

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**CONTENTS**

Company Information	1
Directors' Report	2 - 5
Directors' Responsibility Statement	6
Independent Auditor's Report	7 - 12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 44

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**COMPANY INFORMATION**

<b>DIRECTORS</b>	Jerrick Sy (appointed 19 August 2022) Maria Dawson (appointed 15 July 2025) Jane McCullough (appointed 4 April 2022, resigned 29 April 2024) Raymund Ado (appointed 29 April 2024, resigned 15 July 2025)
<b>COMPANY SECRETARY, REGISTERED OFFICE AND ADMINISTRATOR</b>	TMF Administration Services Limited Ground Floor, Two Dockland Central Guild Street North Dock Dublin 1 Ireland
<b>INDEPENDENT AUDITORS</b>	Ernst & Young Chartered Accountants Harcourt Centre Harcourt Street Dublin 2 Ireland
<b>INVESTMENT MANAGER</b>	ICG Manager Limited (formerly known as Intermediate Capital Managers Limited) Procession House 55 Ludgate Hill London EC4M 7JW United Kingdom
<b>COLLATERAL ADMINISTRATOR AND INFORMATION AGENT</b>	The Bank of New York Mellon SA/NV, Dublin Branch Riverside 2, Sir John Rogerson's Quay Grand Canal Dock Ireland
<b>TRUSTEE, CALCULATION AGENT, PAYING AGENT, CUSTODIAN AND ACCOUNT BANK</b>	BNY Mellon Corporate Trustee Services Limited 40th Floor One Canada Square London E14 5AL United Kingdom
<b>LEGAL ADVISORS</b>	Maples and Calder 75 St. Stephen's Green Sir John Rogerson's Quay Dublin 2 Ireland D02 T360
<b>LISTING AGENT</b>	Maples and Calder 75 St. Stephen's Green Sir John Rogerson's Quay Dublin 2 Ireland D02 T360
<b>REGISTRAR</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch 2-4 Rue Eugene Ruppert L-2453 Luxembourg
<b>ARRANGER</b>	Citigroup Global Markets Limited Canada Square London E14 4LB United Kingdom

**DIRECTORS' REPORT**

The directors present their annual report together with the audited financial statements of St. Paul's CLO XII Designated Activity Company (the "Company") for the financial year ended 31 March 2025.

**PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The Company is a designated activity company, incorporated in accordance with the laws of Ireland, please refer to the cover page for the Company registration number and date of incorporation.

The sole purpose of the Company is to acquire a portfolio of primarily senior secured loans (the "Portfolio") financed through the issuance of limited recourse listed debt obligations (the "Notes") to investors (the "Noteholders").

During the re-investment period, the Investment Manager shall use reasonable endeavours to purchase substitute Collateral Debt Obligations meeting the eligibility criteria. Following expiry of the reinvestment period, only sale proceeds from the sale of credit impaired obligations, credit improved obligations and unscheduled principal proceeds received, may be used to re-invest in eligible financial assets.

The Company may from time to time issue further Notes. The specific terms and conditions of the Notes issued on any subsequent date will be set out in the respective offering circular of the Notes.

Please refer to the Financial Liabilities at FVTPL note to the financial statements for more detail.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Investment Manager undertakes regular reviews of its investments to gauge the Company's headroom to meet interest payments (interest coverage tests). As at the date of the report there is sufficient headroom across the majority of portfolio, today and on a forward looking basis. Certain individual companies will face greater challenges going forward due to a combination of idiosyncratic and interest rate risks, however these are limited in number. Refer to Management of Financial Risks in Note 3 (page 26) for further discussions.

The ongoing conflicts in Ukraine and Gaza may continue to have severe adverse effects on regional and global economic markets. The current political and financial uncertainty surrounding these conflicts is difficult to predict at this time which may result in further regional instability and geopolitical shifts, heightened regulatory scrutiny related to sanctions compliance, increased inflation, further increases or fluctuations in commodity and energy prices, decreases in global travel, disruptions to the global energy supply and other adverse effects on macroeconomic conditions. As at the date of authorisation of the financial statements, there has been no material direct or indirect impact to the Company. The directors will continue to monitor any potential impact on the activities of the Company.

In February 2025, the United States announced plans to impose tariffs on imports from 57 countries, scheduled to take effect in April 2025. These were almost immediately paused to allow for negotiations and trade agreements. Some of these negotiations remain ongoing but what is clear is the rates to be imposed will vary by product and country. These rates will affect prices, supply chains, and international relations. It is too soon to accurately quantify the broader economic consequences that these tariffs may have on the financial performance of the Company. The Board will continue to monitor the situation.

The Company's Directors considered the impact of the Russian and Ukraine conflict, and assessed that these have no impact on the going concern of the Company given the limited recourse nature of the Notes. The Board note the resilient nature of the CLO structure, the ability of the Company to address and cure any Portfolio Tests which may fail under the deal documentation and divert proceeds to the Rated Notes as required. As a result, the Board is satisfied that the going concern basis of preparation remains appropriate. The Board will continue to monitor this situation.

**DIRECTORS' REPORT (CONTINUED)**

**PORTFOLIO MONITORING**

The Company's compliance with the covenants, including the collateral quality tests, concentration limitation tests and coverage tests, needs to be reported on a monthly basis to the Noteholders by the Collateral Administrator. These monthly reports provide details of the credit quality of the Portfolio, interest and principal coverage of the Notes and details about significant credit events.

Due to fluctuations in the fair value of the assets in the Portfolio, there is a risk that certain Notes issued by the Company will not be repaid in full. The Notes are limited recourse obligations of the Company which are payable solely out of the amounts received in respect of the financial assets and other secured realisable assets held by the Company.

If the net proceeds from the realisation of the financial assets and other secured realisable assets following an event of default or at the maturity date are insufficient to pay all the amounts due to Noteholders, the Noteholders will have no further claim against the Company in respect of any such unpaid amounts. The Company's financial assets and liabilities are carried at Fair Value Through Profit or Loss (FVTPL).

**RESULTS AND DIVIDENDS**

The results for the financial year and the Company's financial position at the end of the financial year are disclosed in the statement of comprehensive income and the statement of financial position, respectively. The directors do not recommend the payment of a dividend (2024: € None).

<b>Key performance indicators</b>	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>	<b>Change %</b>
Number of failed collateral quality and portfolio profile tests	1	-	-%
Profit for the financial year after taxation	750	750	-%
Default recovery amount	3,681,297	617,207	496%
Interest and similar income	31,445,767	31,509,655	-0.2%
Interest expense	(27,411,178)	(26,486,726)	3%
Financial assets at FVTPL	388,423,333	406,932,580	-5%
Financial liabilities at FVTPL	395,651,857	393,129,611	0.6%

**Default recovery rate**

A defaulted asset refers to a loan within the portfolio in the Company that has failed to meet its payment obligations, and the default recovery amount is the portion of the defaulted loan that can be recovered by the Company after the default. Such does not constitute an event of default and these defaulted assets may be sold at any time by the Company.

There were seven (2024: two) defaulted obligations during the year with a recovery amount of €3,681,297 (2024: €617,217).

**Collateral quality and portfolio profiles tests**

There was 1 failed collateral quality and portfolio profile tests during the year (2024: none). The failed profile test as of year end does not have a material impact on the Company to operate as a going concern or create a mandatory redemption of financial liabilities at FVTPL.

**Interest and similar income**

The interest income earned by the Company through its financial assets in the Portfolio was primarily based on 1, 2, 3 or 6 month EURIBOR. Interest and similar income decreased by 0.2% during the year compared to prior year. The interest earned on the Portfolio decreased during the year as a result of the decrease in interest rates.

**Interest expense**

The interest expense paid by the Company was primarily based 3 or 6 month EURIBOR. Payment of interest on the Subordinated Notes is made to the extent of the funds available after payment of expenses and interest on rated Notes. Interest expense increased by 3% during the year compared to prior year due to an increase in interest on subordinated notes.

**DIRECTORS' REPORT (CONTINUED)**

**Financial assets at FVTPL**

The total financial assets at FVTPL decreased from €406,932,580 to €388,423,333, driven by disposals during the period, partially offset by purchases.

**Financial liabilities at FVTPL**

The fair value of financial liabilities at FVTPL is dependent on the fair value of financial assets at FVTPL and the net current assets at the financial period end. The movement was mainly attributable to the unrealised gain on the Portfolio during the financial period.

**INTERESTS OF DIRECTORS AND COMPANY SECRETARY**

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

The directors and company secretary who held office on 31 March 2025 did not hold any shares, share options, debentures, deferred shares or loan stock of the Company on that date or during the financial year (2024: none), requiring disclosure in the directors' report pursuant to Section 329 of the Companies Act 2014. They had no material interest in any contract of significance other than as detailed in the related party transactions note to the financial statements.

**DISCLOSURE OF INFORMATION TO 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.

**DIRECTORS' COMPLIANCE STATEMENT**

The directors, in accordance with Section 225(2) (a) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with its "relevant obligations." "Relevant obligations", in the context of the Company, are the Company's obligations under:

- (a) the Companies Act 2014, where a breach of the obligations would be a category 1 or category 2 offence;
- (b) the Companies Act 2014, where a breach of the obligation would be a serious Market Abuse or Prospectus offence; and
- (c) tax law.

Pursuant to Section 225(2) (b) of the Companies Act 2014, the directors confirm that:

- (i) a compliance policy statement has been drawn up as required by Section 225(3) (a) of the Companies Act 2014 setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) in respect of compliance by the Company with its relevant obligations;
- (ii) appropriate arrangements and structures have been put in place that, in their opinion, secure material compliance with the Company's relevant obligations, and
- (iii) a review has been conducted, in the financial year, of the arrangements.

**DIRECTORS' REPORT (CONTINUED)**

**GOING CONCERN**

The Company's financial statements for the financial year 31 March 2025 have been prepared on a going concern basis. The directors anticipate that the financial assets will continue to generate enough cash flow on an ongoing basis to meet the Company liabilities as they fall due. The financial liabilities issued are limited recourse, with all gains and losses passed on to the Noteholders, and no residual risk remaining for the Company. The Notes have set maturity dates, which are further detailed in the financial liabilities at FVTPL note to the financial statements, and the directors do not foresee the Notes being redeemed in advance of their maturity date.

Please refer to Financial liabilities at FVTPL note for further details on the notes including maturity date. The financial liabilities are limited recourse obligations of the Company that are payable solely out of amounts received in respect of the financial assets.

**SIGNIFICANT SUBSEQUENT EVENTS**

Please refer to Significant Subsequent Events note in Notes to the Financial Statements section for details of subsequent events.

**ACCOUNTING RECORDS**

The directors are responsible for ensuring that adequate accounting records, as outlined in Section 281-285 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 the registered office, as detailed on the company information page.

**FINANCIAL RISK MANAGEMENT**

The disclosures in relation to the Company's policies for financial risk management including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk (including concentration risk), liquidity risk and the policies and procedures in place to manage these risks are disclosed in Financial Risk Management note in Notes to the Financial Statements.

**RELATED PARTY TRANSACTIONS**

Please refer to the Related Party Transactions note in Notes to the financial statements for further details on related party transactions.

**POLITICAL DONATIONS**

There have been no political donations during the financial year ended 31 March 2025 (2024: none).

**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 general meetings as and when required.

**INDEPENDENT AUDITOR**

Ernst & Young, Chartered Accountants, have indicated their willingness to continue in office in accordance with Section 383 (2) of the Companies Act 2014.

This report was approved by the Board on 6 February 2026 and signed on its behalf by:



.....  
Jerrick Sy  
Director



.....  
Maria Dawson  
Director

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with IFRS (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 and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgments 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.

These financial statements comply with the aforementioned requirements.

On behalf of the Board



.....  
Jerrick Sy  
Director



.....  
Maria Dawson  
Director

Date: 6 February 2026

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY

### *Report on the audit of the financial statements*

#### **Opinion**

We have audited the financial statements of St. Paul's CLO XII Designated Activity Company ('the Company') for the year ended 31 March 2025, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including the material accounting policy information set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

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 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed entities, 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. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Company's financial close process, we confirmed our understanding of management's Going Concern assessment process and also engaged with management early to ensure all key factors were considered in their assessment.
- We obtained management's going concern assessment, covering twelve months from the date of the approval of the financial statements.
- We considered the nature and liquidity of the assets held by the Company along with the liabilities to identify any liquidity mismatches. We confirmed that there was no event of default triggered in relation to the notes issued by the Company.
- We reviewed the Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

#### **Conclusion**

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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY(CONTINUED)**

**Key audit matters**

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

Risk	Our response to the risk	Key observations communicated to the Board of Directors
<p><b>Risk of management override of controls in relation to valuation of financial assets at fair value through profit or loss ('FVTPL') and the related unrealised gain or loss</b></p> <p>Financial assets at fair value through profit or loss: €388,423,333 (2024: €406,932,580)</p> <p>Fair value movement on financial assets at FVTPL: Gain of €1,363,218 (2024: Gain € 16,494,978)</p> <p>The financial assets at FVTPL in the Statement of Financial Position of the Company are comprised of investments in collateralised loan obligations ('the CLOs') and bonds.</p> <p>Further details of these investments can be found in Note 2.3, 2.10, 2.11, 3, 4 and 11 of the financial statements.</p> <p>The valuation of investments is solely performed by the Investment Manager of the Company and no independent re-pricing is performed by the administrator, which increases the risk of management override of controls.</p> <p>The incorrect valuation of investments may result in misstatement of assets of the Company. The nature and size of the balances and its importance to the Company are such that we have identified this as a fraud risk and key audit matter.</p>	<p>We performed the following testing to address the key audit matter:</p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness of accounting policies governing the valuation of financial assets at FVTPL.</li> <li>• Assessed the design effectiveness of the Company's controls over the valuation of financial assets at FVTPL.</li> <li>• Independently tested the valuation of the financial assets at FVTPL held at the year end to pricing sources.</li> </ul>	<p>Our planned audit procedures were completed without any material exception.</p>

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY(CONTINUED)

### **Our application of materiality**

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

### **Materiality**

Materiality is the magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be €7,913,037 (2024: €7,862,592), which is 2% (2024:2%) of financial liabilities at fair value through profit or loss of the Company. We believe that financial liabilities at fair value through profit or loss of the Company provides us with the most appropriate basis for materiality having considered the expectation of the users of the financial statements and the overall business environment.

### **Performance materiality**

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2024:75%) of our planning materiality, namely €5,934,778 (2024: €5,896,944). We have set performance materiality at this percentage based on our knowledge of the Company and industry, effectiveness of the control environment, and our assessment of the risks associated with the engagement.

### **Reporting threshold**

Reporting threshold is an amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board of Directors that we would report to them all uncorrected audit differences in excess of €395,652 (2024: €393,130), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

### **An overview of the scope of our audit report**

#### **Tailoring the scope**

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' report and Directors' Responsibility Statement. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY(CONTINUED)**

***Other information (continued)***

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.

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

In our Opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

***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.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the Company. We have nothing to report in this regard.

***Respective responsibilities***

***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY(CONTINUED)

### *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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud, that could reasonably be expected to have a material effect on the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. In addition, the further removed any non-compliance is from the events and transactions reflected in the financial statements, the less likely it is that our procedure will identify such non-compliance. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are in relation to compliance with the Irish Companies Act 2014 and International Financial Reporting Standards (IFRS) as adopted by the European Union
- We understood how the Company is complying with those frameworks by understanding the entity level controls. The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. The internal control process includes the appointment of the administrator to maintain the accounting records of the Company independently of the custodian.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by performing substantive procedures in relation to the financial statement close process and valuation of financial instruments.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. In relation to the identified risk of management override of control in relation to valuation of financial assets at FVTPL and the related unrealised gain or loss, further discussion to it is set out in the Key Audit Matters above.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY(CONTINUED)**

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

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



Jayanta K Auddy  
for and on behalf of  
Ernst & Young Chartered Accountants and Statutory Audit Firm

Office: Dublin

Date: 09 February 2026

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Financial year ended 31 March 2025 €	Financial year ended 31 March 2024 €
<b>Net interest income</b>			
Interest and similar income	5	31,445,767	31,509,655
Interest expense	6	<u>(27,411,178)</u>	<u>(26,486,726)</u>
		<u>4,034,589</u>	<u>5,022,929</u>
<b>Other income and expenses</b>			
Net unrealised foreign exchange (loss)/gain on cash and cash equivalents		(95)	51
Net realised loss on disposal of financial assets at FVTPL	7	(318,884)	(3,361,883)
Fair value movement on financial liabilities at FVTPL	14	(2,628,445)	(16,494,978)
Fair value movement on financial assets at FVTPL	11	1,363,218	16,494,978
Realised loss on redemption of financial liabilities at FVTPL	14	(1,454,482)	(1,440,193)
Other income		<u>99,082</u>	<u>851,781</u>
		(2,939,606)	(3,950,244)
<b>Operating expenses</b>			
Administrative expenses	8	<u>(1,093,983)</u>	<u>(1,071,685)</u>
<b>Profit before taxation</b>			
		1,000	1,000
Corporation tax charge	9	<u>(250)</u>	<u>(250)</u>
<b>Profit for the year after taxation</b>			
		750	750
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</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.

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025**

	Notes	As at 31 March 2025 €	As at 31 March 2024 €
<b>Assets</b>			
Cash and cash equivalents	10	19,514,061	21,742,442
Trade and other receivables	12	2,741,762	3,365,300
Unsettled trades	16	1,258,141	10,144,546
Financial assets at FVTPL	11	<u>388,423,333</u>	<u>406,932,580</u>
<b>Total assets</b>		<u><u>411,937,297</u></u>	<u><u>442,184,868</u></u>
<b>Liabilities</b>			
Trade and other payables	15	256,034	253,584
Interest payable on financial liabilities at FVTPL	17	6,404,832	7,137,757
Unsettled trades	16	9,621,198	41,661,290
Financial liabilities at FVTPL	14	<u>395,651,857</u>	<u>393,129,611</u>
<b>Total liabilities</b>		<u><u>411,933,921</u></u>	<u><u>442,182,242</u></u>
<b>Equity</b>			
Called-up share capital	18	1	1
Retained earnings		<u>3,375</u>	<u>2,625</u>
<b>Total equity</b>		<u><u>3,376</u></u>	<u><u>2,626</u></u>
<b>Total equity and liabilities</b>		<u><u>411,937,297</u></u>	<u><u>442,184,868</u></u>

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

The financial statements were approved by the Board on 6 February 2026 and signed on its behalf by:



.....  
Jerrick Sy  
Director



.....  
Maria Dawson  
Director

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	<b>Called-up share capital €</b>	<b>Retained earnings €</b>	<b>Total €</b>
As at 1 April 2024	1	2,625	2,626
Total comprehensive income for the financial year	-	750	750
As at 31 March 2025	<u>1</u>	<u>3,375</u>	<u>3,376</u>

	<b>Called-up share capital €</b>	<b>Retained earnings €</b>	<b>Total €</b>
As at 1 April 2023	1	1,875	1,876
Total comprehensive income for the financial year	-	750	750
As at 31 March 2024	<u>1</u>	<u>2,625</u>	<u>2,626</u>

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

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	Year ended 31 March 2025 €	Year ended 31 March 2024 €
<b>Cash flows from operating activities</b>			
Interest received	5, 12	32,069,305	30,649,534
Interest paid	6, 17	(28,144,103)	(24,930,181)
Other income received		99,082	851,781
Payments made for administrative expenses	8, 15	(1,091,783)	(1,095,188)
Corporation tax paid	9	-	(250)
<b>Net cash flows generated from operating activities</b>		<u>2,932,501</u>	<u>5,475,696</u>
<b>Cash flows from investing activities</b>			
Purchase of financial assets at FVTPL	11, 16	(148,730,614)	(110,355,117)
Proceed from disposal of financial assets at FVTPL	11, 16	<u>145,130,508</u>	<u>121,049,117</u>
<b>Net cash (used in) /generated from investing activities</b>		<u>(3,600,106)</u>	<u>10,694,000</u>
<b>Cash flows from financing activities</b>			
Redemption of financial liabilities at FVTPL	13, 14	<u>(1,560,681)</u>	<u>(1,440,208)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(2,228,286)	14,729,488
<b>Cash and cash equivalents at the beginning of the year</b>			
Net unrealised foreign exchange (loss) /gain on cash and cash equivalents		21,742,442	7,012,903
		<u>(95)</u>	<u>51</u>
<b>Cash and cash equivalents at the end of the year</b>	10	<u>19,514,061</u>	<u>21,742,442</u>

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

## 1 Background to the Company

The Company was incorporated on 19 July 2019 with a registration number 653817. The Company registered office is at Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1, Ireland.

The Company is a special purpose vehicle 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 Material accounting policy information

### 2.1 Statement of compliance and basis of preparation

The financial statements have been prepared under the historical cost basis except for financial instruments classified at FVTPL which have been measured at fair value. The financial statements have been prepared in accordance with IFRS as adopted by the EU and those parts of Companies Act 2014 applicable to companies reporting under IFRS. The accounting policies adopted by the Company have been applied consistently. These financial statements are prepared on a going concern basis.

The Company's financial statements for the financial year 31 March 2025 have been prepared on a going concern basis. The directors anticipate that the financial assets will continue to generate enough cash flow on an ongoing basis to meet the Company liabilities as they fall due. The financial liabilities issued are limited recourse, with all gains and losses passed on to the Noteholders, and no residual risk remaining for the Company. The Notes have set maturity dates, which are further detailed in the financial liabilities at FVTPL note to the financial statements, and the directors do not foresee the Notes being redeemed in advance of their maturity date.

There are no Russian nor Ukraine headquartered businesses and the indirect exposure to these markets is minimal. Despite the challenges posed by the Russian invasion on Ukraine, and conflict between Israel and Hamas, the Board note the resilient nature of the CLO structure, the ability of the Company to address and cure any Portfolio Tests, which may fail under the deal documentation and divert proceeds to the Rated Notes as required. As a result, the Board is satisfied that the going concern basis of preparation remains appropriate. The Board will continue to monitor this situation.

### 2.2 New and amended standards and interpretations

#### New accounting pronouncements and amended standards adopted by the Company

In preparing the financial statements, the Company has adopted all relevant accounting standards applicable for accounting periods beginning on or after 1 April 2024. The Company has consistently applied the accounting policies as set out in Note 2 to all periods presented in these financial statements. There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 April 2024 that have a material effect on the financial statements of the Company.

#### New standards, interpretations and amendments effective from 1 April 2024

Description	Effective date (financial year beginning) *
Amendments to IFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 Cash Flow and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	1 January 2024
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024

The directors have reviewed those standards and interpretations that are effective from 1 April 2024 and assessed that none of those standards and interpretations will have a material impact to the Company's financial statements.

#### New standards, amendments and interpretations not yet adopted

The following standards and amendments to standards are required to be applied for future annual periods and some are available for early adoption.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**2 Material accounting policy information (continued)****2.2 New and amended standards and interpretations (continued)**

Description	Effective date (financial year beginning) *
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 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.

For IFRS 18 Presentation and Disclosure in Financial Statements, the Company is currently identifying the impact of the amendments on the primary financial statements.

The Directors have considered the new standards, amendments and interpretations that are issued but not yet effective up to the date of issuance of the Company's financial statements 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 for the financial statement. For IFRS 18, the Company is currently identifying the impacts of the amendments on the primary financial statements and notes to the financial statements.

**2.3 Use of estimates and judgements**

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 period in which the estimate is revised and in any future periods affected. The key area of estimate and judgement for the Company is determining the fair value of financial assets and liabilities.

*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 only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key judgements are levelling of financial instrument and valuation technique used for pricing which is explained in Note 4 and the key estimate is fair value of financial instruments which is explained in below and in Note 4.

*Key sources of estimation uncertainty.*

The fair value of financial assets and financial liabilities at FVTPL that are actively traded in organised financial markets is determined by reference to quoted market prices at the close of business on the Statement of Financial Position date. For financial assets at FVTPL where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models. The fair value of financial liabilities at fair value through profit or loss are linked to the fair value movement of the financial assets and any other assets and liabilities in accordance with the terms and conditions of the Notes as documented in the offering circular.

For Level 2 and Level 3 financial assets, the fair values 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 as outlined in Price Risk Note.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

## 2 Material accounting policy information (continued)

### 2.4 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currency included in the Company's financial statements are measured in Euro denoted by the symbol "€" which is the Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 as part of other income and expenses.

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.

### 2.5 Interest income and interest expense

Interest income and expense are recognised in the Statement of Comprehensive Income for all interest-bearing financial instruments at amortised cost using the effective interest method. For financial instruments at FVTPL interest income and expense are recognised using nominal interest. Interest on the Subordinated Notes is determined in accordance with the interest proceeds priority of payments as set out in the offering circular. Payment of interest on the Subordinated Notes will only be made to the extent of the funds available after payments of expenses and interest on rated Notes, as set out in the priority of payments, as set out in the offering circular regardless of the amount accrued during an accounting period.

### 2.6 Other income

Other income includes delayed compensation and upfront fees. Delayed compensation relates to the cost of carry between trade date and settlement date of a financial asset trade while upfront fees relates to income receivable as reimbursement of costs incurred for a financial asset trade. All other income is recognised on an earned basis in accordance with the amount stated in the contracts.

### 2.7 Taxation

The tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the financial year as calculated in accordance with Irish tax laws. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are not taxable or deductible and those items of income and expenses that have temporary differences. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of reporting year date. Deferred tax is provided to the extent that it is recoverable, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### 2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, balance reserved for the funding of unsettled trade, other short-term, highly liquid investments with original maturities of three months or less. Cash is subsequently measured at amortised cost.

### 2.9 Unsettled trades

Unsettled trades include amounts payable for financial instruments purchased and receivables for financial instruments sold (in a regular way transaction) 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.

### 2.10 Financial instruments

The financial instruments held by the Company include the following:

- Financial assets;
- Financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

**2 Material accounting policy information (continued)**

**2.10 Financial instruments (continued)**

**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; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

**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.

**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 (SPPI) on the principal amount outstanding. The Company includes in this category short-term non-financing receivables such as trade and other receivables, cash and cash equivalents and unsettled trades.

**Financial assets measured at FVTPL**

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

- 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
- 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
- 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 bonds and loans that are held under a business model to manage them on a fair value basis for investment income and fair value gains. The category bonds, loans and equity are mandatorily classified as measured at FVTPL.

**Financial liabilities**

**Financial liabilities measured at FVTPL**

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

The Company includes in this category Notes issued and designated at FVTPL. Notes issued are recognised initially at fair value and are subsequently measured at FVTPL.

**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 trade and other payables, unsettled trades and interest payable on financial liabilities at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

**2 Material accounting policy information (continued)**

**2.10 Financial instruments (continued)**

**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 marketplace (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 are recorded in the Statement of Financial Position at fair value. All transaction costs for such financial instruments at FVTPL are recognised directly in Statement of Comprehensive Income.

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

**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 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 assets and liabilities, other than those classified as at FVTPL, are measured subsequently at amortised cost using the effective interest method. Gains and losses are recognised in Statement of Comprehensive Income when the assets and 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:

- Transferred substantially all of the risks and rewards of the asset; or
- 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.

**Impairment**

**Impairment of financial assets**

The Company recognises loss allowances for expected credit losses on financial assets classified as measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses which are measured as the present value of all cash shortfalls which is the difference between the cash flows due to the Company in accordance with the contract and the cash flows the Company expects to receive. An approach similar to the simplified approach for expected credit losses is used by the Company in estimating these losses. As all such financial assets held by the Company are short-term in nature, changes in credit risk are not tracked and instead loss allowances calculated will be estimated lifetime expected credit losses. The Company considers both historical analysis and forward-looking information (including macroeconomic and market data) in determining any expected credit loss. If a loss allowance on financial assets classified as measured at amortised cost is recognised, this amount is deducted from the gross carrying amount of the assets. In the event that the Company has no reasonable expectations of recovering a financial asset, the gross carrying amount is written off in its entirety.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

## 2 Material accounting policy information (continued)

### 2.10 Financial instruments (continued)

#### 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.

#### 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 (unadjusted) 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 price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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.

#### Critical accounting judgements and estimates in applying the Company's accounting policies

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 and Level 3 financial assets, the fair values 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 as outlined in the price risk note to the financial statements.

For the Level 3 financial liabilities, the fair value is the residual value of the fair value of the financial assets at FVTPL, and net current assets or liabilities.

### 2.11 Net gain or loss on financial assets and liabilities at fair value through profit or loss

Unrealised gains or losses on financial assets and liabilities at FVTPL are changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as at FVTPL and exclude interest income and expenses. Unrealised gains and losses comprise changes in the fair value of financial instruments for the period. Realised gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

### 2.12 Offsetting financial instruments

Financial assets and financial 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 set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. As of 31 March 2025 and 2024, the entity has not offset any financial assets and financial liabilities in the Statement of Financial Position.

### 2.13 Called-up 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

## 2 Material accounting policy information (continued)

### 2.14 Limited recourse payable to Noteholders

If the net proceeds of realisation of the financial assets secured as collateral against the Notes are less than the aggregate amount payable by the Company to the Noteholders, the obligations of the Company will be limited to such net proceeds, which shall be applied in accordance with the offering circular. In such circumstances, the other assets (if any) of the Company will not be available for payment of such shortfall which shall be borne by the senior Noteholders, the subordinated Noteholders and the other secured parties in accordance with the offering circular applied at the time of final settlement. Interest expense payable to the Noteholders is calculated by the calculation agent based on the applicable rate as defined in the offering circular.

As the obligations of the Company are limited recourse in nature, the return of interest and principal to the Noteholders is contingent on the realisable value of the assets. The returns made to the Noteholders over the life of the Company would include the effect of capital gain/loss 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.

### 2.15 Administrative expenses

All operating expenses are accounted for on an accruals basis. Administrative expenses include amounts accrued for expenses such as investment management fees, audit and tax fees incurred at the period-end.

## 3 Financial Risk Management

### Background to financial risks

The Company has been established with a specific purpose to issue debt obligations, and generate a risk adjusted return for the investors through the acquisition of Portfolio Assets. The Company invests in a portfolio of assets consisting of predominantly:

- Senior Secured Loans;
- Senior Secured Bonds;
- Unsecured Obligations;
- Second Lien Loans;
- Mezzanine Obligations; and
- High Yield Bonds.

All such financial assets have greater credit and liquidity risk than investment grade sovereign or corporate loans. The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an issuer or borrower or in general economic conditions or both may impair the ability of the relevant borrower or issuer, as the case may be, to make payments of principal or interest.

Senior Obligations, Second Lien Loans and Mezzanine Obligations are of a type generally incurred by the Obligor in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the borrower in the course of such a transaction, the Obligor's creditworthiness is typically judged by the rating agencies to be below investment grade. Senior Obligations and Second Lien Loans are typically at the most senior level of the capital structure with Second Lien Loans and Mezzanine Obligations being subordinated to any Senior Obligations or to any other senior debt of the Obligor.

Senior Secured Loans and Senior Secured Bonds are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the Obligor and its subsidiaries and any applicable associated liens relating thereto.

Second Lien Loans and Mezzanine Obligations may have the benefit of a second priority charge over such assets. Unsecured Obligations do not have the benefit of such security. Senior Obligations usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

The financial markets periodically experience substantial fluctuations in prices, and limited liquidity for such Portfolio Assets. A decrease in the market value of the Portfolio Assets would adversely affect the proceeds of sale that could be obtained upon the sale of the Portfolio Assets and could ultimately affect the ability of the Company to pay in full or redeem the Notes.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 3 Financial Risk Management (continued)

#### Financial Risks

The Company is exposed to a variety of financial risks as a result of the above trading activity, as outlined below:

##### *Capital risk management*

The Company manages its capital to ensure that it is able to continue as a going concern while maximising the return to Noteholders through the optimisation of the debt and equity balances. The capital managed by the Company comprises of ordinary share outstanding, retained earnings and the Notes issued and outstanding as at the year-end. The Company is not subject to externally imposed capital requirements. Please refer to the Financial liabilities issued at FVTPL note and Share capital note for further details. There were no changes to the policies and procedures during the year with respect to the Company's approach to its capital management program.

##### *Interest rate risk*

There is a fixed/floating rate mismatch and/or a floating rate basis mismatch between the Notes and the underlying Portfolio Assets and Eligible Investments (such as Portfolio Asset principal proceeds). Such a mismatch may change from time to time as the composition of the related Portfolio Assets and Eligible Investments change, and as the liabilities of the Company accrue or are repaid, and the mismatch may be material. As a result of such mismatches, changes in the level of benchmark rates could adversely affect the ability to make payments on the Notes.

##### *Currency risk*

The percentage of the Portfolio that is comprised of Non-Euro financial assets may increase or decrease over the life of the Notes within the limits set by the transaction documentation. The Company does not have Non-Euro financial assets, and the company is not exposed to Non-Euro financial assets, and the Company is not exposed to Non-Euro financial liabilities, hence there is no significant currency risk.

##### *Credit risk*

Risks applicable to Portfolio Assets also include the possibility that earnings of the Obligor (represented in the Portfolio financial assets) may be insufficient to meet its debt service obligations. In addition, the declining creditworthiness and potential for insolvency of the obligor of such Portfolio Assets will accentuate during periods of rising interest rates and economic downturn. An economic downturn could severely disrupt the market for leveraged loans and adversely affect the value thereof and the ability of the obligor to repay principal and interest.

##### *Counterparty risk*

In the execution of its responsibilities under the Investment Management agreement, the Investment Manager enters into transactions, which involve the Company entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Company under certain circumstances. The Company will be exposed to the credit risk of the counterparty with respect of any such payments. Similarly, the Company will be exposed to the credit risk of the Account Bank and the Custodian to the extent of all cash of the Company held in the Accounts and all Collateral of the Company held by the Custodian.

##### *Concentration risk*

Although no significant concentration with respect to any particular obligor, industry or country is expected to materialize due to the investment criteria established, the concentration of the Portfolio in any one obligor would subject the Notes to a greater degree of risk with respect to defaults by such obligor, and the concentration of the Portfolio in any one industry would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry.

##### *Prepayment risk*

Loans are generally prepayable in whole or in part at any time at the option of the obligor at par plus accrued and unpaid interest thereon. Senior Secured Bonds may include obligor call or prepayment features, with or without a premium or makewhole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans or bonds 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

**3 Financial Risk Management (continued)**

**Financial Risks (continued)**

*Reinvestment risk*

Any inability of the Company to reinvest payments or other proceeds in Portfolio Assets with comparable interest rates in compliance 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 Notes. There can be no assurance that the Company will be able to reinvest proceeds in Portfolio Assets with comparable interest rates in compliance with the Reinvestment Criteria or as to the length of any delays before such investments are made.

To the extent the Investment Manager maintains cash balances invested in short-term investments instead of higher yielding loans or bonds, portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on portfolio income which will reduce amounts available for payment on the Notes, especially the Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions.

*Liquidity risk*

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

*Price risk*

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 factors affecting all instruments traded in the market. To manage the price risk, the Investment Manager ensures that all financial assets acquired are within the eligibility criteria as set out per the offering circular and the relevant portfolio tests are observed. The financial assets are carried at fair value with fair value changes recognised in the Statement of Comprehensive Income, all changes in market conditions will directly affect profit or loss. The market price risk of the financial assets is borne by the holders of financial liabilities issued and thus market price changes have no net impact on the equity or the results of the Company.

The financial risks which are described above are managed in the following manner:

*Notes are limited recourse obligations*

The Notes are limited recourse obligations of the Company. Therefore, amounts due on the Notes are payable solely from the Portfolio Assets and all other Collateral secured by the Company for the benefit of the Noteholders and other Secured Parties pursuant to the Priorities of Payment. Consequently, Noteholders must rely solely on distributions on the Portfolio Assets for payments on the Notes. If distributions on such Portfolio Assets are insufficient to make payments on the Notes, no other assets will be available for payment of the deficiency and all obligations of the Company and any claims against the Company in respect of the Notes will be extinguished and will not revive. Following realisation of the Collateral and the application of the proceeds thereof in accordance with the Priorities of Payment, the obligations of the Company to pay such deficiency shall be extinguished. Such shortfall will be borne by the Noteholders and the other Secured Parties in accordance with the Priorities of Payment.

The limited recourse nature of the obligations contribute to the management of liquidity risk.

*Transaction structure*

The transaction incorporating the issuance of Notes has been established based on detailed and granular projections, and the Company is designed to be resilient in challenging trading conditions, with the diversion of interest and principal proceeds to the Rated Notes in defined circumstances. The issuance of the Notes has been structured so that the Notes are assumed to be able to withstand certain assumed losses relating to defaults on the underlying Portfolio Assets. The risk remains that actual losses will exceed such assumed losses. However, in such a circumstance, the priority of payments included in the transaction documentation, and the limited recourse provisions have been established to protect the Company.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 3 Financial Risk Management (continued)

#### Management of Financial Risks

These key features of the transaction structure assist the Company in the management of financial risk.

##### *Engagement of a reputable investment manager*

The Company has engaged a reputable investment manager to manage the financial risks regarding the Portfolio. Pursuant to the terms of the Investment Management Agreement, the Investment Manager is appointed to:

- identify, select, assess and purchase on behalf of the Company Portfolio Assets which the Investment Manager determines satisfy the Eligibility and Reinvestment Criteria;
- evaluate, determine and monitor the Portfolio on behalf of the Company, and to effect on behalf of the Company such changes to the Portfolio from time to time as the Investment Manager considers appropriate taking account of the objectives of the Company, the Eligibility Criteria and the Reinvestment Criteria.

The appointment of a reputable Investment Manager is a key feature in the management of all of the afore-mentioned risks.

##### *Management of Portfolio trading*

- The Investment Manager, in respect of each Portfolio Asset, is required to determine in accordance with the Investment Management Agreement that the Eligibility Criteria are satisfied as at the time of the Investment Manager entering into a binding commitment to acquire such a Portfolio Asset.
- The Investment Manager is authorised to enter into the Interest Rate Hedge Transactions in order to mitigate an interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation.
- Counterparties in respect of trading transactions are required to satisfy the applicable Rating Requirement, upon entry into the applicable contract or instrument. The respective Portfolio Asset is retained as security until the settlement of trades.
- If the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the Company shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement and within the time limits prescribed for such action in the applicable Transaction Documents.

These key features of the Investment Management Agreement and Offering Circular assist the Company in the management of all of the afore-mentioned risks.

##### *Adherence to Portfolio Profile Tests and Collateral Quality Tests*

The Portfolio Profile Tests and Collateral Quality Tests are used as the criteria for purchasing Portfolio Assets, and monitoring the Portfolio performance, in the management of the above-mentioned financial risks.

The Collateral Administrator measures the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date.

The Portfolio Profile Tests and the Collateral Quality Tests must be satisfied after giving effect to the purchase of any Substitute Portfolio Assets or, but only to the extent expressly permitted in the Investment Management Agreement in the case of any purchase, if not satisfied prior to such purchase, the relevant thresholds and amounts calculated pursuant thereto must be maintained or improved after giving effect to such purchase when compared with the result of such tests immediately prior to such purchase of the relevant Substitute Portfolio Asset.

#### Quantitative Information regarding the Management of Financial Risks

##### *Payment priorities*

Interest and Principal payments on the Notes is determined in accordance with the proceeds priority of payments per the offering circular, and executed under the periodic waterfall based on the remaining funds available from the proceeds. The Company manages the interest rate and liquidity risk through the application of a waterfall process and adhering to the priority of payments due to the limited recourse nature of the Notes issued by the Company and the residual return applicable to its Subordinated Notes. The interest and principal priority of payment are critical mechanisms used by Company in the management of liquidity risk. Further to the description of the financial risks encountered by the Company and the management of those risks, included below is the quantitative information required to understand the nature of the financial risks at the financial year-end.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**3 Financial Risk Management (continued)****Quantitative Information regarding the Management of Financial Risks (continued)****3.1 Interest rate risk**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instrument. The interest rate risk profile of the financial assets and financial liabilities is disclosed below.

<b>31 March 2025</b>	<b>Weighted Average Rate</b>	<b>Interest bearing Fixed €</b>	<b>Interest bearing Variable €</b>	<b>Non-interest bearing €</b>	<b>Total €</b>
<b>Financial assets</b>					
Cash and cash equivalents	-	-	19,514,061	-	19,514,061
Trade and other receivables	-	-	-	2,741,762	2,741,762
Financial assets at FVTPL	6.64%	21,380,072	367,043,261	-	388,423,333
Unsettled trades	-	-	-	1,258,141	1,258,141
		<u>21,380,072</u>	<u>386,557,322</u>	<u>3,999,903</u>	<u>411,937,297</u>
<b>Financial liabilities</b>					
Trade and other payables	-	-	-	(256,034)	(256,034)
Financial liabilities at FVTPL	3.81%	(37,500,000)	(358,151,857)	-	(395,651,857)
Interest payable on financial liabilities at FVTPL	-	-	-	(6,404,832)	(6,404,832)
Unsettled trades	-	-	-	(9,621,198)	(9,621,198)
		<u>(37,500,000)</u>	<u>(358,151,857)</u>	<u>(16,282,064)</u>	<u>(411,933,921)</u>
<b>31 March 2024</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	-	21,742,442	-	21,742,442
Trade and other receivables	-	-	-	3,365,300	3,365,300
Financial assets at FVTPL	8%	32,082,063	374,850,517	-	406,932,580
Unsettled trades	-	-	-	10,144,546	10,144,546
		<u>32,082,063</u>	<u>396,592,959</u>	<u>13,509,846</u>	<u>442,184,868</u>
<b>Financial liabilities</b>					
Trade and other payables	-	-	-	(253,584)	(253,584)
Financial liabilities at FVTPL	5.25%	(37,500,000)	(355,629,611)	-	(393,129,611)
Interest payable on financial liabilities at FVTPL	-	-	-	(7,137,757)	(7,137,757)
Unsettled trades	-	-	-	(41,661,290)	(41,661,290)
		<u>(37,500,000)</u>	<u>(355,629,611)</u>	<u>(49,052,631)</u>	<u>(442,182,242)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**3 Financial Risk Management (continued)**

**Quantitative Information regarding the Management of Financial Risks (continued)**

**3.1 Interest rate risk (continued)**

The impact of a  $\pm 100$  bps movement in the interest rate on the Statement of Comprehensive Income is shown as follows:

<b>Sensitivity to a 100bps movement</b>	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
Movement on financial assets at variable rate	3,865,573	3,965,930
Movement on financial liabilities issued at variable rate	(3,581,519)	(3,556,296)
Movement on subordinated Notes	<u>(284,054)</u>	<u>(409,634)</u>
Changes in profit for the year	<u>-</u>	<u>-</u>

**3.2 Foreign exchange risk**

Foreign exchange risk is the potential change in the value of foreign currency assets and liabilities caused by movement in the foreign exchange rates. The Notes issued by the Company are denominated in Euro. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company has minimal exposure to currency risk at year end as the financial assets and financial liabilities are mainly denominated in EUR. Hence, no further sensitivity analysis has been disclosed.

**3.3 Credit risk**

An illustration of the credit quality of the Portfolio is included in the following table:

<b>S&amp;P's Ratings - Financial assets at FVTPL</b>	<b>As at 31 March 2025 %</b>	<b>As at 31 March 2024 %</b>
B	39	41
B-	31	26
B+	9	14
BB	8	4
BB-	6	6
BB+	-	1
CC	2	1
CCC	1	-
CCC+	1	4
Unrated	<u>3</u>	<u>3</u>
	<u>100</u>	<u>100</u>

The Moody's long term credit rating profile of the principal bankers holding the cash and cash equivalents balance is as follows:

<b>Credit ratings</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
The Bank of New York Mellon	Aa3	Aa2

The Investment Manager monitors the Company's exposure to various risks and in particular industry concentrations, and geographic concentrations, as outlined in note segment risk and reporting.

(i) Interest receivable on financial assets at FVTPL

The credit rating profile of the Interest receivable on financial assets at FVTPL would be in line with that of the financial assets disclosed above as they mainly relate to accrued interest income.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**3 Financial Risk Management (continued)****Quantitative Information regarding the Management of Financial Risks (continued)****3.3 Credit risk (continued)**

## (ii) Unsettled trades

Unsettled trades includes purchases or sales which are normally settled with three months after trade date. The counterparties for these financial assets are not rated.

**Financial assets not subject to IFRS 9 impairment requirements**

The Company is exposed to credit risk on bonds and loans. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets represents the Company's maximum exposure to credit risk on financial instruments not subject to the IFRS 9 impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

There were seven (2024: two) defaulted obligations during the period with recovery amount of €3,681,297 (2024: € 617,217). A defaulted asset refers to a loan within the portfolio in the Company that has failed to meet its payment obligations, and the default recovery amount is the portion of the defaulted loan that can be recovered by the Company after the default. Such does not constitute an event of default and these defaulted assets may be sold at any time by the company.

**Financial assets subject to IFRS 9 impairment requirements**

Credit risk arises from the possibility of counterparties 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 and limiting investments to high credit quality institutions. The over-collateralisation tests monitor the quality of the assets used by the Company to meet its obligations to Noteholders. At year end, the total of expected credit losses on the interest receivable on financial assets at FVTPL, cash and cash equivalents and unsettled trades was immaterial and on which a nil loss allowance had been recognised (2024: Nil). No assets are considered impaired and no amounts have been written off in the period (2024: Nil).

The table below represents the maximum exposure to credit risk:

<b>Credit risk exposures relating to financial instruments</b>	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
(i) Cash and cash equivalents	19,514,061	21,742,442
(ii) Trade and other receivables	2,741,762	3,365,300
(iii) Unsettled trades	1,258,141	10,144,546
(iv) Financial assets at FVTPL	388,423,333	406,932,580
	<u>411,937,297</u>	<u>442,184,868</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**3 Financial Risk Management (continued)**

**Quantitative Information regarding the Management of Financial Risks (continued)**

**3.3 Credit risk (continued)**

The largest industry exposures are shown below:

**S&P's Industry - Financial assets at FVTPL**

	<b>% Exposure as at 31 March 2025</b>	<b>% Exposure as at 31 March 2024</b>
Software	11%	9%
Commercial Services and Supplies	10%	10%
Healthcare Providers and Services	9%	7%
Diversified Telecommunication Services	8%	8%
Chemicals	7%	8%
Machinery	5%	4%
Pharmaceuticals	5%	6%
Diversified Financial Services	5%	6%
Food Products	4%	6%
Hotels, Restaurants and Leisure	4%	3%
Household Durables	3%	2%
Auto Components	3%	3%
Wireless Telecommunication Services	3%	1%
Professional Services	2%	2%
Trading Companies and Distributors	2%	3%
Transportation Infrastructure	2%	2%
Construction & Engineering	2%	1%
Diversified Consumer Services	2%	1%
Media	2%	2%
Healthcare Equipment and Supplies	2%	3%
Containers & Packaging	2%	2%
Paper and Forest Products	1%	2%
Building products	1%	-
Electronic Equipment, Instruments & Components	1%	1%
Retail	1%	-
IT Services	-	2%
Real Estate Management & Development	-	1%
Insurance	-	1%
Other	3%	4%
	<u>100%</u>	<u>100%</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

3 Financial Risk Management (continued)

Quantitative Information regarding the Management of Financial Risks (continued)

3.4 Liquidity risk

The table below represents the cash flows payable by the Company under financial liabilities by remaining contractual maturities at the end of reporting period. The amounts disclosed in the table are the contractual undiscounted cash flows whereas the Company manages the inherent liquidity risk based on expected undiscounted cash flows.

31 March 2025

Financial liabilities	Carrying amount €	Gross Contractual Cashflows €	Up to 1 year €	1-2 years €	2-5 years €	Over 5-years €
Trade and other payables	(256,034)	(256,034)	(256,034)	-	-	-
Interest payable on financial liabilities at FVTPL	(6,404,832)	(6,404,832)	(6,404,832)	-	-	-
Unsettled trades	(9,621,198)	(9,621,198)	(9,621,198)	-	-	-
Financial liabilities at FVTPL	<u>(395,651,857)</u>	<u>(536,553,332)</u>	<u>(14,197,623)</u>	<u>(14,197,623)</u>	<u>(42,592,869)</u>	<u>(465,565,217)</u>
	<u>(411,933,921)</u>	<u>(552,835,396)</u>	<u>(30,479,687)</u>	<u>(14,197,623)</u>	<u>(42,592,869)</u>	<u>(465,565,217)</u>

31 March 2024

Financial liabilities	Carrying amount €	Gross Contractual Cashflows €	Up to 1 year €	1-2 years €	2-5 years €	Over 5-years €
Trade and other payables	(253,584)	(253,584)	(253,584)	-	-	-
Interest payable on financial liabilities at FVTPL	(7,137,757)	(7,137,757)	(7,137,757)	-	-	-
Unsettled trades	(41,661,290)	(41,661,290)	(41,661,290)	-	-	-
Financial liabilities at FVTPL	<u>(393,129,611)</u>	<u>(601,572,268)</u>	<u>(19,589,210)</u>	<u>(19,589,210)</u>	<u>(58,767,630)</u>	<u>(503,626,218)</u>
	<u>(442,182,242)</u>	<u>(650,624,899)</u>	<u>(68,641,841)</u>	<u>(19,589,210)</u>	<u>(58,767,630)</u>	<u>(503,626,218)</u>

Interest payable on Notes has been calculated using the assumption that the year end EURIBOR rate would remain unchanged in the future. Future interest on subordinated notes was not included since it will be determined in accordance with the interest proceeds priority per offering circular.

With the expiry of the non-call period and subject to the provisions set out in the Offering Circular, the financial liabilities at FVTPL are subject to optional redemption in whole at the direction of the subordinated noteholders acting by ordinary resolution or at the written direction of the collateral manager. With this option available, the redemption of financial liabilities at FVTPL may be accelerated to the earliest period (up to 1 year) if it were exercised and subject to the provisions set out in the Offering Circular.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**4 Price Risk**

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 coupon 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 Noteholders due to the limited recourse nature of the Notes.

The Notes issued by the Company are limited recourse obligations and the future cash flows for the Notes depends on the future cash flows of the financial assets designated at FVTPL after deducting the cash outflows and other liabilities.

The carrying value of all other financial assets and liabilities (that are not at fair value through profit or loss) closely approximate fair value.

**Sensitivity analysis**

Any changes in the prices of the financial assets at fair value through profit or loss would not have any effect on the equity or net profit or loss of the Company as any fair value fluctuations in prices are ultimately borne by the noteholders.

A 5% movement in prices would have the following impact:

<b>Description</b>	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
5% net movement in market price	19,421,167	20,346,629
Adjustment on Notes issued at FVTPL	<u>(19,421,167)</u>	<u>(20,346,629)</u>
Changes in profit for the year	<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.

**4.1 Fair value**

**Valuation methodologies**

When price quotations are not available from unaffiliated market makers or other financial institutions that regularly trade similar investments, independent valuation agents determine the fair value of assets using valuation models. The fair value established pursuant to such methodologies may never be realised, which could result in losses.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

1. Quoted (unadjusted) prices in active markets for identical assets or liabilities;
2. Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;
3. Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The tables below provide an analysis of the basis of measurement used by the Company for its financial instruments that are carried at fair value as per the above hierarchy.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

4 Price Risk (continued)

4.1 Fair value (continued)

	Level 1 €	Level 2 €	Level 3 €	Total €
<b>31 March 2025</b>				
<b>Financial assets</b>				
Financial assets at FVTPL - Loans	-	312,253,807	12,732,705	324,986,512
Financial assets at FVTPL - Bonds	-	63,436,821	-	63,436,821
	-	375,690,628	12,732,705	388,423,333
<b>Financial liabilities</b>				
Financial liabilities at FVTPL	-	-	395,651,857	395,651,857
	-	-	395,651,857	395,651,857
<b>31 March 2024</b>				
<b>Financial assets</b>				
Financial assets at FVTPL - Loans	-	306,680,739	28,708,506	335,389,245
Financial assets at FVTPL - Bonds	-	71,543,335	-	71,543,335
	-	378,224,074	28,708,506	406,932,580
<b>Financial liabilities</b>				
Financial liabilities at FVTPL	-	-	393,129,611	393,129,611
	-	-	393,129,611	393,129,611

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

Level 3 reconciliation - Financial assets at FVTPL	As at 31 March 2025 €	As at 31 March 2024 €
<b>Loans</b>		
Balance at start of financial year/period	28,708,506	29,521,104
Purchases of financial assets at FVTPL	11,888,919	12,263,741
Disposal of financial assets at FVTPL	(12,036,153)	(17,127,912)
Transfer into Level 3	3,775,128	10,208,313
Transfer into Level 2	(16,588,280)	(6,968,371)
Fair value movement	(3,369,673)	811,631
Realised gain on disposal of financial assets at FVTPL	354,258	-
Balance at the end of the year	12,732,705	28,708,506

The fair values of financial assets classified under Level 2 are determined by quoted prices and latest prices executed for a similar asset. The financial assets at FVTPL in the portfolio are based on quoted prices and are primarily priced through broker quotes sourced from Markit. The Company does not make any adjustments to the broker quotes obtained. During the year assets are transferred to Level 3 if there is less liquidity in the market for those assets. Similarly, assets are transferred out of Level 3 if there is improved liquidity in the market for those assets. Level 3 investments are sourced from the Investment Manager's internal credit analysts who use comparable market data and the underlying performance of the asset and quotes from brokers. When there are only two or single broker quote(s) available, the Company considers that the security is trading in an illiquid or inactive market. The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**4 Price Risk (continued)**

**4.1 Fair value (continued)**

As per IFRS 13, an entity is not required to create quantitative information for Level 3 instruments to comply with the disclosure requirements of the standard if the quantitative unobservable inputs are not developed by the entity when measuring fair value. Based on this, the Board believes that there is no need to disclose further the quantitative unobservable inputs used to determine the fair value and the sensitivity analysis, as the quantitative unobservable inputs are not developed by the entity when measuring fair value. The entity is using third-party pricing information without any adjustment.

The carrying value of all other financial assets and liabilities (that are not at fair value through profit or loss) closely approximate fair value. Please refer to the financial liabilities at FVTPL note to the financial statements for the reconciliation of Level 3 financial liabilities at FVTPL.

**5 Interest and similar income**

	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Interest income on financial assets at FVTPL	30,818,587	31,246,969
Interest income on financial assets at FVTPL – PIK	627,180	262,686
	<u>31,445,767</u>	<u>31,509,655</u>

**6 Interest expense**

	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Interest expense on financial liabilities at FVTPL - Senior Notes	(18,143,830)	(18,775,028)
Interest expense on financial liabilities at FVTPL - Subordinated Notes	(9,267,348)	(7,711,698)
	<u>(27,411,178)</u>	<u>(26,486,726)</u>

**7 Net realised loss on disposal of financial assets at FVTPL**

	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Gain on disposal of financial assets at FVTPL	4,816,772	2,902,687
Loss on disposal of financial assets at FVTPL	(5,135,656)	(6,264,570)
	<u>(318,884)</u>	<u>(3,361,883)</u>

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)****8 Administrative expenses**

	<b>Financial year ended 31 March 2025</b>	<b>Financial year ended 31 March 2024</b>
	<b>€</b>	<b>€</b>
Senior investment management fees	622,266	624,188
Trustee, custody & collateral administration fees	358,850	344,675
Auditors' fees	27,060	26,096
Tax compliance fees	8,610	12,915
Legal and professional fees	-	1,300
Other expenses	77,197	62,511
	<u>1,093,983</u>	<u>1,071,685</u>

The Company has no employees (2024: nil). No fees were paid to directors during the year (2024: nil). Accounting and corporate secretarial services have been outsourced to the Administrator. The scope of corporate services agreement with the Administrator includes directorship service and hence administration fees paid to Administrator includes fees paid for directorship service. This is in accordance with the provision of Sections 305A of the Companies Act 2014 (as amended), that the considerations paid, is paid to the Administrator for making available the services of directors of the Company. Pursuant to Section 305A(1)(a) of the Companies Act 2014 (as amended) TMF Administration Services Limited received an estimate of €3,500 (2024: €3,500) as consideration for the making available of individuals to act as directors of the Company. The terms of the of the corporate service agreement provide for a single fee for the provision of corporate services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees for directorship is a subjective calculation. There was nil outstanding at year end (2024: nil). The individuals acting as directors 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, the directors of the Company do not receive any remuneration for acting as directors of the Company.

The table below details fees payable to the auditors (inclusive of VAT):

	<b>Financial year ended 31 March 2025</b>	<b>Financial year ended 31 March 2024</b>
	<b>€</b>	<b>€</b>
Audit of individual accounts	<u>27,060</u>	<u>26,096</u>

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

**9 Corporation Tax**

	<b>Financial year ended 31 March 2025</b>	<b>Financial year ended 31 March 2024</b>
	<b>€</b>	<b>€</b>
Corporation tax for the year	<u>250</u>	<u>250</u>

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**9 Corporation Tax (continued)**

	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Profit on ordinary activities before tax	<u>1,000</u>	<u>1,000</u>
Profit on ordinary activities at the standard rate of Irish corporation tax for the year of 12.5%	125	125
<b>Effects of:</b>		
Higher rate tax applicable under Section 110 TCA, 1997 of 12.5%	<u>125</u>	<u>125</u>
Current tax charge for the year	<u>250</u>	<u>250</u>

The Company is a qualifying company within the meaning of Section 110 of the TCA. As such the profits are chargeable 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.

**10 Cash and cash equivalents**

	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
Cash and cash equivalents	<u>19,514,061</u>	<u>21,742,442</u>

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less. There are no restrictions on the cash as at 31 March 2025 (2024: none).

**11 Financial assets at FVTPL**

	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
Balance at the beginning of the year	406,932,580	376,772,858
Purchases of financial assets at FVTPL	116,063,340	136,324,787
Disposals and paydowns of financial assets at FVTPL	(136,244,101)	(119,560,846)
PIK interest capitalised	627,180	262,686
Net realised (loss) on disposal of financial assets at FVTPL	(318,884)	(3,361,883)
Fair value movement on financial assets at FVTPL	<u>1,363,218</u>	<u>16,494,978</u>
Balance at the end of the year	<u>388,423,333</u>	<u>406,932,580</u>

The Portfolio primarily consists of bonds and loans in EUR. The assets held by the Company are pledged as security for the Notes issued. All financial assets at FVTPL have contractual maturity of more than 12 months from statements of financial position date.

---

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**12 Trade and other receivables**

	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
Accrued interest on financial assets at FVTPL	2,741,761	3,365,299
Other receivables	1	1
	<b>2,741,762</b>	<b>3,365,300</b>

The Company's exposure to credit and market risks relating to trade and other receivables is disclosed in financial risk management note.

**13 Changes in liabilities arising from financing activities**

	<b>As at 31 March 2025 €</b>	<b>As at 31 March 2024 €</b>
Cash flows from financing activities	(1,560,681)	(1,440,208)
	<b>Total €</b>	<b>Total €</b>
Redemption of financial liabilities at FVTPL	(1,560,681)	(1,440,208)
<b>Cash flows from financing activities</b>	<b>(1,560,681)</b>	<b>(1,440,208)</b>

**ST. PAUL'S CLO XII DESIGNATED ACTIVITY COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**14 Financial Liabilities issued at FVTPL**

The details of the Notes issued on the Global Exchange Market of Euronext Dublin are as per table below. The table is presented in line with the order of priorities for notes.

**31 March 2025**

<b>Class</b>	<b>As at Par Value €</b>	<b>Initial Credit Rating</b>	<b>Initial stated interest rate**</b>	<b>Alternative stated interest rate***</b>	<b>Final maturity</b>	<b>Initial offer price</b>
Class X	-	Aaa	3 month Euribor +0.35%	6 month Euribor +0.35%	15 April 2033	100.00%
Class A-1	243,893,816	Aaa	3 month Euribor + 0.92%	6 month Euribor + 0.92%	15 April 2033	100.00%
Class B-1	14,000,000	Aa2	3 month Euribor + 1.60%	6 month Euribor + 1.60%	15 April 2033	100.00%
Class B-2	30,000,000	Aa2	1.90%	1.90%	15 April 2033	100.00%
Class C-1	22,500,000	A2	3 month Euribor + 2.00%	6 month Euribor + 2.00%	15 April 2033	100.00%
Class C-2	7,500,000	A2	2.10%	2.10%	15 April 2033	100.00%
Class D	24,000,000	Baa2	3 month Euribor + 3.20	6 month Euribor + 3.20%	15 April 2033	100.00%
Class E	20,000,000	Ba2	3 month Euribor + 5.32%	6 month Euribor + 5.32%	15 April 2033	96.50%
Class F	11,000,000	B1	3 month Euribor + 8.05%	6 month Euribor + 8.05%	15 April 2033	93.00%
Class Z	13,205,960	N/A*	N/A*	N/A*	15 April 2033	0.001%
Subordinated Notes	35,650,000	N/A*	N/A*	N/A*	15 April 2033	95.00%
<b>Total</b>	<u>421,749,776</u>					

**31 March 2024**

<b>Class</b>	<b>As at Par Value €</b>	<b>Initial Credit Rating</b>	<b>Initial stated interest rate**</b>	<b>Alternative stated interest rate***</b>	<b>Final maturity</b>	<b>Initial offer price</b>
Class X	-	Aaa	3 month Euribor +0.35%	6 month Euribor +0.35%	15 April 2033	100.00%
Class A-1	244,000,000	Aaa	3 month Euribor + 0.92%	6 month Euribor + 0.92%	15 April 2033	100.00%
Class B-1	14,000,000	Aa2	3 month Euribor + 1.60%	6 month Euribor + 1.60%	15 April 2033	100.00%
Class B-2	30,000,000	Aa2	1.90%	1.90%	15 April 2033	100.00%
Class C-1	22,500,000	A2	3 month Euribor + 2.00%	6 month Euribor + 2.00%	15 April 2033	100.00%
Class C-2	7,500,000	A2	2.10%	2.10%	15 April 2033	100.00%
Class D	24,000,000	Baa2	3 month Euribor + 3.20%	6 month Euribor + 3.20%	15 April 2033	100.00%
Class E	20,000,000	Ba2	3 month Euribor + 5.32%	6 month Euribor + 5.32%	15 April 2033	96.50%
Class F	11,000,000	B1	3 month Euribor + 8.05%	6 month Euribor + 8.05%	15 April 2033	93.00%
Class Z	14,660,457	N/A*	N/A*	N/A*	15 April 2033	0.001%
Subordinated Notes	35,650,000	N/A*	N/A*	N/A*	15 April 2033	95.00%
<b>Total</b>	<u>423,310,457</u>					

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)

14 Financial Liabilities issued at FVTPL (continued)

\* Interest on the Subordinated Notes is determined in accordance with the interest proceeds priority of payments as set out in the offering circular. Payment of interest on the Subordinated Notes will only be made to the extent of the funds available after payments of expenses and interest on other class Notes, as set out in the priority of payments, regardless of the amount accrued during an accounting period.

\*\*Applicable to each 3 month Accrual Period commencing prior to the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes will be determined (i) for the period from, and including, the Issue Date to, but excluding, the first Payment Date, by reference to six month EURIBOR and (ii) for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in January 2033, by reference to three month EURIBOR. EURIBOR applicable to the Floating Rate Notes shall be subject to a floor of zero per cent. per annum. Payment of interest on the Class Z Notes and the Subordinated Notes will be made on an available funds basis in accordance with the Priorities of Payment.

\*\*\*Applicable at any time in respect of each Accrual Period commencing following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls in January 2033 be determined by reference to 3 month EURIBOR.

Class	As at 01 April 2024 €	Issued during the year €	Redeemed during the year €	Fair value movement €	As at 31 March 2025 €
Class A-1	244,000,000	-	(106,184)	-	243,893,816
Class B-1	14,000,000	-	-	-	14,000,000
Class B-2	30,000,000	-	-	-	30,000,000
Class C-1	22,500,000	-	-	-	22,500,000
Class C-2	7,500,000	-	-	-	7,500,000
Class D	24,000,000	-	-	-	24,000,000
Class E	20,000,000	-	-	-	20,000,000
Class F	11,000,000	-	-	-	11,000,000
Class Z	14,660,457	-	(1,454,497)	-	13,205,960
Subordinated Notes	35,650,000	-	-	-	35,650,000
Discount on Notes*	(17,912,811)	-	1,454,482	-	(16,458,329)
Fair value adjustment on Notes	(12,268,035)	-	-	2,628,445	(9,639,590)
	<u>393,129,611</u>	<u>-</u>	<u>(106,199)</u>	<u>2,628,445</u>	<u>395,651,857</u>

Class	As at 01 April 2023 €	Issued during the year €	Redeemed during the year €	Fair value movement €	As at 31 March 2024 €
Class A-1	244,000,000	-	-	-	244,000,000
Class B-1	14,000,000	-	-	-	14,000,000
Class B-2	30,000,000	-	-	-	30,000,000
Class C-1	22,500,000	-	-	-	22,500,000
Class C-2	7,500,000	-	-	-	7,500,000
Class D	24,000,000	-	-	-	24,000,000
Class E	20,000,000	-	-	-	20,000,000
Class F	11,000,000	-	-	-	11,000,000
Class Z	16,100,665	-	(1,440,208)	-	14,660,457
Subordinated Notes	35,650,000	-	-	-	35,650,000
Discount on Notes*	(19,353,004)	-	1,440,193	-	(17,912,811)
Fair value adjustment on Notes	(28,763,013)	-	-	16,494,978	(12,268,035)
	<u>376,634,648</u>	<u>-</u>	<u>(15)</u>	<u>16,494,978</u>	<u>393,129,611</u>

The discount on notes is made up of €700,000 on Class E (2024: €700,000), €770,000 on Class F (2024: €770,000), €13,205,829 on class Z (2024: €14,660,311) and €1,782,500 on subordinated notes (2024: €1,782,500).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**14 Financial Liabilities issued at FVTPL (continued)**

The changes in fair value of Notes issued is predominantly attributable to the change in fair value of the Company's investment securities due to the limited recourse arrangement in place. Net fair value gain/loss is allocated to the subordinated class of notes. Any excess in net fair value gain/loss is allocated over the next most subordinated notes.

<b>Level 3 reconciliation - Financial liabilities at FVTPL</b>	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Balance at the beginning of the year	393,129,611	376,634,648
Redemption of financial liabilities at FVTPL	(106,199)	(15)
Fair value movement on financial liabilities at FVTPL	<u>2,628,445</u>	<u>16,494,978</u>
Balance at the end of the year	<u><u>395,651,857</u></u>	<u><u>393,129,611</u></u>

Please refer to the final maturity date in the table below. The Notes may be redeemed before their final legal maturity in certain circumstances, in whole or in part, on any payment date if the relevant coverage tests are not satisfied. As of 31 March 2025 and 2024, except for one failed test (2024: None), the relevant coverage tests have been satisfied. The Company may redeem the Notes sequentially in order of seniority according to payment priority, using available principal, interest and sale proceeds. The Notes issued are limited recourse debt obligations which are payable solely out of amounts received by or on behalf of the Company in respect of the Portfolio and other collateral securing the Notes.

Interest on the senior Notes is payable quarterly in arrears on each payment date in accordance with the priority of payments. Pursuant to the priority of payments, if interest is not paid on the Rated Notes on any payment date, such amounts will be deferred and will bear interest at the interest rate applicable to such Notes. The failure to pay such amounts will not be an event of default under the offering circular. The following events would constitute an event of default: non-payment of principal when principal amounts become due and payable on all classes of Notes, default under the priorities of payment, breach of conditions of the trust deed, insolvency proceedings and illegality.

Please refer to the re-investment period of the Company in the table below. The Notes will be subject to redemption in part by the Issuer on any payment date during the reinvestment period if the Investment Manager certifies to the Trustee that it has been unable, for a period of at least 20 consecutive business days, to identify additional assets that meet the eligibility criteria necessary to permit the investment of all or a portion of funds held in the principal account. Should these circumstances arise and the Notes are underfunded by the portfolio, leading to a special redemption, the redemption amount will be applied in accordance with priorities of payments.

The Notes are also subject to optional redemption, mandatory redemption and special redemption as outlined in the offering circular. From 19 July 2019 to 15 April 2022 (the "Non-call period"), the Notes are not subject to Optional Redemption. With the expiry of the non-call period, none of the conditions for the redemptions have been met.

Interest on the Notes is payable quarterly in arrears as listed in the table below.

Par value of Notes:	€430,650,000
Market of issuance	Global Exchange Market
Final maturity date:	15 April 2033
Reinvestment period:	15 October 2024
Interest payment dates:	15 January, 15 April, 15 July and 15 October

The Notes are secured by a pledge over the principal amount of financial assets except those assets attributable to the shareholder. Any reduction in the realisable value of the assets will have a corresponding and equal effect on the repayment obligation of the Notes issued by the Company.

The Notes are listed on the Global Exchange Market of Euronext Dublin.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**15 Trade and other payables**

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	€	€
Other accruals	255,784	253,584
Corporation tax payable	250	-
	256,034	253,584

All trade and other payable are due within 12 months from Statement of Financial Position.

**16 Unsettled trades**

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	€	€
Unsettled trades for loans sold and paydowns – assets	1,258,141	10,144,546
Unsettled trades for loans purchased – liability	(9,621,198)	(41,661,290)

**17 Interest payable on financial liabilities at FVTPL**

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	€	€
Interest accrued on financial liabilities issued at FVTPL	6,404,832	7,137,757

Included in interest accrued on Notes is €3,130,812 interest accrued on the subordinated Notes as at 31 March 2025 (2024: €1,677,273).

Interest in respect of all Notes shall only become payable to the extent that interest proceeds are available to make such payment in accordance with the priorities of payment as set out in the offering circular. There is no interest that has been deferred due to insufficiency of proceeds at year end (2024: €nil).

Interest is accrued from date of issue up to year end based on the coupon as disclosed in Financial Liabilities issued at FVTPL note. Interest on the Notes is payable quarterly in arrears on 15 January, 15 April, 15 July and 15 October in each year. All interest accrued on Notes are due within 12 months from Statement of Financial Position.

**18 Share capital**

	<b>As at 31 March 2025</b>		<b>As at 31 March 2024</b>	
<b>Authorised</b>	No.	€	No.	€
Ordinary shares of €1 each	100	100	100	100
<b>Allotted, called up and paid</b>	No.	€	No.	€
Ordinary shares of €1 each	1	1	1	1

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**18 Share capital (continued)**

The Company has issued 1 share, which is held by TMF Management (Ireland) Limited on behalf of a charitable trust. TMF Management (Ireland) Limited are not the beneficial owner and no individual owner will benefit from more than 25% or more in the Company.

The company has no immediate and ultimate parent and controlling party.

**19 Contingent liabilities and commitments**

There were no contingent liabilities or commitments as of 31 March 2025 (2024: 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.

**20 Related party transactions**

Accounting and corporate secretarial services have been outsourced to the Administrator. The scope of corporate services agreement with the Administrator includes directorship service and hence administration fees paid to Administrator includes fees paid for directorship service. This is in accordance with the provision of Sections 305A of the Companies Act 2014 (as amended), that the considerations paid, is paid to the Administrator (TMF Administration Services Limited) for making available the services of directors of the Company. Pursuant to Section 305A(1)(a) of the Companies Act 2014 (as amended) TMF Administration Services Limited received an estimate of €3,500 (2024: €3,500) as consideration for the making available of individuals to act as directors of the Company. The terms of the of the corporate service agreement provide for a single fee for the provision of corporate services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees for directorship is a subjective calculation. The individuals acting as directors 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, the directors of the Company do not receive any remuneration for acting as directors of the Company.

The company has no immediate and ultimate parent and controlling party.

The Investment Manager, ICG Manager Limited (formerly Intermediate Capital Managers Limited), earned senior investment management fees as stated in the table below.

The Investment Manager earned subordinated investment management fees as stated in the table below. This fee is senior to the payments on the Subordinated Notes per annum but subordinated to the payments on the Rated Notes.

To satisfy risk retention regulations, the Investment Manager retains a minimum of 5% (2024: 5%) interest in the Notes in issue as at 31 March 2025.

	<b>Financial year ended 31 March 2025 €</b>	<b>Financial year ended 31 March 2024 €</b>
Administrator's fees	27,853	16,596
Administrator's fees - payable at the financial year end	5,368	-
Senior investment management fees	622,266	624,188
Senior investment management fees - payable at the financial year end	127,898	128,988
Subordinated investment management fees	-	-
Subordinated investment management fees - payable at the financial year end	-	-
Interest expense incurred on Subordinated Notes held by Investment Manager	463,497	316,819
Interest expense accrued at year end on Subordinated Notes held by Investment Manager	156,584	83,887
Subordinated Notes held by Investment Manager	1,783,000	1,783,000
Interest expense incurred on Senior Notes held by Investment Manager	985,116	1,115,934
Interest expense accrued at year end on Senior Notes held by Investment Manager	173,515	218,461
Senior Notes held by Investment Manager	27,370,124	28,336,447

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**21 Charges**

The Notes are secured in favor of the Trustee for the benefit of the Noteholders by security over the Portfolio of financial assets. The Notes are also secured by an assignment by way of security of various of the Company's other rights, including its rights under the agreements entered by the Company.

**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 Segment risk and reporting**

IFRS 8 "Operating Segments" requires an entity to disclose information about its segments which enables users to evaluate the nature and financial effects of its business activities and the economic environments in which it operates. The Company is structured in a way that the assets and liabilities are managed as a whole and there are no distinct identifiable segments. The reporting, risk management and administration are performed on a collective basis rather than based on segments. The Board acts as the chief operating decision maker. The financial result from this segment are equivalent to the financial statements of the Company as a whole.

**(i) Revenue from major products and services**

The Company's revenue is generated from CLOs held during the year. The Company has no other product or revenue generating source. The Company has no major customer generating significant revenue.

**(ii) Geographical information**

The Company's financial assets at FVTPL and revenue by geographical location is detailed below. The calculation of the revenue is an allocation based on the investment percentage per geographical location. The result is a fair approximation of the actual revenue per geographical location.

<b>Geographical concentration by revenue</b>	<b>Exposure 31 March 2025 €</b>	<b>Exposure 31 March 2024 €</b>
Austria	186,569	179,362
Belgium	444,047	222,001
Denmark	371,840	347,218
Finland	815,026	318,228
France	4,645,256	4,173,938
Germany	4,511,521	4,210,866
Ireland	323,405	617,082
Italy	1,691,677	2,013,164
Luxembourg	1,429,462	1,329,948
Netherlands	3,243,500	3,809,611
Norway	-	155,704
Spain	1,323,667	945,044
Sweden	1,133,874	1,093,960
Switzerland	181,906	550,089
United Kingdom	5,433,538	5,385,321
United States	5,710,480	6,158,119
<b>Total</b>	<b>31,445,768</b>	<b>31,509,655</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (CONTINUED)**

**23 Segment risk and reporting (continued)**

<b>Geographical Concentration of investments</b>	<b>Exposure 31 March 2025 €</b>	<b>Exposure 31 March 2024 €</b>
Austria	2,305,138	2,316,378
Belgium	5,486,392	2,867,039
Denmark	4,594,239	4,484,156
Finland	10,069,987	4,109,772
France	57,394,106	53,904,480
Germany	55,639,309	54,381,386
Ireland	3,995,802	7,969,331
Italy	20,901,384	25,999,079
Luxembourg	17,661,609	17,175,656
Netherlands	40,074,816	49,199,365
Norway	-	2,010,848
Spain	16,354,462	12,204,809
Sweden	14,009,498	14,127,986
Switzerland	2,247,527	7,104,147
United Kingdom	67,133,668	69,548,926
United States	70,555,396	79,529,222
	<u>388,423,333</u>	<u>406,932,580</u>

**24 Approval of financial statements**

The Board approved and authorised for issue these financial statements on the date included in the Statement of Financial Position.