gilleran (non – executive director) (resigned 30 April 2025)
<b>COMPANY REGISTRATION NUMBER</b>	562111
<b>ADMINISTRATOR, REGISTRAR, COMPANY SECRETARY AND REGISTERED OFFICE</b>	TMF Administration Services Limited Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1, D01 K2C5, Ireland
<b>CUSTODIAN AND BANKER</b>	The Bank of New York Mellon, London Branch One Canada Square Sir John Rogerson's Quay London, E14 5AL England United Kingdom
<b>INDEPENDENT AUDITORS</b>	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House 29 Earlsfort Terrace Dublin 2 D02 AY28 Ireland
<b>LEGAL ADVISORS</b>	Arthur Cox Ten Earlsfort Terrace Dublin 2 D02 T360 Ireland
<b>COLLATERAL ADMINISTRATOR</b>	The Bank of New York Mellon SA/NV, Dublin Branch Riverside Two Sir John Rogerson's Quay Dublin 2 D02 KV60 Ireland
<b>INVESTMENT MANAGER</b>	KKR Credit Advisors (Ireland) Unlimited Company, London Branch 75 St. Stephens Green Dublin 2 D02 PR50 Ireland
<b>NOTEHOLDER AND INITIAL PURCHASER</b>	KKR Lending Partners Luxembourg (EUR2) Unlevered S.À.R.L. 59, rue de Rollingergrund L-2440 Luxembourg Luxembourg

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024**

The directors submit their report together with the audited financial statements of KKR Lending Partners (EUR) Unlevered Designated Activity Company (the "Company") for the financial year ended 31 December 2024.

**PRINCIPAL ACTIVITY**

The Company is a designated activity company which was incorporated on 19 May 2015, in accordance with the laws of Ireland with a registration number 562111.

The Company has been formed for the purpose of taking part in a transaction with other companies which are subsidiaries of KKR Fund Holdings L.P. (incorporated in the Cayman Islands) and KKR Management Holdings L.P. (an entity incorporated in the state of Delaware, USA) for the purpose of the origination of loans and the acquisition and financing of certain debt obligations and other assets, referred to as the KKR Global Direct Lending Platform.

On 17 June 2015, the Company entered into a note issuing and purchase agreement with KKR Lending Partners Luxembourg (EUR2) Unlevered S.À.R.L (the "Initial Purchaser" or "Noteholder") and TMF Administration Services Limited (the "Administrator") (the "Note Purchase Agreement").

In accordance with the Note Purchase Agreement, the Initial Purchaser will make available to the Company a funding of up to €10,000,000,000 ("Available Commitment") under a Delayed Draw Note with a maturity date of 17 June 2065 (the "Note"). During the financial year, the Company draw down €6,654,273 (2023: €836,759) and redeemed €17,437,283 (2023: €8,998,519) of the Note and used the proceeds to purchase a portfolio of loans (the "Portfolio"). The fair value of the Note at 31 December 2024 was €2,686,587 (2023: €10,147,106). With respect to each collection period, the interest is compared as an amount equal to the greater of zero, or the accumulated net profits for accounting purposes.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The financial performance of the Company is discussed in the "Results and Dividends for the financial year" section of the Directors' Report.

The directors are satisfied with the state of affairs of the Company and have no plans to change the activities and operations of the Company in the foreseeable future.

The key performance indicators for the Company are as follows:

**Key performance indicators**

	2024	2023	Change
	€	€	%
Interest income	1,178,103	2,364,274	-50%
interest expense	(1,995,379)	-	100%
Financial assets at FVTPL	16,186,677	22,211,496	-27%
Financial liabilities at FVTPL	2,686,587	10,147,106	-74%

**Interest income**

During the financial year, the Company earned interest income of €1,178,103 (2023: €2,364,274) which is in line with expectations, as the Portfolio is comprised of loans subject to floating interest rates based on EURIBOR and LIBOR. The loans have an all-in annual rate ranging from 8-12%. The decrease in income during the financial year correlates to the decrease in financial assets during the year.

**Interest expense**

During the financial year, the Company incurred €1,995,379 interest expense (2023: €nil on the profit participating note (the "PPN") which is based on the accumulated net profits for the financial year.

**Financial assets at FVTPL**

During the financial year, the Company purchased loans at a value of €(10,294,391) (2023: €7,857,149). There was no default during the financial year (2023: €nil). The fair value of the assets as at the financial year-end *decreased by 17%* to €16,186,677 (2023: €22,211,496). At the financial year-end, the Company sold €51,719 (2023: €1,929,129) of the financial assets in the Portfolio and suffered a realised loss on disposal of €94,946 (2023: €(9,226,030)) which is due to the unfavourable market performance of the financial assets in the Portfolio. At the financial year-end, there is an unrealised loss on fair value movements of €3,682,027 (2023: loss €8,274,359).

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)****Financial liabilities at FVTPL**

The fair value gain/(loss) on financial liabilities at FVTPL is the residual fair value available to the Noteholders taking into consideration the fair value of financial assets at FVTPL as well as net current assets at the financial year-end. During the financial year, the Company issued PPN of €6,654,273 (2023: €836,759). In addition, the Company redeemed €(17,437,284)(2023: €(8,998,519)) of the PPN during the financial year. The fair value of the PPN at 31 December 2024 amounted to a €2,686,587 (2023: €10,147,106).

**RESULTS AND DIVIDENDS FOR THE FINANCIAL YEAR**

The results for the financial year and the Company's financial position at the end of the financial year are set out on page 11 and page 12 respectively. The profit before taxation for the financial year was €1,000 (2023: €1,000). The directors do not recommend the payment of a dividend (2023: €nil).

**DIRECTORS AND COMPANY SECRETARY**

The directors and company secretary of the Company are listed on below and except where indicated, have served for the entire financial year.

Oisin Thomas Dolly (non – executive director) (appointed 30 April 2025)  
Aileen Mannion (non – executive director)  
Chandrima Bhushan (non – executive director) (appointed 8 February 2024)  
Michael Gilleran (non – executive director) (resigned 30 April 2025)  
TMF Administration Services Limited (Company secretary)

The directors and company secretary had no material interest in any contract of significance in relation to the business of the Company other than that disclosed below. During the financial year, the directors and secretary did not hold an interest in the shares of the Company and the interests that they held in other holding companies within the KKR group were not in excess of 1% of the nominal value of shares having voting rights in such holding companies.

**RELATED PARTY TRANSACTIONS**

Please refer to the related party transactions note to the financial statements for further details on related party transactions.

**SIGNIFICANT SUBSEQUENT EVENTS**

Please refer to the significant subsequent events note to the financial statements for details of subsequent events.

**GOING CONCERN**

The Note is scheduled to mature on 17 June 2065 and are limited recourse obligations of the Company that are payable solely out of amounts received in respect of the financial assets. Please refer to note 14 for further details of the Note issued.

The directors are satisfied with the performance of the Company and, despite the market challenges, they believe that the Company will continue to operate in the future on the same basis for a period of at least 12 months from the date of signing.

**FINANCIAL RISK MANAGEMENT**

The operations of the Company are subject to various risks. Information about the financial risk management objectives and policies of the Company, along with exposure of the Company to market risk (including foreign exchange risk, interest rate risk and price risk), credit risk, liquidity risk, concentration risk, and prepayment risk, are disclosed in the financial risk management note to the financial statements.

**ANNUAL CORPORATE GOVERNANCE STATEMENT***Introduction*

The board of directors (the "Board") is responsible for establishing and maintaining adequate internal controls and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**ANNUAL CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

*Financial reporting process*

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator to maintain the accounting records of the Company independently of KKR Credit Advisors (Ireland) Unlimited Company (the "Investment Manager"). The Administrator is contractually obliged to maintain adequate accounting records and to that end performs reconciliations of its records to those of the Investment Manager. The Administrator is also contractually obliged to prepare for review and approval by the Board, the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time, the Board will examine and evaluate the financial accounting and reporting routines. The Board evaluates the external auditors' performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and the Administrator reports to the Board.

The Board is responsible for assessing the risk of irregularities, whether caused by fraud or error in financial reporting. The Board is also responsible for ensuring that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has put in place processes to identify changes in accounting rules and recommendations to ensure they are accurately reflected in the Company's financial statements.

The Company's policies and the Board's instructions with regards to financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence, and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner. The Board has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended, if any, by the independent auditor.

No person has a significant direct or indirect holding of securities in the Company or has any special rights of control over the Company's share capital, other than those disclosed in note 17. There are no restrictions on voting rights.

*Audit committee*

The Board has concluded that there is currently no need for the Company to have a separate audit committee or internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process. Further, as the Company does not meet the threshold as set out in section 167, Companies Act 2014, the Company is not required to establish an audit committee.

*Appointment of directors*

With regard to the appointment and replacement of directors, the Company is governed by its Company's Constitution and Irish Statute comprising the Companies Act 2014. The Company's Constitution itself may be amended by special resolution of the shareholders.

**POWER OF DIRECTORS**

The Board is responsible for managing the business affairs of the Company in accordance with the Company's Constitution. The directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the directors. The Board consists of three directors. The directors have delegated the day to day administration of the Company to The Bank of New York Mellon SA/NV (the "Collateral Administrator") and the investment management and distribution functions to the Investment Manager. Consequently, none of the directors are executive directors of the Company.

**SHAREHOLDER MEETINGS**

The shareholders' rights and the operations of shareholders meetings are defined in the Company's Constitution and comply with the Companies Act 2014. The Company holds a general meeting each financial year as its annual general meeting. The annual general meeting is specified in the notice sent out for the meeting. Other general meetings may be convened from time to time by the directors in such manner as provided by Irish law.

**POLITICAL DONATIONS**

The Company did not make any political donations during the financial year ended 31 December 2024 (2023: none).

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**ADEQUATE ACCOUNTING RECORDS**

The directors are responsible for ensuring that adequate accounting records, as outlined in Section 281 to 285 of the Companies Act 2014, are kept by the Company. The measures taken by directors to ensure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and by ensuring that a competent service provider is responsible for the preparation and maintenance of the accounting records. The accounting records are kept at Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1, Ireland.

**DISCLOSURE OF INFORMATION TO THE AUDITORS**

So far as each of the directors in office at the date of approval of the financial statements are aware:


- There is no relevant audit information of which the Company's auditors are unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

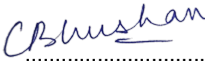
This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

**INDEPENDENT AUDITOR**

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383 (2) of the Companies Act 2014.

This report was approved by the Board and authorised for issue on 05 February 2026 and signed on its behalf by:

  
.....  
Jerrick Sy (Alternate director)  
Director

  
.....  
Chandrima Bhushan (non – executive director)  
Director

**DIRECTORS' RESPONSIBILITY STATEMENT**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework").

Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

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

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

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KKR LENDING PARTNERS (EUR) UNLEVERED DESIGNATED ACTIVITY COMPANY

### Report on the audit of the financial statements

#### Opinion on the financial statements of KKR Lending Partners (EUR) Unlevered Designated Activity Company ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 23, including material accounting policy information as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union ("the relevant financial reporting framework").

#### Basis for opinion

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

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the Directors' Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Audited Financial Statements. 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.

*Continued on next page/*

*/Continued from previous page*

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KKR LENDING PARTNERS (EUR) UNLEVERED DESIGNATED ACTIVITY COMPANY

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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibility Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinion 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

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

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

We have nothing to report in respect of the provisions in 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.

*Continued on next page/*

*/Continued from previous page*

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
KKR LENDING PARTNERS (EUR) UNLEVERED DESIGNATED ACTIVITY COMPANY**

**Use of our report**

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.



John McCarroll  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

05 February 2026

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
<b>Net interest income</b>			
Interest income	3	1,722,421	4,009,866
Interest expense	4	<u>(1,995,379)</u>	<u>-</u>
		<u>(272,958)</u>	<u>4,009,866</u>
<b>Other income and expenses</b>			
Realised gain/ (loss) on disposal of financial assets at FVTPL	9	94,946	(9,226,030)
Fair value movement on financial assets at FVTPL	9	3,682,027	8,274,359
Fair value movement on financial liabilities at FVTPL	14	(3,322,492)	(2,797,583)
Fair value movement on derivative financial instruments	10	(359,535)	(310,677)
Foreign exchange gain on cash and cash equivalents	5	107,608	49,809
Other income	6	<u>71,404</u>	<u>1,256</u>
		273,958	(4,008,866)
<b>Operating expenses</b>			
Administrative expenses	7	<u>-</u>	<u>-</u>
<b>Operating profit for the financial year before taxation</b>		1,000	1,000
Corporation tax charge	8	<u>(250)</u>	<u>(250)</u>
<b>Profit for the financial year after taxation</b>		750	750
Other comprehensive income for the financial year		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the financial year before taxation</b>		<u><u>750</u></u>	<u><u>750</u></u>

The accompanying notes form an integral part of these financial statements. These results arise from continuing operations.


**KKR LENDING PARTNERS (EUR) UNLEVERED DESIGNATED ACTIVITY COMPANY**


**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	As at 31 December 2024 €	As at 31 December 2023 €
<b>Assets</b>			
Financial assets at FVTPL	9	16,186,677	22,211,496
Derivative financial Instruments	10	24,221	52,356
Cash and cash equivalents	11	8,696,009	6,452,472
Trade and other receivables	12	20,951	19,626
Interest receivable	13	<u>90,402</u>	<u>616,941</u>
<b>Total assets</b>		<u>25,018,260</u>	<u>29,352,891</u>
<b>Liabilities</b>			
Financial liabilities at FVTPL	14	2,686,587	10,147,106
Derivative financial instruments	10	149,404	-
Trade and other payables	15	2,192,626	1,115,270
Interest payable	16	<u>19,982,329</u>	<u>18,083,951</u>
<b>Total liabilities</b>		<u>25,010,946</u>	<u>29,346,327</u>
<b>Equity</b>			
Called-up share capital presented as equity	17	1	1
Retained earnings		<u>7,313</u>	<u>6,563</u>
<b>Total equity</b>		<u>7,314</u>	<u>6,564</u>
<b>Total equity and liabilities</b>		<u>25,018,260</u>	<u>29,352,891</u>

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

The financial statements were approved by the Board on 05 February 2026 and signed on its behalf by:

  
.....  
Jerrick Sy (Alternate director)  
Director

  
.....  
Chandrima Bhushan (non – executive director)  
Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

<b>Financial year ended 31 December 2024</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
	€	€	€
As at 1 January 2024	1	6,563	6,564
Total comprehensive income for financial year	-	750	750
As at 31 December 2024	<u>1</u>	<u>7,313</u>	<u>7,314</u>

<b>Financial year ended 31 December 2023</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
	€	€	€
As at 1 January 2023	1	5,813	5,814
Total comprehensive income for financial year	-	750	750
As at 31 December 2023	<u>1</u>	<u>6,563</u>	<u>6,564</u>

The accompanying notes for an integral part of these financial statements. These results arise from continuing operations.

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
<b>Cash flows from operating activities</b>			
Interest received		1,704,642	2,583,926
Interest paid		(1,995,379)	-
Other income received		1,147,762	1,071,079
Other income receivable		(326)	(12,061)
Interest payable		1,898,377	-
Net payment on financial instruments		(181,996)	405,507
Corporation tax paid	8	<u>(250)</u>	<u>(250)</u>
<b>Net cash flows generated from operating activities</b>		<u>2,572,830</u>	<u>4,048,201</u>
<b>Cash flows from investing activities</b>			
Purchase of financial assets at FVTPL	9	10,294,391	7,857,149
Disposal of financial assets at FVTPL	9	<u>51,719</u>	<u>1,929,129</u>
<b>Net cash flows generated from investing activities</b>		<u>10,346,110</u>	<u>9,786,278</u>
<b>Cash flows from financing activities</b>			
Issue of financial liabilities at FVTPL	14	6,654,273	836,759
Redemption of Notes at FVTPL		<u>(17,437,284)</u>	<u>(8,998,519)</u>
<b>Net cash flows (used in) financing activities</b>		<u>(10,783,011)</u>	<u>(8,161,760)</u>
Net increase in cash and cash equivalents		2,135,929	5,672,719
Foreign exchange gain on cash and cash equivalents		<u>107,608</u>	<u>49,809</u>
<b>Total movement in cash and cash equivalent</b>		<u>(2,243,537)</u>	<u>(5,722,528)</u>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<u>6,452,472</u>	<u>729,944</u>
<b>Cash and cash equivalents at the end of the financial year</b>	11	<u>8,696,009</u>	<u>6,452,472</u>

The accompanying notes form an integral part of these financial statements. These results arise from continuing operations.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024****1 GENERAL INFORMATION**

The Company was incorporated on 19 May 2015 with a registration number 562111. The Company registered office is at Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1 Ireland.

The Company is a designated activity company with limited liability and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D of the TCA in respect of taxable profits.

**2 Accounting policies****2.1 Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). The financial statements are also prepared in accordance with Irish Statute comprising the Companies Act 2014. The financial statements have been prepared on a going concern basis due to the significant material decrease in valuation of the assets as at 31 December 2024.

The financial statements have been prepared on the historical cost basis except for the following:

- Financial assets at fair value through profit or loss ("FVTPL") are measured at fair value;
- Financial liabilities at FVTPL are measured at fair value; and

The method used to measure fair values is discussed further in note 2.5.

**2.2 New and amended standards and interpretations****Adoption of new and revised accounting standards**

A number of new standards are effective from 1 January 2024, but they do not have a material effect on the Company's financial statements. The Company has consistently applied all standards, interpretations and amendments which have been issued by the International Accounting Standards Board ('IASB') and have been adopted for use by the EU.

**Accounting standards not yet adopted****Effective for annual financial periods beginning on or after 1 January 2024**

In preparing the financial statements, the Company has adopted all relevant accounting standards applicable for accounting periods beginning on or after 1 January 2024. None of these have a material effect on the results of the Company.

The directors have reviewed those standards and interpretations that are issued but not yet effective up to the date of issuance of the Company's financial statements and assessed that none of those new standards and interpretations will have a material impact to the Company's financial statements.

The following standards and amendments to standards are required to be applied for future annual periods and some are available for early adoption. The Company has taken the decision not to adopt these amendments early.

<b>Description</b>	<b>Effect date (financial year beginning)*</b>
Lack of exchangeability (Amendments to IAS 21)	01 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	01 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	01 January 2026
Presentation and Disclosures in Financial Statements (IFRS 18)	01 January 2027
Subsidiaries without Public Accountability: Disclosures (IFRS 19)	01 January 2027
Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7	01 January 2027

\*Where new requirements are endorsed the EU, effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the upcoming requirements are applicable to the Company, it will apply them from their EU effective date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**2 Accounting policies (continued)**

**2.2 New and amended standards and interpretations (continued)**

The directors have considered the new standards, amendments and interpretations as detailed in the above table and do not plan to adopt these standards early. The application of all of these standards, amendments or interpretations have been considered in detail in advance of the confirmed effective date by the Company, with no material impact anticipated for the recognition and measurement of financial assets and financial liabilities.

**2.3 Foreign currency transactions**

*Functional and presentation currency*

The financial statements are presented in Euro denoted by the symbol “€”, which is the Company’s functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates.

The issued share capital of the Company is denominated in Euro (€) and the financial liabilities issued are also denominated in Euro (€).

The directors of the Company believe that Euro (€) most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company.

*Foreign currency translation*

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-translation at the financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

**2.4 Use of estimates and judgements**

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by directors. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future periods affected. The key area of estimate and judgment for the Company is determining the fair value of financial assets and liabilities.

**Key sources of estimation uncertainty**

*Determining fair values*

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described below. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**2 Accounting policies (continued)**

**2.4 Use of estimates and judgements (continued)**

*Valuation of financial instruments*

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. Fair values of financial assets and financial liabilities that are traded in active markets, Level 1, are based on quoted market prices or dealer price quotations. For all other financial instruments, the Company determines fair values using valuation techniques.

The objective of valuation techniques is to determine a fair value that reflects the price of the financial instrument at the reporting date that would have been entered into by market participants acting at arm's length.

For Level 2 financial assets, the fair values are based on observable inputs and Level 3 financial assets have been estimated by management based on values obtained from the Investment Manager. The Investment Manager uses prices provided by specialist pricing vendors where available or otherwise uses a variety of different valuation techniques.

**2.5 Financial instruments**

The financial instruments held by the Company include the following:

- Financial assets;
- Financial liabilities issued.

**Classification**

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking.

**Financial assets**

The Company classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**2 Accounting policies (continued)**

**2.5 Financial instruments (continued)**

**Financial assets (continued)**

**Financial assets measured at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term non-financing receivables such as interest receivables and other receivables.

**Financial assets measured at fair value through profit or loss (FVTPL)**

Under IFRS 9, a financial asset is measured at fair value through profit or loss if:

- a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company includes in this category debt instruments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

**Financial liabilities**

**Financial liabilities measured at fair value through profit or loss (FVTPL)**

Under IFRS 9, a financial liability is measured at FVTPL if it meets the definition of held for trading.

The Company includes in this category, financial liabilities issued which were irrevocably designated at FVTPL at initial recognition to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

**Financial liabilities measured at amortised cost**

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category interest and other payables.

**Recognition**

The Company recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Initial measurement**

Financial assets and financial liabilities at FVTPL are recorded in the Statement of Financial Position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified as at FVTPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**2 Accounting policies (continued)**

**2.5 Financial instruments (continued)**

**Subsequent measurement**

After initial measurement, the Company measures financial instruments which are classified as at FVTPL, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net change in fair value of financial assets and liabilities at FVTPL in the Statement of Comprehensive Income. Interest earned or paid on these instruments is recorded separately in interest income or expense in the Statement of Comprehensive Income.

Financial liabilities, other than those classified as at FVTPL, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

- a) Transferred substantially all of the risks and rewards of the asset; or
- b) Neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement) and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

**Offsetting**

Financial assets and liabilities are offset, and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

**2.6 Derivative financial instruments**

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions and valuation techniques, including discounted cash flow models and option pricing models as appropriate. Derivatives are included in assets when their fair value is positive and liabilities when their fair value is negative, unless there is the legal ability and intention to settle net. Gains and losses arising from changes in the fair value of derivatives are included in the Statement of Comprehensive Income in the financial year in which they arise. The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises profits on day one.

**2.7 Fair value gain/loss on financial assets at fair value through profit or loss**

Fair value gain/loss on financial assets at fair value through profit or loss relates to investments in the financial asset and includes realised and unrealised fair value and foreign exchange changes. The fair value changes are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**2 Accounting policies (continued)**

**2.8 Fair value gain/loss on financial liabilities at fair value through profit or loss**

Fair value gain/loss on financial liabilities at fair value through profit or loss comprises realised and unrealised fair value changes and is determined primarily with reference to the fair value movements on financial assets. The fair value changes are recognised in the Statement of Comprehensive Income.

**2.9 Interest income and interest expense**

Interest income and expense are recognised in the Statement of Comprehensive Income for all interest-bearing financial instruments using the effective interest method.

**2.10 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, and any adjustments to tax payable in respect of previous periods.

Deferred tax is recognised using the Statement of Financial Position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference 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 the related tax benefit will be realised.

**2.11 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.

**2.12 Unsettled trades**

Unsettled trades include amounts payable for securities purchased and receivables for securities sold that have been contracted for but not yet delivered on the reporting date. They are initially measured at fair value plus any directly attributable incremental costs and subsequently measured at amortised cost.

**2.13 Other income and expenses**

Other income and expenses are accounted for on an accrual's basis.

**2.14 Share Capital**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as deduction from the proceeds, net of tax.

**2.15 Segment Reporting**

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company's business involves the investments in financial assets. The Board of directors' review information from the portfolio of investments as a whole. The Company has only one business unit and all administrating and operating functions are carried out and reviewed by the Administrator and Secretary. Note 18(d) provides further details of the geographical and industry concentrations.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**2 Accounting policies (continued)**

**2.16 Limited recourse of Notes issued**

If the net proceeds of realisation of the assets secured against the Note are less than the aggregate amount payable by the Company to the Noteholder, the obligations of the Company will be limited to such net proceeds, which shall be applied in accordance with the Note agreements.

In such circumstances, the other assets of the Company will not be available for payment of such shortfall which shall be borne by the Noteholder, in accordance with the final offering circular applied at the time of final settlement.

Interest expense to the Noteholder is calculated by the Administrator based on the applicable rate as defined in the note agreement. As this is a limited recourse transaction the return of interest and principle to the Noteholders is contingent on the realisable value of the assets. The returns made to the Noteholder over the life of the Company would include the effect of capital gains/losses as well as interest. At each reporting date, when the results of operations are computed, this gain or loss is recognised in the Statement of Comprehensive Income and added to or set off against the principal amounts.

**3 Interest income**

	<b>Financial year ended 31 December 2024</b>	<b>Financial year ended 31 December 2023</b>
	<b>€</b>	<b>€</b>
Interest receivable and similar income	1,178,103	2,364,274
Payment in kind interest	478,871	876,327
Amortisation of discount on financial assets at FVTPL	65,447	769,265
	<u>1,722,421</u>	<u>4,009,866</u>

The Company's interest income is earned on a portfolio of floating rate loans whose interest rates are determined by the LIBOR. The all-in rates range from 8-12% per annum.

**4 Interest expense**

	<b>Financial year ended 31 December 2024</b>	<b>Financial year ended 31 December 2023</b>
	<b>€</b>	<b>€</b>
Interest expense on financial liabilities at FVTPL	1,995,379	-
	<u>1,995,379</u>	<u>-</u>

On each quarterly collection period, the interest due on the Note is computed as an amount equal to the greater of: (i) zero or (ii) the accumulated net profits for accounting purposes after tax excluding a reserved profit for the Issuer of €250 for that collection period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**5 Foreign exchange gain on cash and cash equivalents**

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Foreign exchange gain on cash and cash equivalents	107,608	49,809
	<u>107,608</u>	<u>49,809</u>

**6 Other (expense) / income**

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Issuer benefit fee	1,000	1,000
Portfolio fees	55,838	17,572
Bank fees	14,566	(17,316)
	<u>71,404</u>	<u>1,256</u>

Issuer benefit fee relates to quarterly reserved profit of €250, as explained in note 4.

**7 Administrative expenses**

The Company has no employees (2023: nil) and the directors received no remuneration during the financial year (2023: nil). Accounting and other services have been outsourced to the Administrator.

**Auditors' remuneration (excluding VAT):**

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Audit of individual accounts	12,000	10,000
Tax compliance services	4,500	4,000
	<u>16,500</u>	<u>14,000</u>

There are no other assurance or non-audit services provided by the independent auditors.

Administrative expenses borne by the Company are paid by the Fund, KKR Lending Partners Europe (Euro) Unlevered L.P.

**8 Taxation**

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Corporation tax for the year	<u>250</u>	<u>250</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**8 Taxation (continued)**

The current tax charge for the financial year is higher than the current charge that would result from applying the standard rate of Irish corporation tax to profit on ordinary activities. The differences are explained below:

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Profit on ordinary activities before taxation	<u>1,000</u>	<u>1,000</u>
Corporation tax at standard rate of 12.5%	125	125
Higher rate of tax applicable under Section 110 TCA, 1997 of 25%	<u>125</u>	<u>125</u>
Total tax charge	<u>250</u>	<u>250</u>

The Company is a qualifying Company within the meaning of Section 110 of the TCA, 1997. As such, the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D of the TCA. There was no deferred tax during the financial year (2023: nil).

**9 Financial assets at fair value through profit or loss**

	<b>As at 31 December 2024 €</b>	<b>As at 31 December 2023 €</b>
Balance at the beginning of the financial year	22,211,496	31,245,751
Paydown of financial assets at FVTPL	(10,294,391)	(7,857,149)
Disposal of financial assets at FVTPL	(51,719)	(1,929,128)
Payment in kind interest	478,871	934,428
Amortisation of discount	65,447	769,265
Realised gain/(loss) on disposal of financial assets at FVTPL	94,946	(9,226,030)
Fair value movement on financial assets at FVTPL	<u>3,682,027</u>	<u>8,274,359</u>
Balance at the end of the financial year	<u>16,186,677</u>	<u>22,211,496</u>

**10 Derivative financial instruments**

The forward contracts held by the Company at the financial year-end and their respective fair values are as follows:

<b>As at 31 December 2024</b>	<b>Notional Amount €</b>	<b>Fair value Assets €</b>	<b>Fair value Liabilities €</b>
<b>Forward currency contracts</b>			
<b>Currency</b>			
AUD	1,752,000	24,221	-
CAD	1,376,000	-	7,408
GBP	3,651,160	-	<u>141,996</u>
		<u>24,221</u>	<u>149,404</u>
<b>As at 31 December 2023</b>			
<b>Forward currency contracts</b>			
<b>Currency</b>			
AUD	1,880,000	(9,657)	-
CAD	1,550,000	3,850	-
GBP	9,583,666	(23,047)	-
USD	10,915,000	<u>81,210</u>	-
		<u>52,356</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**10 Derivative financial instruments (continued)**

	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
Asset	24,221	52,356
Liability	<u>(149,404)</u>	<u>-</u>
	<u><u>(125,183)</u></u>	<u><u>52,356</u></u>

**11 Cash and cash equivalents**

	As at 31 December 2024 €	As at 31 December 2023 €
Cash and cash equivalents	<u>8,696,009</u>	<u>6,452,472</u>
	<u><u>8,696,009</u></u>	<u><u>6,452,472</u></u>

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

**12 Trade and other receivables**

	As at 31 December 2024 €	As at 31 December 2023 €
Issuer benefit fee receivable	8,062	7,312
Share capital receivable	1	1
Other receivables	-	12,313
Intrafund transfer	<u>12,888</u>	<u>-</u>
	<u><u>20,951</u></u>	<u><u>19,626</u></u>

**13 Interest receivable**

	As at 31 December 2024 €	As at 31 December 2023 €
Interest receivable	<u>90,402</u>	<u>616,941</u>
	<u><u>90,402</u></u>	<u><u>616,941</u></u>

Interest receivable is due on a portfolio of loans which have interest rates based on LIBOR.

**14 Financial liabilities at FVTPL**

	As at 31 December 2024 €	As at 31 December 2023 €
Maximum facility available	<u>10,000,000,000</u>	<u>10,000,000,000</u>
Balance at the beginning of the financial year	10,147,106	15,511,285
Issuances of financial liabilities at FVTPL	6,654,273	836,759
Redemptions of financial liabilities at FVTPL	(17,437,284)	(8,998,519)
Fair value movement on financial liabilities at FVTPL	<u>3,322,492</u>	<u>2,797,581</u>
	<u><u>2,686,587</u></u>	<u><u>10,147,106</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**14 Financial liabilities at FVTPL (continued)**

The final maturity date of the Note is 31 March 2065. The Company shall have the right to redeem the Note in full or in part on any payment date with the consent of the Noteholder. The Noteholder shall be permitted at any time to require the Issuer to redeem the Note in full or in part.

In any such case, the Company shall sell such proportion of the assets comprised in the Portfolio as would permit the Company to redeem the Note or the proportion thereof the subject of the redemption request on the relevant early redemption date at the amount.

If the net proceeds of realisation of the Portfolio are less than the aggregate amount payable in such circumstances by the Company in respect of the Note and its obligations to its other creditors the obligations of the issuer in respect of the Note and its obligations to its other creditors in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the priorities of payments.

**15 Trade and other payables**

	<b>As at 31 December 2024 €</b>	<b>As at 31 December 2023 €</b>
Other payables	2,192,376	1,115,020
Corporation tax payable	<u>250</u>	<u>250</u>
	<u><u>2,192,626</u></u>	<u><u>1,115,270</u></u>

**16 Interest payable**

	<b>Financial year ended 31 December 2024 €</b>	<b>Financial year ended 31 December 2023 €</b>
Interest payable	<u>19,982,329</u>	<u>18,083,951</u>
	<u><u>19,982,329</u></u>	<u><u>18,083,951</u></u>

On each quarterly collection period, the interest due on the Note is computed as an amount equal to the greater of: (i) zero or (ii) the accumulated net profits for accounting purposes after tax excluding a reserved profit for the Issuer of €250 for that collection period.

**17 Share capital**

<b>Authorised</b>	<b>As at 31 December 2024</b>		<b>As at 31 December 2023</b>	
	<b>No.</b>	<b>€</b>	<b>No.</b>	<b>€</b>
Ordinary shares of €1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
<b>Allotted and called up</b>	<b>As at 31 December 2024</b>		<b>As at 31 December 2023</b>	
	<b>No.</b>	<b>€</b>	<b>No.</b>	<b>€</b>
Ordinary shares of €1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Ordinary shares are not redeemable and are classified as equity as per the Company's Constitution.

The Company has issued 1 share, which is held by KKR Lending Partners Luxembourg (EUR1) Unlevered S.À.R.L.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management**

The Company's financial instruments include cash at bank, financial assets, receivables, Note issued and other payables that arise directly from its operations.

The Company is exposed to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk, liquidity risk, concentration risk and prepayment risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

**18.1 Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Company consists of debt, which comprises the Note payable disclosed in note 14 and equity comprising issued capital and retained earnings as disclosed in note 17 and in the Statement of Changes in Equity respectively. The company is not exposed to any externally imposed capital requirements.

**(a) Market risk**

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

**(i) Foreign exchange risk**

The Noteholder is exposed to the market risk of the Portfolio. The Note issued by the Company is denominated in EUR and GBP and the Portfolio is denominated in EUR, USD, GBP, AUD and CAD. The Company is not exposed to foreign exchange risk as all foreign currency gains or losses will be borne by the Noteholder.

The tables below show the Company's exposure to foreign-currency risk as at 31 December 2024 and 31 December 2023:

	<b>EUR</b>	<b>USD</b>	<b>GBP</b>	<b>AUD</b>	<b>CAD</b>	<b>Total</b>
	€	€	€	€	€	€
<b>As at 31 December 2024</b>						
<b>Financial assets</b>						
Financial assets at FVTPL	9,024,460	-	4,586,476	1,368,166	1,207,575	16,186,677
Derivatives financial instruments	-	-	-	24,221	-	24,221
Cash and cash equivalents	7,699,758	484	995,767	-	-	8,696,009
Trade and other receivables	20,951	-	-	-	-	20,951
Interest receivable	2,031	-	54,235	18,358	15,778	90,402
	<u>16,747,200</u>	<u>484</u>	<u>5,636,478</u>	<u>1,410,745</u>	<u>1,223,353</u>	<u>25,018,260</u>
<b>Financial liabilities</b>						
Financial liabilities at FVTPL	(2,686,587)	-	-	-	-	(2,686,587)
Derivative financial instruments	-	-	(141,996)	-	(7,408)	(149,404)
Trade and other payables	(2,192,626)	-	-	-	-	(2,192,626)
Interest payable	(19,982,329)	-	-	-	-	(19,982,329)
	<u>(24,861,542)</u>	<u>-</u>	<u>(141,996)</u>	<u>-</u>	<u>(7,408)</u>	<u>(25,010,946)</u>
<b>Net exposure</b>	<u>(8,114,342)</u>	<u>484</u>	<u>5,494,482</u>	<u>1,410,745</u>	<u>1,215,945</u>	<u>7,314</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(i) Foreign exchange risk (continued)**

<b>As at 31 December 2023</b>	<b>EUR</b>	<b>USD</b>	<b>GBP</b>	<b>AUD</b>	<b>CAD</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Financial assets</b>						
Financial assets at FVTPL	15,346,306	-	4,047,650	1,506,731	1,310,809	22,211,496
Derivatives financial instruments	-	81,210	(23,047)	(9,657)	3,850	52,356
Cash and cash equivalents	27,766	2,335,969	3,934,993	59,896	93,848	6,452,472
Trade and other receivables	19,626	-	-	-	-	19,626
Interest receivable	430,185	-	66,783	82,264	37,709	616,941
	<u>15,823,883</u>	<u>2,417,179</u>	<u>8,026,379</u>	<u>1,639,234</u>	<u>1,446,216</u>	<u>29,352,891</u>
<b>Financial liabilities</b>						
Financial liabilities at FVTPL	(8,244,383)	-	(1,902,723)	-	-	(10,147,106)
Trade and other payables	(1,115,270)	-	-	-	-	(1,115,270)
Interest payable	(18,083,951)	-	-	-	-	(18,083,951)
	<u>(27,443,604)</u>	<u>-</u>	<u>(1,902,723)</u>	<u>-</u>	<u>-</u>	<u>(29,346,327)</u>
Net exposure	<u>(11,619,721)</u>	<u>2,417,179</u>	<u>6,123,656</u>	<u>1,639,234</u>	<u>1,446,216</u>	<u>6,564</u>

**Foreign exchange sensitivity**

The impact of a 1% movement in the currency exchange rate on the Statement of Comprehensive Income is shown as follows:

<b>Description</b>	<b>As at 31 December 2024 €</b>	<b>As at 31 December 2023 €</b>
1% net movement in exchange rates	82,711	135,290
Impact on interest expense of financial liabilities at FVTPL	7,470	(19,027)
Adjustment on financial liabilities issued at FVTPL	<u>(90,181)</u>	<u>(116,263)</u>
Changes in profit for the year	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The table on below summarises the Company's exposure to interest rate risk. It includes the Company's financial instruments at carrying amounts categorised by the earlier of contractual repricing or maturity dates.

The interest rate risk profile of the financial assets and liabilities is disclosed below:

	<b>Interest bearing Floating €</b>	<b>Non-interest bearing €</b>	<b>Total €</b>
<b>31 December 2024</b>			
Financial assets at FVTPL	16,186,677	-	16,186,677
Derivative financial Instruments	-	24,221	24,221
Cash and cash equivalents	8,696,009	-	8,696,009
Trade and other receivables	-	20,951	20,951
Interest receivable	-	90,402	90,402
	<u>24,882,686</u>	<u>135,574</u>	<u>25,018,260</u>
Financial liabilities at FVTPL	2,686,587	-	2,686,587
Derivative financial instruments	-	149,404	149,404
Trade and other payables	-	2,192,626	2,192,626
Interest payable	-	19,982,329	19,982,329
	<u>2,686,587</u>	<u>22,324,359</u>	<u>25,010,946</u>
	<b>Interest bearing Floating €</b>	<b>Non-interest bearing €</b>	<b>Total €</b>
<b>31 December 2023</b>			
Financial assets at FVTPL	22,211,496	-	22,211,496
Derivative financial Instruments	-	52,356	52,356
Cash and cash equivalents	6,452,472	-	6,452,472
Trade and other receivables	-	19,626	19,626
Interest receivable	-	616,941	616,941
	<u>28,663,968</u>	<u>688,923</u>	<u>29,352,891</u>
Financial liabilities at FVTPL	10,147,106	-	10,147,106
Trade and other payables	-	1,115,270	1,115,270
Interest payable	-	18,083,951	18,083,951
	<u>10,147,106</u>	<u>19,199,221</u>	<u>29,346,327</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(ii) Interest rate risk (continued)**

**Interest rate sensitivity**

The sensitivity analysis below has been determined based on the Company's exposure to changes in changes EURIBOR or LIBOR interest rates for interest bearing assets and liabilities (included in the interest rate exposure tables above) at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting financial year in the case of instruments that have floating rates.

The impact of a 1% movement in the interest rate on the Statement of Comprehensive Income is shown as follows:

	<b>As at 31 December 2024</b>	<b>As at 31 December 2023</b>
	<b>€</b>	<b>€</b>
<b>Sensitivity to a 1% movement</b>		
Impact on interest income	248,827	286,640
Adjustment on financial liabilities at FVTPL	<u>(248,827)</u>	<u>(286,640)</u>
Changes in profit for the financial year	<u>                    -</u>	<u>                    -</u>

As the Company has limited recourse Note issued, all profits and losses are passed on to the Noteholder, there is no residual risk remaining.

**(iii) Price risk**

There is no liquidity risk in relation to interest payable amounts apart from the amount payable as at the end of the financial year. The Company is only contractually obliged to make interest payments on the Note if it makes a taxable profit. Should future interest income not be sufficient to cover operational expenses, the Company would not be obliged to pay interest on the Note.

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. Price risk is a significant risk to the Company, however the risk of fluctuation in the value of the investments held by the Company will be borne by the Noteholder due to the limited recourse nature of the Note.

IFRS 13 establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs to the valuation of the Company's financial instruments.

The Company uses the following hierarchy to disclose the basis for determining fair value:

- Level 1 - Quoted market price in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(iii) Price risk (continued)**

The carrying amounts of financial instruments held at fair value, were determined in full or in part, by reference to Level 1, Level 2 and Level 3 hierarchy categories as defined above. The tables below set out the instruments included in each category.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>31 December 2024</b>				
<b>Financial assets at FVTPL</b>				
Financial assets at FVTPL	-	4,633,013	11,553,664	16,186,677
Derivative financial instruments	-	24,221	-	24,221
	<u>-</u>	<u>4,657,234</u>	<u>11,553,664</u>	<u>16,210,898</u>
<b>Financial liabilities at FVTPL</b>				
Financial liabilities at FVTPL	-	-	2,686,587	2,686,587
Derivative financial instruments	-	149,404	-	149,404
	<u>-</u>	<u>149,404</u>	<u>2,686,587</u>	<u>2,835,991</u>
<b>31 December 2023</b>				
<b>Financial assets at FVTPL</b>				
Financial assets at FVTPL	-	4,633,013	17,578,483	22,211,496
Derivative financial instruments	-	52,356	-	52,356
	<u>-</u>	<u>4,685,369</u>	<u>17,578,483</u>	<u>22,263,852</u>
<b>Financial liabilities at FVTPL</b>				
Financial liabilities at FVTPL	-	-	10,147,106	10,147,106
Derivative financial instruments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>10,147,106</u>	<u>10,147,106</u>

The table below shows the movements on financial instruments measured at Level 3:

	<b>Financial year ended 31 December 2024</b>	<b>Financial year ended 31 December 2023</b>
	<b>€</b>	<b>€</b>
<b>Level 3 reconciliation - Financial assets at FVTPL</b>		
Balance at the beginning of the financial year	17,578,483	27,450,158
Paydown of financial assets at FVTPL	(10,294,391)	(7,857,149)
Disposal of financial assets at FVTPL	(51,719)	(2,765,887)
Payment in kind interest	478,871	934,428
Realised gain/(loss) on financial assets at FVTPL	94,946	(9,226,030)
Amortisation of discount	65,447	768,604
Fair value movement on financial assets at FVTPL	<u>3,682,027</u>	<u>8,274,359</u>
	<u>11,553,664</u>	<u>17,578,483</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(iii) Price risk (continued)**

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The identification of level 3 assets involves a significant level of judgement.

The following table presents additional information about valuation techniques and inputs used for financial assets which consist solely of corporate loans that are measured at fair value and categorised within Level 3 as of 31 December 2024 and 31 December 2023. Valuation techniques include obtaining prices from specialist loan pricing vendors and any other valuation technique that provides an estimate of prices obtained should the investment be traded.

**31 December 2024**

Valuation techniques	Unobservable inputs	Range (weighted average)
Yield analysis	Yield	11.42% - 11.68%
	Net leverage	4.3% - 6.4%
	EBITDA multiple	8.1x – 32x

**31 December 2023**

Valuation techniques	Unobservable inputs	Range (weighted average)
Yield analysis	Yield	6.5%-15.6%
	Net leverage	0.3x-28.7x
	EBITDA multiple	1.9x-11.3x

The extent to which such data are external to the Company and not assessed by the Investment Manager is one of the main criteria applied in assessing whether data are observable or not. Another area of judgement is the assessment of the significance of input against the fair value measurement in its entirety. As a result, a different act between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorisation.

	<b>As at 31 December 2024</b>	<b>As at 31 December 2023</b>
	<b>€</b>	<b>€</b>
<b>Level 3 reconciliation - Financial liabilities at FVTPL</b>		
Balance at the beginning of the financial year	10,147,106	15,511,285
Issuance of financial liabilities at FVTPL	6,654,273	836,759
Redemption of financial liabilities at FVTPL	(17,437,290)	(8,998,521)
Fair value movement on financial liabilities at FVTPL	3,322,498	2,797,583
	<u>2,686,587</u>	<u>10,147,106</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(a) Market risk (continued)**

**(iii) Price risk (continued)**

**Sensitivity analysis**

The impact of a 5% movement in the fair value of financial assets and liabilities at FVTPL on the Statement of Comprehensive Income is shown as follows:

	<b>As at 31 December 2024</b>	<b>As at 31 December 2023</b>
	<b>€</b>	<b>€</b>
<b>Sensitivity to a 5% movement</b>		
5% net movement in financial assets at FVTPL	785,759	1,110,575
5% net movement in financial liabilities at FVTPL	(1,656,231)	(507,355)
Adjustment on financial liabilities	<u>870,472</u>	<u>(603,220)</u>
Changes in profit for the financial year	<u><u>-</u></u>	<u><u>-</u></u>

As the Company has limited recourse Notes issued, all profits and losses are passed on to the Noteholders. There is no residual risk remaining.

**(b) Credit risk**

Credit risk arises from the possibility of obligors failing to meet their obligations to the Company and represents the most significant category of risk.

The Company manages the credit risk by engaging in full analysis of possible investments to determine any risk of default.

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at year-end was as follows:

	<b>As at 31 December 2024</b>	<b>As at 31 December 2023</b>
	<b>€</b>	<b>€</b>
<b>Credit risk exposures relating to financial instruments</b>		
Financial assets at FVTPL	16,186,677	22,211,496
Derivative financial Instruments	24,221	52,356
Cash and short-term deposits	8,696,009	6,452,472
Trade and other receivables	20,951	19,626
Interest receivable	<u>90,402</u>	<u>616,941</u>
	<u><u>25,018,260</u></u>	<u><u>29,352,891</u></u>

The risk management systems in place do not facilitate splitting the overall fair value movement into its individual components, specifically credit risk and market risk. The directors rely on the overall fair value movement to assess the performance of the Portfolio and as such do not require the individual components of the risk. In their opinion the credit ratings assigned to each financial asset in the Portfolio along with the ongoing monitoring of its performance are reasonable assessments of the credit risk.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(b) Credit risk (continued)**

The Investment Manager monitors the credit status of all of the financial assets held by the Company and compares this against the market values that could be derived by selling the securities. The credit characteristics of the financial assets in the portfolio are measured, updated and analysed every quarter, and in some cases every month, to determine the current credit status of each financial asset. In most cases, this includes re-running updated delinquency, loss and prepayment stress projections through the individual asset liability waterfalls in order to determine loss coverage for the tranche in question. The Investment Manager tracks the credit ratings for the financial assets in the portfolio.

(i) The Moody's credit rating profile of the financial assets is as follows:

	<b>As at 31 December 2024</b>	<b>As at 31 December 2023</b>
<b>Moody's Ratings - Financial assets at FVTPL</b>	%	%
B2	33	29
NR	67	71
	<u>100</u>	<u>100</u>

(ii) The credit rating profile of the trade and other receivables would be in line with that of the financial assets disclosed above as they mainly relate to accrued interest income.

(iii) The Moody's credit rating profile of the derivative counterparty is as follows:

<b>Derivative financial instruments</b>	<b>Long term credit rating</b>	<b>As at 31 December 2024 €</b>	<b>Long term credit rating</b>	<b>As at 31 December 2023 €</b>
JP Morgan Chase Bank, N.A.	Aa3	-	Aa3	1
Morgan Stanley & Co., Incorporated	Aa3	-	A3	1
Barclays Bank PLC	A2	-	A2	1
		<u>-</u>		<u>3</u>

(iii) The Moody's credit rating profile of the bank holding the cash and cash equivalents balance is as follows:

<b>Credit ratings</b>	<b>Long term Credit rating</b>	<b>As at 31 December 2024</b>	<b>Long term Credit rating</b>	<b>As at 31 December 2023</b>
The Bank of New York Mellon SA/NV, Dublin Branch	Aa2	<u>8,696,009</u>	Aa1	<u>6,452,472</u>

(iv) The Moody's credit rating profile of the custodian is as follows:

The Bank of New York Mellon acts as the custodian. As at 31 December 2024, the Bank of New York Mellon had a credit rating of Aa1 (2023: Aa1).

**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management means that the Company maintains sufficient cash and liquid investments. The ability of the Company to meet its ongoing obligations towards the Noteholders is dependent on the receipt of interest and principal from the Portfolio of financial assets and derivatives. The Company has not entered into any agreements with a liquidity facility provider during the financial year.

The table below represents the cashflows payable by the Company under financial liabilities by remaining contractual maturities at the end of the financial year. The amounts shown are the contractual undiscounted cashflows whereas the Company manages the inherent liquidity risk based on expected undiscounted cash inflows.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(c) Liquidity risk (continued)**

	<b>Carrying Amount</b>	<b>Gross Contractual Cash Flow</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5-years</b>
	€	€	€	€	€	€
<b>31 December 2024</b>						
Financial liabilities at FVTPL	2,686,587	2,686,587	-	-	-	2,686,587
Derivative financial Instruments	149,404	149,404	149,404	-	-	-
Trade and other payables	2,192,626	2,192,626	2,192,626	-	-	-
Interest payable	19,982,329	19,982,329	19,982,329	-	-	-
	<u>25,010,946</u>	<u>25,010,946</u>	<u>22,324,359</u>	<u>-</u>	<u>-</u>	<u>2,686,587</u>

	<b>Carrying Amount</b>	<b>Gross Contractual Cash Flow</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5-years</b>
	€	€	€	€	€	€
<b>31 December 2023</b>						
Financial liabilities at FVTPL	10,147,106	10,147,106	-	-	-	10,147,106
Trade and other payables	1,115,270	1,115,270	1,115,270	-	-	-
Interest payable	18,083,951	18,083,951	18,083,951	-	-	-
	<u>29,346,327</u>	<u>29,346,327</u>	<u>19,199,221</u>	<u>-</u>	<u>-</u>	<u>10,147,106</u>

**(d) Concentration risk**

Concentration risk can arise from the type of investments held in the Portfolio, the maturity of assets, concentration of counterparties or geographical locations. Prudent risk management implies maintaining the exposure to various risks at a reasonable level.

The Investment Manager monitors the exposure of the Company to various risks including Country/Geographical, Industry categories/segments and asset type. The geographical locations and industry for the Investments are shown below. The Portfolio has exposure across 7 (2023: 7) Moody's industry categories.

**(i) Geographical information**

The Company's exposure to geographical locations is detailed below.

<b>Geographical concentration</b>	<b>As at 31 December 2024 % Exposure</b>	<b>As at 31 December 2023 % Exposure</b>
Germany	33	18
Isle of Man	28	-
France	22	7
Australia	9	7
Canada	7	6
United Kingdom	1	5
Netherlands	-	35
Jersey	-	14
USA	-	8
<b>Total</b>	<u>100</u>	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18 Financial Risk Management (continued)**

**18.1 Capital risk management (continued)**

**(d) Concentration risk (continued)**

**(ii) Moody's industry categories**

The Company's industry exposures are shown below.

<b>Industry concentration</b>	<b>As at 31 December 2024 % Exposure</b>	<b>As at 31 December 2023 % Exposure</b>
Health care equipment & services	33	19
Diversified financials	28	-
Software & services	22	15
Consumer services	16	13
Automobiles & components	1	1
Consumer durables & apparel	-	35
Financial services	-	13
Consumer Discretionary Distribution & Retail	-	4
	<u>100</u>	<u>100</u>

**(e) Prepayment risk**

Prepayments on loans may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, principal proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Investment Manager to reinvest payments or other proceeds in loans with comparable interest rates in accordance with the reinvestment criteria may adversely affect the timing and amount of payments and distributions received by the Noteholders and the yield to maturity of the Note. There can be no assurance that the Investment Manager will be able to reinvest proceeds in loans with comparable interest rates in accordance with the reinvestment.

**19 Segment risk and reporting**

The Company does not disclose any segmental analysis as its activities and operations does not include more than one significant or material business and geographical segment, as described under the threshold conditions under IFRS 8 "Segmental Reporting".

**20 Contingent liabilities and commitments**

There were no contingent liabilities or commitments as of 31 December 2024 (2023: none). Contingent liabilities are assessed continually to determine whether transfers of economic benefits have become probable. Where future transfers of economic benefits change from previously disclosed contingent liabilities, provisions are recognised in the financial year in which the changes in probability occur.

**21 Related party transactions**

During the financial period, the Company entered into the following related party transactions:

*(a) Transactions with TFM Administration Services Limited*

The Company engages the Administrator for all management and administration functions to manage the operational risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Administrator is entitled to receive administrative fees for the services it provides per the terms and conditions of their agreement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

**21 Related party transactions (continued)**

The Administrator provides corporate administration services to the Company at arm's length commercial rates. Michael Gilleran and Aileen Mannion, who were a director of the Company during the financial year, were also a director of the Administrator during the financial year and in that capacity had a material interest in transactions conducted with the Company. At the end of the financial year, there were no amounts (2023: nil) payable to the Administrator.

*(b) Transactions with the Investment Manager*

Michael Gilleran, a director of the Company during the financial year, was also an employee of the Investment Manager during the financial year. No investment manager fees were paid or payable by the Company during the financial year (2023: nil).

*(c) Transactions with KKR Lending Partners Group*

During the financial year, redemption of Note amounted to €17,437,283 (2023: €8,944,519) was made during the financial year. The fair value of the PPN at 31 December 2024 amounted to a €2,686,587 (2023: €10,147,106). The interest payables balance outstanding at financial year-end amounted to €19,982,329 (2023: €18,083,951).

*(d) Other Intercompany transactions*

Related party transaction to KKR Lending Partners Cayman (EUR) Unlevered Limited at financial year-end amounted to €250 (2023: €250).

**22 Significant subsequent events**

There were no significant subsequent events after the end of the reporting year until the approval of the financial statements that require disclosure or adjustments in these financial statements.

**23 Approval of financial statements**

The financial statements were approved and authorised for issue by the Board and signed on 05 February 2026.