

Salix Assets DAC
Abridged Financial Statements
for the financial year ended 28 February 2025

Salix Assets DAC

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Salix Assets DAC

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 28 February 2025

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

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 the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with 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 readily and properly 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.

Signed on behalf of the board

Daniel Donovan
Director

21 January 2026

Deirdre O'Donoghue
Director

21 January 2026

INDEPENDENT AUDITOR'S SPECIAL REPORT TO THE DIRECTORS OF SALIX ASSETS DAC

pursuant to section 356(1) and 356(2) of the Companies Act 2014

Opinion

In our opinion the directors are entitled under section 352 of the Companies Act 2014 to annex the abridged financial statements to the annual return of Salix Assets DAC ('the company') and those abridged financial statements have been properly prepared pursuant to the provisions of section 353 of that Act (exemptions available to small companies).

Basis of opinion

We have examined :

- (i) the abridged financial statements for the financial year ended 28 February 2025 on pages 7 to 13 which the directors of Salix Assets DAC propose to annex to the annual return of the company; and
- (ii) the financial statements to be laid before the Annual General Meeting, which form the basis for those abridged financial statements.

The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to annex abridged financial statements to the annual return and that those abridged financial statements have been properly prepared, pursuant to section 353 of the Companies Act 2014, from the financial statements to be laid before the Annual General Meeting.

Respective responsibilities of directors and auditors

It is your responsibility to prepare abridged financial statements which comply with section 352 of the Companies Act 2014. It is our responsibility to form an independent opinion that the directors are entitled under section 352 of the Companies Act 2014 to annex abridged financial statements to the annual return of the company and that those abridged financial statements have been properly prepared pursuant to sections 352 and 353 of that Act and to report our opinion to you.

This report is made solely to the company's directors, as a body, in accordance with section 356(2) of the Companies Act 2014. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in our report under section 356(2) of the Companies Act 2014 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors for our work, for this report, or for the opinions we have formed.

Other Information required by the Companies Act 2014

On 21 January 2026 we reported to the members on the company's financial statements for the financial year ended 28 February 2025 and our report was as follows:

"Report on the audit of the financial statements

Opinion

We have audited the financial statements of Salix Assets DAC ('the company') for the financial year ended 28 February 2025 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity , the Cash Flow Statement and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 28 February 2025 and of its loss for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; 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 described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S SPECIAL REPORT TO THE DIRECTORS OF SALIX ASSETS DAC

pursuant to section 356(1) and 356(2) of the Companies Act 2014

Conclusions relating to going concern

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

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. 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.

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of 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 3, 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, if 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 operation, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S SPECIAL REPORT TO THE DIRECTORS OF SALIX ASSETS DAC

pursuant to section 356(1) and 356(2) of the Companies Act 2014

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.

Further information regarding the scope of our responsibilities as auditor

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Our report is made solely to the company's shareholders, 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 shareholders 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 any responsibility to anyone other than the company and the company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed."

Aidan Brophy
for and on behalf of
MFOR AUDIT SERVICES LIMITED
T/A BROPHY GILLESPIE
Chartered Accountants & Statutory Audit Firm
St Gall's House
Milltown
Dublin, D14 Y882

21 January 2026

Salix Assets DAC BALANCE SHEET

as at 28 February 2025

	Notes	2025 \$	2024 \$
Current Assets			
Debtors	8	2,337,030	4,751,241
Cash and cash equivalents		18,397,113	15,017,204
		<u>20,734,143</u>	<u>19,768,445</u>
Creditors: amounts falling due within one year	10	(5,982,866)	(5,013,831)
Net Current Assets		14,751,277	14,754,614
Total Assets less Current Liabilities		14,751,277	14,754,614
Creditors:			
amounts falling due after more than one year	11	(14,000,000)	(14,000,000)
Net Assets		751,277	754,614
Capital and Reserves			
Called up share capital presented as equity		3	3
Retained earnings		751,274	754,611
Equity attributable to owners of the company		751,277	754,614

We as Directors of Salix Assets DAC, state that -

The company has relied on the specified exemption contained in section 352 Companies Act 2014. The company has done so on the grounds that it is entitled to the benefit of that exemption as a small company and confirm that the abridged financial statements have been properly prepared in accordance with section 353 Companies Act 2014 and the small companies' regime.

Approved by the board on 21 January 2026 and signed on its behalf by:

Daniel Donovan
Director

Deirdre O'Donoghue
Director

Salix Assets DAC
STATEMENT OF CHANGES IN EQUITY

as at 28 February 2025

	Called up share capital \$	Retained earnings \$	Total \$
At 1 March 2023	3	(903,951)	(903,948)
Profit for the financial year	-	1,658,562	1,658,562
At 29 February 2024	3	754,611	754,614
Loss for the financial year	-	(3,337)	(3,337)
At 28 February 2025	3	751,274	751,277

Salix Assets DAC

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

1. General Information

Salix Assets DAC is a company limited by shares incorporated in Ireland. Landour House, 53 Raglan Road, Ballsbridge, Dublin 4 is the registered office, which is also the principal place of business of the company. The principal activity of the company is that of investment and capital growth of its assets. The company is a Section 110 special purpose vehicle. The financial statements have been presented in US Dollar (\$) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 28 February 2025 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014.

Turnover

Turnover comprises the fair value of investment income received and receivable from financial assets and instruments held for trading purposes.

The financial statements are presented in US Dollars (\$) which is the company's functional and presentation currency. Financial instruments, assets and liabilities are stated on a fair value basis. Other financial assets and liabilities are stated at amortised cost or redemption amounts (redeemable profit participating secured securities).

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is recognised as an interest expense.

Investments

Financial instruments and assets held for trading are stated at fair value less impairment losses.

Trade and other debtors

Trade and other debtors are initially recognised at transaction price and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Salix Assets DAC

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other creditors

Trade and other creditors are initially recognised at transaction price and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

3. Significant accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions regarding the future. The resulting accounting estimates will, by definition, seldom equal the related actual outcomes. The directors have concluded that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within twelve months of the date of, approval and authorisation, of the issue of the financial statements.

4.	Operating profit	2025 \$	2024 \$
	Operating profit is stated after charging/(crediting):		
	Loss/(profit) on foreign currencies	35,799	(356,016)
5.	Interest payable and similar expenses	2025 \$	2024 \$
	Interest	916,848	1,720,400

Salix Assets DAC

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

6. Employees

The average monthly number of employees, including directors, during the financial year was 2 (2024 - 2).

	2025 Number	2024 Number
General	<u>2</u>	<u>2</u>

7. Tax on (loss)/profit

	2025 \$	2024 \$
Analysis of charge in the financial year		
Current tax:		
Corporation tax	<u>-</u>	<u>-</u>

No charge to tax arises due to tax losses incurred.

8. Debtors

	2025 \$	2024 \$
Trade debtors	-	2,224,903
Long term loan >4 years	<u>2,337,030</u>	<u>2,526,338</u>
	<u>2,337,030</u>	<u>4,751,241</u>

9. Current asset investments

	2025 \$	2024 \$
Financial instruments and assets held for trading	<u>6,929,743</u>	<u>6,617,149</u>

Financial instruments and assets held for trading are securities which are either acquired for generating a profit from short term fluctuations in price or dealer margin, or are included in a portfolio where a pattern of short term trading exists. Under IAS 39 equities, treasury bills, derivatives and short positions are always classified as held for trading. All such assets in a net receivable position (positive fair value) are reported as financial assets at fair value. All equities and derivatives in a net payable position (negative fair value) are reported as financial liabilities at fair value.

10. Creditors

Amounts falling due within one year

	2025 \$	2024 \$
Trade creditors	511,831	447,796
Accruals	<u>5,471,035</u>	<u>4,566,035</u>
	<u>5,982,866</u>	<u>5,013,831</u>

Salix Assets DAC

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

11. Creditors	2025	2024
Amounts falling due after more than one year	\$	\$
Profit participating secured securities	14,000,000	14,000,000
	<u> </u>	<u> </u>

The company has \$14,000,000 Class A Securities due in 2059.

The securities are presented by individual physical certificates in bearer form, serially numbered and in denominations of at least \$100,000 in the case of Class A securities. Title to the securities passes by delivery.

Class A securities constitute direct, secured, unconditional obligations of the issuer and rank pari passu and rateably and without any preference amongst themselves for all purposes.

The company does not have any externally imposed capital requirements.

12. Income Statement

	2025	2024
	\$	\$
At 1 March 2024	754,611	(903,951)
(Loss)/profit for the financial year	(3,337)	1,658,562
	<u> </u>	<u> </u>
At 28 February 2025	751,274	754,611
	<u> </u>	<u> </u>

13. Post-Balance Sheet Events

Given the nature of the company's business, it has been party to various legal proceedings. The directors consider that the potential costs and outcomes from these have been more than adequately provided for in the financial statements, and consequently their ultimate conclusion will have no material adverse impact on the financial position of the company.

The directors are not aware of any other matters which would result in post balance sheet adjusting events to the company's year-end financial position.

14. Directors' interests

The profit participating secured securities amounting to \$14,000,000 (2024: \$14,000,000) at the year end. \$7,899,875 of these were held jointly by Daniel Donovan and Deirdre O'Donoghue directors (2024: \$7,899,875), while \$6,100,125 were held solely by Daniel Donovan (2024: \$6,100,125).

The company has an investment management agreement with Landour Limited (the "Investment Manager"). Under the terms of that agreement the investment manager is entitled to a 2% management fee and a 20% performance fee for services rendered to the company, based on its relevant net asset value calculation.

The company incurred investment management fees of \$305,551 for the financial period (2024: \$261,912). An amount of \$136,400 remains outstanding at year end.

The company incurred performance fees of \$372,213 for year ended 28.02.25 (2024: \$nil). The full amount remains outstanding at year end.

Daniel Donovan and Deirdre O'Donoghue are directors of both the Company and the Investment Manager. No fees were charged by the directors during the year ended 28 February 2025 (2024: \$nil).

15. Financial instruments and associated risks

All investments held by the company for trading are recognised at fair value and all changes in market conditions directly impact on net income.

The company's investing activities expose it to various types of risks which are associated with the financial instruments and markets in which it invests.

Salix Assets DAC**NOTES TO THE ABRIDGED FINANCIAL STATEMENTS**

for the financial year ended 28 February 2025

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the investment manager to manage these risks include:

Market Risk:

Market risk is the risk that changes in interest rates, foreign exchange rates and market volatility will impact on the positions held by the company. The company's market risk, which includes price, currency and interest rate risks, is monitored on a daily basis by the investment manager.

Credit Risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation commitment which it has entered into with the company.

Credit risk associated with trading and investing activities is managed through the company's market risk management process.

The company engages in the trading of exchange traded instruments as part of its investment strategy. For exchange traded contracts, a centralised clearing house acts as the counterparty to specific transactions and therefore bears the risk of delivery to and from counterparties of specific positions.

Cash and cash equivalents are deposited with Barclays, a financial institution which currently has a high credit rating as determined by Standard & Poors. Bankruptcy or insolvency of this bank may cause the company's rights with respect to cash and cash equivalents to be delayed or limited.

Liquidity Risk:

Liquidity risk is the risk that the company will encounter difficulty in raising finance to meet commitments. The company's offering documents do provide for optional redemptions of securities held and it is therefore exposed to the liquidity risk of meeting investor's redemptions at any time.

The company generally only invests in markets which in the judgement of the investment manager have sufficient liquidity to enable them to open and close positions without causing excessive price movements.

Open interest and exchange volumes are monitored by the investment manager, with references to the company's open positions and trading volumes respectively, on a daily basis.

16. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 21 January 2026.