

Company Number 680445

Accunia European CLO I DAC

**Directors' Report and
Audited Financial Statements**

**For the financial year ended
31 December 2024**



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Directors and Other Information

Directors	Hugh Holland (appointed on 8 July 2025) Iwona Halpin (appointed on 11 April 2025) Morgan Sheehy (resigned on 8 July 2025) Brendan McCauley (resigned on 11 April 2025)
Company Secretary, Registered Office and Corporate Service Provider	Walkers Corporate Services (Ireland) Limited 5th Floor The Exchange George's Dock Dublin 1 Ireland
Company Number	680445
Independent Auditor	Forvis Mazars Chartered Accountants and Statutory Audit Firm 3 Harcourt Centre Harcourt Road Dublin 2 Ireland
Solicitor	Walkers LLP 5th Floor The Exchange George's Dock Dublin 1 Ireland
Collateral Administrator, Issuer Account Bank and Trustee	BNY Mellon Riverside II Sir John Rogerson's Quay Dublin 2 Ireland
Collateral Manager	Accunia Fondsmæglersekskab A/S Store Regnegade 5, 1st floor, 1110 Copenhagen K, Denmark

Directors' Report

The directors present their report together with the audited financial statements for the financial year ended 31 December 2024 for Accunia European CLO I DAC (the "Company").

Principal activities, review of the business and future developments

The Company is a limited liability company, which was incorporated on 28 October 2020, in accordance with the laws of Ireland with a company registration number of 680445.

The purpose of the Company is to take over and assume the rights, obligations and liabilities of the limited recourse listed debt obligations (the "Notes") issued by Accunia CLO I B.V. (the "Original Issuer") and to receive by novation all the associated assets and liabilities of the Original Issuer, primarily a portfolio (the "Portfolio") of collateralised loan obligations (the "CLO's") as per the Deed of Substitution between the Company and the Original Issuer dated 28 May 2021.

The Company financed the initial purchase of the portfolio through the proceeds of the issuance of a series of senior and subordinated Notes, (the "Notes").

The Notes are listed on the global exchange market of Euronext Dublin. For further details of the Notes issued, refer Note 12 of these financial statements.

The principal risks and uncertainties facing the Company relate to the Notes issued and financial assets held by the Company. The principal financial risks and uncertainties facing the Company (other than operational risks) and the risk management framework in place to deal with these risks are explained in Note 15 of the financial statements.

The Directors do not anticipate the current level of activity to continue, as the shareholders have resolved to place the Company into a members' voluntary liquidation within the next twelve months. Accordingly, the Company does not intend to pursue its existing strategy as set out in the deed of substitution.

Results and dividends

The results for the financial year are set out in the Statement of Comprehensive Income on page 14. The directors recommend that no dividend is paid for the financial year ended 31 December 2024.

Key performance indicators	31-Dec-24	31-Dec-23
	EUR	EUR
(a) Interest and similar income	19,929,073	23,624,155
(b) Interest expense	(17,031,500)	(19,352,654)
(c) Unrealised gain on financial assets at FVTPL	7,748,667	16,411,779
(d) Realised loss on disposal of financial assets at FVTPL	(9,533,910)	(4,039,906)
(e) Unrealised gain on financial liabilities at FVTPL	346,198	(15,606,607)
(f) Financial assets at FVTPL	217,656,570	288,326,883
(g) Financial liabilities at FVTPL	(230,520,243)	(321,699,487)

Directors and secretary and their interests

The names of the persons who were directors at any time during the financial year ended 31 December 2024 and subsequently are set out below:

Hugh Holland (appointed on 8 July 2025)
Iwona Halpin (appointed on 11 April 2025)
Morgan Sheehy (resigned on 8 July 2025)
Brendan McCauley (resigned on 11 April 2025)

The directors and their immediate relatives and the company secretary did not hold an interest in any shares, debentures or loan stock of the Company as at 31 December 2024 (2023: nil) or at any time during or since the financial year end.

Directors' Report (continued)

Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of adequate accounting records by using appropriate systems and procedures and by ensuring that competent service provider is responsible for the preparation and maintenance of the accounting records. The Company's accounting records are maintained at the 5th Floor, The Exchange, George's Dock, Dublin 1, Ireland.

Transactions involving directors

There were no contracts in the financial year of any significance in relation to the business of the Company in which the directors had any interest, as defined in the Companies Act 2014.

Related party transactions

The related party transactions in relation to the Company are disclosed in Note 17.

Financial risk management

The principal risks and uncertainties facing the Company relate to the Notes novated issued and financial assets held by the Company. The Company's approach in respect of mitigation of its financial risks is laid out in Note 15.

Going concern

The Directors have determined that the going concern basis of preparation is no longer appropriate for these financial statements. Subsequent to the reporting date, the shareholders resolved to place the Company into a members' voluntary liquidation within the next twelve months. Accordingly, the financial statements have been prepared on a non-going-concern basis. Under this basis, assets are stated at their expected realisable amounts and liabilities are measured at the amounts expected to be settled during the liquidation process. No adjustments have been made for the future development of the business or for the Company's ability to continue as a going concern.

Subsequent events

Since the balance sheet date, the shareholders have resolved to place the Company into a members' voluntary liquidation within the next twelve months. Other than this planned liquidation, there have been no significant events requiring disclosure in these financial statements.

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Policy Funding Act, 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 December 2024 (2023: nil).

Directors' compliance statement

The Company's turnover does not exceed the thresholds set out in section 225 of the Companies Act 2014 for the year ended 31 December 2024. Therefore, the provisions of section 225 of the Companies Act 2014 do not apply to the Company and the directors are not required to include a Compliance Statement in their statutory directors' report for the year ended 31 December 2024.

Audit committee

As at the date of these financial statements, the Company is operating within the threshold limits as set out under Section 167(1) of the Companies Act 2014 (the "Act") and, as such, the Company does not meet the requirements to establish an audit committee for the current financial year ended 31 December 2024.

Directors' Report (continued)

Statement on relevant audit information

In accordance with Section 330 of the Companies Act 2014:

- So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware; and
- Each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

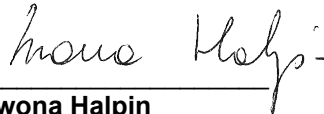
Independent auditor

Forvis Mazars, Chartered Accountants and Registered Auditors have indicated their willingness to continue in office in accordance with Section 383 (2) of the Companies Act, 2014.

Approved and authorised for issue on behalf of the Board



Hugh Holland
Director
16 February 2026



Iwona Halpin
Director
16 February 2026

Statement of Directors' Responsibilities in respect of the annual report and the financial statements

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

Irish company law requires the directors to prepare financial statements for each financial year in accordance with the provisions of the Companies Act 2014. Under that law, the Directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). 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 and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify these standards, and note the effect and the reasons for any material departure from those standards; and,
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.


The directors are responsible for ensuring 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 taking such steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors have complied with the aforementioned requirements in preparing these financial statements.

Approved and authorised for the user on behalf of the Board



Hugh Holland
Director
16 February 2026



Iwona Halpin
Director
16 February 2026

Independent auditor's report to the members of Accunia European CLO I Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Accunia European CLO I Designated Activity Company ('the Company') for the year ended 31 December 2024, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the Company financial statements, including the summary of material accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and as adopted by the EU.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs; 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 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.

Emphasis of matter – basis of preparation

We draw attention to the going concern disclosure under note 2 of the financial statements, which explains that the directors intend to liquidate the Company after settling all transactions in an orderly manner and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2.

Our opinion is not modified in this respect.

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 year and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, 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.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures.

Key audit matter	How the matter was addressed
<p><u>Valuation of investments and debt securities at fair value</u></p> <p>The Company's financial position and operating results depend on, to a significant degree, the valuation of the Company's investment securities and debt securities issued which are measured at FVTPL and based on judgement and estimation.</p> <p>Any error in the valuation of these financial instruments can have a significant impact on the financial statements.</p> <p>Refer to the relevant material accounting policies related to investment and debt securities on pages 20-22 in note 2(m) and the disclosures in notes 8,12 and 15 on pages 26, 27, 28-36 respectively of the financial statements.</p>	<ul style="list-style-type: none"> ▪ Reviewed the valuation methodologies applied to financial instruments at fair value and assessed their reasonability and appropriateness; ▪ Repriced the Company's investments assets using a third-party data source; ▪ Performed a recalculation of the valuation of the Company's financial liabilities at fair value; ▪ Reviewed fair value disclosures for reasonableness. <p>Based on the evidence obtained from the above listed procedures, we consider the valuation of financial instruments at fair value through profit and loss to be reasonable.</p>

Our application of materiality

We apply the concept of materiality in planning and performing the audit and in evaluating the impact of misstatements, if any. Materiality is an expression of the relative significance or importance of a matter in the context of the financial statements. Misstatements in the financial statements are material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken based on the financial statements.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€3.56m
How we determined it	1.5% of total assets
Rationale for benchmark applied	In determining our materiality, we have applied professional judgement and considered those financial metrics which we believed to be relevant. Given the assets are the key drivers of the financial statements and the key performance indicator and focus of the users of the financial statements, we have chosen to apply total assets as our benchmark for calculating overall materiality.
Performance materiality	<p>€2.67m</p> <p>Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>The factors we considered in determining performance materiality included consideration of the control environment of the Company and the nature/volume of transactions. We deemed 75% of total assets a reasonable percentage for performance materiality.</p>
Reporting threshold	<p>We agreed with those charged with governance that we would report to them misstatements identified during our audit above €107k as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.</p> <p>We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.</p>

Overview of the scope of the audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Company, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Audited Financial Statements other than the financial statements and our auditor's report thereon. 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;
- the directors' report has been prepared in accordance with applicable legal requirements;
- 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.

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.

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 7, 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 management determines 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act and we considered the extent to which non-compliance might have a material effect on the financial statements.

In identifying and assessing risks of material misstatement in respect to irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- Obtaining an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates;
- Discussing with management as to whether the Company is in compliance with laws and regulations, and discussing the policies and procedures in place regarding compliance with laws and regulations;
- Reviewing minutes of director meetings;
- Discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- Focusing on areas of laws and regulations that could reasonably be expected to have a material effect on preparation of the financial statements.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management

bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions; and

- Addressing the risks of fraud through management override of controls by reviewing appropriateness of journal entries.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under “Key audit matters” within this report.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

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.



Michael Tuohy
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Date: 16 February 2026

**Statement of Comprehensive Income
For the year ended 31 December 2024**

	Note	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Net interest income			
Interest and similar income	3	19,929,073	23,624,155
Interest expense	5	<u>(17,031,500)</u>	<u>(19,352,654)</u>
		2,897,573	4,271,501
Other income and expenses			
Net unrealised gain on financial assets at FVTPL	8	7,748,667	16,411,779
Net unrealised gain/(loss) on financial liabilities at FVTPL	12	346,198	(15,606,607)
Net realised loss on disposal of financial assets at FVTPL	8	(9,533,910)	(4,039,906)
Other income	4	448,316	1,475,211
Net foreign exchange loss on cash and cash equivalents		<u>(391)</u>	<u>(589)</u>
		(991,120)	(1,760,112)
Operating expenses			
Administrative expenses	6	<u>(1,905,453)</u>	<u>(2,510,389)</u>
Operating profit before taxation		1,000	1,000
Corporation tax charge	7	<u>(250)</u>	<u>(250)</u>
Profit for the financial period		750	750
Other comprehensive income		-	-
Total comprehensive income		<u>750</u>	<u>750</u>

All items dealt with in arriving at the profit for the financial year ended 31 December 2024 related to continuing operations.

The notes to the financial statements on pages 18 to 37 form an integral part of the financial statements.

Statement of Financial Position
As at 31 December 2024

	Note	31-Dec-24 EUR	31-Dec-23 EUR
Assets			
Cash and cash equivalents	10	17,114,033	33,703,135
Unsettled trade receivables	13	-	12,965,582
Trade and other receivables	9	2,879,388	3,113,860
Financial assets at FVTPL	8	<u>217,656,570</u>	<u>288,326,883</u>
Total assets		<u><u>237,649,991</u></u>	<u><u>338,109,460</u></u>
Liabilities			
Unsettled trade payables	13	(3,817,100)	(11,544,492)
Trade and other payables	11	(3,309,647)	(4,863,231)
Financial Liabilities at FVTPL	12	<u>(230,520,243)</u>	<u>(321,699,487)</u>
Total liabilities		<u>(237,646,990)</u>	<u>(338,107,210)</u>
Equity			
Called up share capital	14	(1)	(1)
Retained earnings		<u>(3,000)</u>	<u>(2,250)</u>
Total equity		<u>(3,001)</u>	<u>(2,251)</u>
Total equity and liabilities		<u><u>(237,649,991)</u></u>	<u><u>(338,109,461)</u></u>

The notes to the financial statements on pages 18 to 37 form an integral part of the financial statements.

Approved and authorised for issue on behalf of the Board



Hugh Holland
Director
16 February 2026



Iwona Halpin
Director
16 February 2026

Statement of Changes in Equity
For the year ended 31 December 2024

	Share capital EUR	Retained earnings EUR	Total EUR
Balance as at 1 January 2024	1	2,250	2,251
Total comprehensive income	-	750	750
Issuance of share capital	-	-	-
Balance as at 31 December 2024	<u>1</u>	<u>3,000</u>	<u>3,001</u>

	Share capital EUR	Retained earnings EUR	Total EUR
Balance as at 1 January 2023	1	1,500	1,501
Total comprehensive income	-	750	750
Issuance of share capital	-	-	-
Balance as at 31 December 2023	<u>1</u>	<u>2,250</u>	<u>2,251</u>

The notes to the financial statements on pages 18 to 37 form an integral part of the financial statements.

Statement of Cash Flows
For the year ended 31 December 2024

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Cash flows from operating activities		
Profit on ordinary activities before taxation	1,000	1,000
Adjustments for:		
Interest expense	17,031,500	19,352,654
Interest and similar income	(19,929,073)	(23,624,155)
Unrealised gain on financial assets	(7,748,667)	(16,411,779)
Net unrealised (loss)/gain on financial liabilities at FVTPL	(346,198)	15,606,607
Net realised gain on disposal of financial assets at FVTPL	9,533,910	4,039,906
Increase in payables	(106,292)	(64,662)
Corporation tax paid	(250)	(250)
Net cash used in operating activities	<u>(1,564,070)</u>	<u>(1,100,679)</u>
Cash flows used in investing activities		
Acquisition of investment securities	(33,370,789)	(37,384,228)
Proceeds from disposal of financial assets at FVTPL	107,593,795	100,732,208
Interest and fees received	<u>20,063,797</u>	<u>22,986,227</u>
Net cash generated from investing activities	94,286,804	86,334,206
Cash flows from financing activities		
Interest paid	(18,478,790)	(18,124,473)
Repayment of debt securities	<u>(90,833,046)</u>	<u>(81,037,850)</u>
Net cash used in financing activities	(109,311,836)	(99,162,323)
Net decrease in cash and cash equivalents	<u>(16,589,102)</u>	<u>(13,928,797)</u>
Effect of exchange rate fluctuations on cash:		
Cash and cash equivalents at start of the financial year	33,703,135	47,631,931
Cash and cash equivalents at end of the financial year	<u><u>17,114,033</u></u>	<u><u>33,703,135</u></u>

The notes to the financial statements on pages 18 to 37 form an integral part of the financial statements.

Notes to the Financial Statements (continued)

1. General information

Accunia European CLO I DAC was incorporated as a limited liability company and registered in Ireland on 28 October 2020 with registration number 680445. The registered office of the Company is the 5th Floor, The Exchange, George's Dock, Dublin 1, Ireland. The purpose of the Company is to take over and assume the rights, obligations and liabilities of the limited recourse listed debt obligations (the "Notes") issued by Accunia CLO I B.V. (the "Original Issuer") and to receive by novation all the associated assets and liabilities of the Original Issuer, primarily a portfolio (the "Portfolio") of collateralised loan obligations (the "CLO's") as per the Deed of Substitution between the Company and the Original Issuer dated 28 May 2021.

The Company has no employees and all administration services required are contracted from third parties.

2. Material accounting policies

The principal accounting policies that the Company applied in preparing its financial statements for the year ended 31 December 2024 are set out below:

(a) Basis of preparation and statement of compliance

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.

(b) Going concern

The directors have a reasonable expectation that the company will not continue in operational existence for twelve months from the date of approval of these financial statements ('the period of assessment') and have prepared the financial statements on a break-up basis.

As at 31 December 2024, all assets have been recorded at the lower of cost and net realisable value and liabilities have been stated at their settlement amounts, which approximated the fair value of assets and liabilities. The Company has not recognised any liquidation expenses, as these expenses will be shouldered by the Investment Manager upon liquidation.

Other than the planned liquidation, the Directors are not aware of any events since the balance sheet date that would require additional disclosure.

(c) Functional and presentation currency

These financial statements are presented in Euro (EUR) which is the Company's functional currency. The functional currency is the currency of the primary economic environment in which the entity operates. The Company's assets and liabilities are denominated in Euro and traded in the Euro market. The directors of the Company believe that the EUR most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company.

(d) Foreign currency transactions and balances

Foreign currency transactions during the financial year are translated into EUR at the exchange rates ruling at the transaction dates. Financial instruments denominated in foreign currencies are translated at rates prevailing at each reporting date. Exchange differences are recognised in the statement of comprehensive income.

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.

Notes to the Financial Statements (continued)

(e) Interest income and interest expense

Interest income and expense are recognised on an accrual basis.

(f) Other income

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

(g) Administrative expenses

Administration expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

(h) Taxation

Income tax expense comprises current tax and deferred tax.

Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustments to tax payable in respect of previous financial periods.

Deferred tax is provided on all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different financial periods for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the financial 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 Statement of financial position date. Deferred tax is not discounted.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value and are used by the Company in the management of its short term commitments.

(j) Trade and other receivables

Trade and other receivables are recognised initially at transaction price if they do not contain a significant financing component in accordance with IFRS 9. They are subsequently measured at amortised cost. Expected credit losses are recognised where there is objective evidence of impairment, therefore the Company measures loss allowances at an amount equal to lifetime expected credit losses.

(k) Trade and other payables

Creditors are initially measured at fair value. They are subsequently measured to amortised cost. Creditors represent obligations to pay for goods and services that have been acquired and received in the ordinary course of business.

(l) Unsettled trades

Unsettled trades include amounts payable for securities purchased and receivables for securities sold (in a regular way transaction) that have been contracted 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.

Notes to the Financial Statements (continued)

(m) Financial instruments

The financial instruments held by the Company at fair value through profit or loss includes the following:

- Financial assets at FVTPL (collateralised loan obligations held by the Company); and
- Financial liabilities (Notes novated issued by the Company).

Other financial instruments are carried at amortised cost.

Categorisation and subsequent measurement

The Company classifies financial assets as either measured at amortised cost or fair value through profit or loss under IFRS9.

A financial asset would be measured at amortised cost if:

- it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows; and
- the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets with contractual cash flows that are not solely payment of principal and interest on the principal amount outstanding are measured at fair value through profit or loss with the fair value changes recognised in the Statement of Comprehensive Income.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including (but not limited to):

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Assessment whether contractual cash flows are solely principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Contractual cashflows of the underlying financial assets are considered after evaluation of the business model. For financial assets held in a portfolio that is managed on fair value or held for trading purposes, consideration of contractual cashflows are irrelevant.

Notes to the Financial Statements (continued)

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

Determination of financial assets and liabilities

The Company has determined the following for financials assets and liabilities reported:

- Cash and cash equivalents – will be carried at the amortised cost;
- Financial assets at FVTPL (investment securities) – will be reported at a fair value through profit or loss, as these assets are held for trading and to manage portfolio returns for the Company, as a result are in the other business model. These assets do not meet the criteria for amortised cost or fair value through other comprehensive income and as a result are measured at fair value through profit or loss. The Portfolio Manager meets this objective by managing the purchases of financial assets based on fair value and a held for trading model. This is evidenced by the Company's Collateral Management Agreement which allows for the buying and selling of financial assets subject to certain conditions which includes (but is not limited to) fair value of the assets, managing returns and managing compliance with portfolio tests metrics based on the underlying portfolio. This determination is further evidenced by the volume of sales transactions reported in the current financial year.
- Trade and other receivables – will be carried at amortised cost.
- Unsettled trade receivables – will be carried at amortised cost.
- Financial liabilities at FVTPL (Notes novated issued) designated at fair value through profit or loss recorded in the statement of comprehensive income to avoid the accounting mismatch that would otherwise arise.
- Trade and other payables – will be carried at amortised cost.
- Unsettled trade payables – will be carried at amortised cost.

Recognition

The Company initially recognises all financial assets and financial liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments. Purchases and sales of financial assets and financial liabilities are recognised on a trade date basis. From trade date, gains and losses on financial assets and liabilities measured at fair value, arising from changes in fair value of the financial assets or financial liabilities, are recorded in the statement of comprehensive income.

Derecognition

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

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Notes to the Financial Statements (continued)

Offsetting

Financial assets and financial liabilities are set off 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. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

Fair value measurement principles

Per IFRS 13, 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. When available, Level 2 prices for financial instruments are measured using quoted prices for that instrument. If a market for a financial instrument is not active, prices are established using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. Refer to Note 15 for more details.

Impairment

The Company recognises loss allowances for estimated credit loss (ECL) on financial assets measured at amortised cost.

When assessing the need to recognize an allowance for ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Factors such as length of maturity of the exposures, current credit risk based on external credit ratings of the counterparties, and fluctuations in the credit risk based on the risk of default occurring over the expected life of the asset are considered.

Loss allowances, if any, are deducted from the gross carrying amount of the assets.

For the financial year end presented in the financial statements, there is currently no ECLs recorded.

Given the short-term maturities and low credit risk of cash and cash equivalents and trade receivables, the Company has measured the loss allowance for the financial period end presented on a 12-month expected loss basis.

Write-off

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. When the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion there, the gross carrying amount of a financial asset is written off.

For the financial year end presented in the financial statements, there is currently no-write off recorded.

Notes to the Financial Statements (continued)

(n) 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.

(o) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods. The key area of estimate for the Company is determining the fair value of financial assets and liabilities, if a market for a financial instrument is not active. If a market is active, no estimate is made. The key area of judgement is whether a market is active or not. For further detail see Note 2 (j) and 15(b) of these financial statements.

(p) Adoption of new and revised accounting standards

The following new standards and amendments were effective for the financial year beginning on 1 January 2024 and have been applied in preparing these financial statements:

Description	Effective Date
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases	1 January 2024
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements	1 January 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024

The Directors have considered the new standards, amendments and interpretations as detailed in the above table and do not plan early adoption of these standards. It is considered that the application of all of these standards, amendments or interpretations will not have a significant impact on the financial statements.

3. Interest and similar income

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Interest income on financial assets at FVTPL	<u>19,929,073</u>	<u>23,624,155</u>
	<u>19,929,073</u>	<u>23,624,155</u>

Notes to the Financial Statements (continued)

4. Other income

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Portfolio fees	448,316	1,475,211
	<u>448,316</u>	<u>1,475,211</u>

Other income/expense includes delayed compensation and upfront fees. It can be a net income or expense depending on the net purchases/sales of financial assets during the financial year.

5. Interest expense

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Interest expense on notes issued at FVTPL	(17,031,500)	(19,352,654)
	<u>(17,031,500)</u>	<u>(19,352,654)</u>

6. Administrative expenses

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Audit fees	(22,755)	(21,956)
Tax compliance fees	(4,305)	(3,075)
Investment manager fees	(270,319)	-
Administrator fees	(138,748)	(57,963)
Legal fees	-	(4,391)
Rating agency Fees	-	(84,430)
Trustee fees	(6,046)	-
Collateral manager fee	(1,220,676)	(1,956,667)
CSP fees	(20,510)	(19,614)
Other expenses	(222,094)	(362,293)
	<u>(1,905,453)</u>	<u>(2,510,389)</u>

Other expenses include trustee fees and other professional fees. The terms of the corporate services agreement in place between the Company and the corporate service provider provide for a single fee for the provision of corporate administration services (including the making available of individuals to act as directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. The individuals, who are employees of the service provider and who act as directors, do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as a director of the Company. For the avoidance of doubt, notwithstanding that the directors of the Company are employees of the corporate service provider; they do not receive any remuneration for acting as directors of the Company. Pursuant to Section 305A (1)(a) of the Companies Act 2014 (as amended), the third-party corporate service provider received €3,900 as consideration for the making available of individuals to act as directors of the Company.

Notes to the Financial Statements (continued)

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Fees payable to the auditor (exclusive of VAT)		
Audit fees	(18,500)	(17,850)
Tax compliance fees	<u>(3,500)</u>	<u>(2,500)</u>
	<u><u>(22,000)</u></u>	<u><u>(20,350)</u></u>

There are no other assurance or non-audit services provided by the independent auditor aside from what are stated above.

7. Corporation tax

	Financial year ended 31-Dec-24 EUR	Financial year ended 31-Dec-23 EUR
Corporation tax for the year	<u>(250)</u>	<u>(250)</u>
	<u><u>(250)</u></u>	<u><u>(250)</u></u>
Profit on ordinary activities before tax	1,000	1,000
Corporation tax at the standard of 12.5% rate for the period	(125)	(125)
Effects of:		
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><u>(250)</u></u>	<u><u>(250)</u></u>

The Company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act ("TCA"). In accordance with section 110 of the TCA, the taxable profit of the Company has been calculated in accordance with Irish GAAP applicable as at 31 December 2004. The profits are chargeable to corporation tax under Case IV of Schedule D of the TCA at a rate of 25% but are computed in accordance with the provision applicable to Case I of Schedule D of the TCA.

Notes to the Financial Statements (continued)

8. Financial assets at FVTPL

	31-Dec-24	31-Dec-23
	Total	Total
	EUR	EUR
Balance at the beginning of the financial period	288,326,883	352,187,732
Purchases of financial assets	25,643,396	39,328,493
PIK's	99,747	49,304
Disposals of financial assets	(26,425,273)	(35,088,724)
Paydowns received on financial assets	(68,202,940)	(80,521,795)
Net realised loss on disposal of financial assets at FVTPL	(9,533,910)	(4,039,906)
Unrealised gain on fair value on financial assets	<u>7,748,667</u>	<u>16,411,779</u>
Balance at the end of the financial period	<u><u>217,656,570</u></u>	<u><u>288,326,883</u></u>

9. Trade and other receivables

	31-Dec-24	31-Dec-23
	EUR	EUR
Accrued interest on financial assets at FVTPL	2,879,387	3,113,859
Share capital receivable	<u>1</u>	<u>1</u>
	<u><u>2,879,388</u></u>	<u><u>3,113,860</u></u>

10. Cash and cash equivalents

	31-Dec-24	31-Dec-23
	EUR	EUR
Cash and cash equivalents	<u>17,114,033</u>	<u>33,703,135</u>
	<u><u>17,114,033</u></u>	<u><u>33,703,135</u></u>

Cash and cash equivalents include cash in hand, deposits held with banks and other short term or highly-liquid investment with original maturities of three months or less. The cash was held with The Bank of New York Mellon, London Branch. Money market funds are invested with Morgan Stanley and can be redeemed on demand on a daily basis.

11. Trade and other payables

	31-Dec-24	31-Dec-23
	EUR	EUR
Accrued interest on financial liabilities at FVTPL	(2,987,903)	(4,435,195)
Accrued expenses	(321,494)	(427,786)
Corporation Tax Payable	<u>(250)</u>	<u>(250)</u>
	<u><u>(3,309,647)</u></u>	<u><u>(4,863,231)</u></u>

Accrued expenses consist of operational expenses incurred in the normal course of business.

Notes to the Financial Statements (continued)

12. Financial Liabilities at FVTPL

	31-Dec-24	31-Dec-23
	Total	Total
	EUR	EUR
Balance at the beginning of the financial period	(321,699,487)	(387,130,730)
Repayment of debt securities	90,833,046	81,037,850
Unrealised gain on fair value on financial liabilities	<u>346,198</u>	<u>(15,606,607)</u>
Balance at the end of the financial period	<u>(230,520,243)</u>	<u>(321,699,487)</u>

The below table shows the par value and the discount on Notes issued on 15 May 2019, showing the issue of Notes novated between par and discount on all Notes.

Notes Issued	Interest %	Maturity	Nominal EUR	Issue Price	Issued EUR
Class A	3M EUR + 0.95%	15 July 2030	283,700,000	100.00%	283,700,000
Class B-1	3M EUR + 1.7%	15 July 2030	20,000,000	100.00%	20,000,000
Class B-2	2.35%	15 July 2030	27,400,000	100.00%	27,400,000
Class C	3M EUR + 2.70%	15 July 2030	27,100,000	100.00%	27,100,000
Class D	3M EUR + 3.73%	15 July 2030	27,600,000	98.50%	27,186,000
Class E	3M EUR + 6.28%	15 July 2030	24,900,000	97.50%	24,277,500
Class F	3M EUR + 7.5%	15 July 2030	11,100,000	100.00%	11,100,000
Subordinated Notes	NA	15 July 2030	<u>55,230,000</u>	59.99%	<u>33,134,686</u>
			<u>477,030,000</u>		<u>453,898,186</u>

As the Notes novated to the Company are limited recourse in nature, the return of interest and principal to the Noteholders is contingent on the receipt of interest income and the realisable value of the assets. If the net proceeds of the 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, any other assets 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 rates as defined in the offering circular.

The returns paid to the Noteholders over the life of the Notes 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 forms the fair value gain or loss on the Notes.

Notes to the Financial Statements (continued)

13. Unsettled trades

	31-Dec-24	31-Dec-23
	EUR	EUR
Unsettled sales of financial assets	-	12,965,582
Unsettled trades - assets	-	12,965,582
Unsettled trades for loans and securities purchased	(3,817,100)	(11,544,492)
Unsettled trades - liabilities	(3,817,100)	(11,544,492)

14. Share capital

	31-Dec-24	31-Dec-23
	EUR	EUR
Authorised called up share capital		
1,000 ordinary shares of €1 each	1,000	1,000
Issued share capital		
1 ordinary share of €1 each	1	1

The only shareholder of the Company is Walkers Global Shareholding Services Limited, who holds the share under a Declaration of Trust for charitable purposes.

15. Risk management

The Company's financial instruments include the loans and bonds held by the Company, cash and cash equivalents, Notes novated issued by the Company and other accruals and payables that arise directly from its operations. The Company's activities are exposed to a variety of financial risks: capital risk, market risk, credit risk, liquidity risk and operational risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Portfolio and ultimately the financial performance of the loans and the Notes.

(a) 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 the Noteholder through the optimisation of the debt and equity balances. The capital managed by the Company comprises ordinary shares outstanding and the Notes issued, which are a source of funding for the Company, outstanding as at the financial year-end. The Company is not subject to externally imposed capital requirements.

(b) Market risk

The Company's risk management objective is to manage and control the market risk to within an acceptable range by ensuring that any potential effects of market prices to the fair value or future cash flows of a financial instrument will be minimised by a matching opposite effect in the fair value or future cash flow of another financial instrument.

Notes to the Financial Statements (continued)

(i) *Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. All of the Company's assets and liabilities at the financial year end are denominated in Euro. The Company does not therefore have a significant exposure to foreign currency risk as at 31 December 2024 (2023: nil).

Foreign exchange sensitivity

No sensitivity analysis has been performed, as all of the Company's financial assets and financial liabilities are denominated in Euro.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or the cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company is subject to risk due to fluctuations in the prevailing levels of market interest rates. Any excess of cash or cash equivalents may be invested at short-term interest rates. The Company's interest-bearing financial assets and financial liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

There may be timing mismatches between payments of the interest on the Notes issued and payment of interest on the loan assets, and the rates at which they bear interest may adjust more or less frequently and on different dates and based on different indices than the interest rates of the Notes issued.

The interest rate risk is managed through a defined waterfall. The tables below summarise the Company's exposure to interest rate risk:

31-Dec-24	Fixed rate	Floating rate	Non- interest bearing	Total
<i>Financial assets</i>	EUR	EUR	EUR	EUR
Cash and cash equivalents	-	17,114,033	-	17,114,033
Trade and other receivables	-	-	2,879,388	2,879,388
Unsettled trades receivable	-	-	-	-
Financial assets at FVTPL	10,007,373	207,649,197		217,656,570
	<u>10,007,373</u>	<u>224,763,230</u>	<u>2,879,388</u>	<u>237,649,991</u>

31-Dec-24	Fixed rate	Floating rate	Non- interest bearing	Total
<i>Financial liabilities</i>	EUR	EUR	EUR	EUR
Trade and other payables	-	-	(3,309,647)	(3,309,647)
Unsettled trades payable	-	-	(3,817,100)	(3,817,100)
Financial liabilities at FVTPL	(27,400,000)	(187,120,415)	(15,999,828)	(230,520,243)
	<u>(27,400,000)</u>	<u>(187,120,415)</u>	<u>(23,126,575)</u>	<u>(237,646,990)</u>

Notes to the Financial Statements (continued)

31-Dec-23	Fixed rate	Floating rate	Non-interest bearing	Total
<i>Financial assets</i>	EUR	EUR	EUR	EUR
Cash and cash equivalents	-	33,703,135	-	33,703,135
Trade and other receivables	-	-	3,113,860	3,113,860
Unsettled trades receivable	-	-	12,965,582	12,965,582
Financial assets at FVTPL	22,849,502	265,477,380	-	288,326,883
	<u>22,849,502</u>	<u>299,180,515</u>	<u>16,079,442</u>	<u>338,109,460</u>

<i>Financial liabilities</i>	Fixed rate	Floating rate	Non-interest bearing	Total
	EUR	EUR	EUR	EUR
Trade and other payables	-	-	(4,863,231)	(4,863,231)
Unsettled trades payable	-	-	(11,544,492)	(11,544,492)
Financial liabilities at FVTPL	(27,400,000)	(277,953,461)	(16,346,026)	(321,699,487)
	<u>(27,400,000)</u>	<u>(277,953,461)</u>	<u>(32,753,749)</u>	<u>(338,107,210)</u>

In respect to financial liabilities at FVTPL, the fixed and floating disclosures above represent the par values of each Note and the non-interest bearing element represents the fair value adjustment to these instruments as well as the Subordinated Notes which are non-interest bearing for €55m (2023: €55m).

Interest rate sensitivity

A 5% sensitivity has been assigned for interest rate risk due to low current interest rates and the fact that the CLOs and the Facilities are at a floating-rate, which creates a natural hedge against changes in interest rates.

The impact of a 5% movement in the interest rate on the Statement of Comprehensive Income is shown as follows assuming that all other factors remain the same:

Description	31-Dec-24	31-Dec-23
	EUR	EUR
5% net movement in interest rates	10,382,460	13,273,869
Adjustment on financial liabilities at FVTPL	(10,382,460)	(13,273,869)
	<u>-</u>	<u>-</u>

For variable instruments, this analysis assumes that all other variables, in particular foreign currency rates, remain constant. There will be no impact on equity on account of sensitivity analysis.

(iii) *Price risk*

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Collateral Manager seeks to moderate this risk through a careful selection of securities and other financial instruments with specified limits.

Notes to the Financial Statements (continued)

Valuation methodologies

When price quotations are not available from unaffiliated market markers 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 tables below provide an analysis of the basis of measurement used by the Company to fair value its financial instruments into the following categories:

- Level 1: quoted prices (unadjusted) in an active market for identical assets or liabilities
- Level 2: inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liabilities that are not based on observable market data (unobservable inputs)

	Carrying value	Level 1	Fair value	
	EUR	EUR	Level 2	Level 3
			EUR	EUR
31-Dec-24				
<i>Financial assets</i>				
Financial assets at FVTPL	217,656,570	-	217,656,570	-
	<u>217,656,570</u>	<u>-</u>	<u>217,656,570</u>	<u>-</u>
<i>Financial liabilities</i>				
Financial liabilities at FVTPL	(230,520,243)	-	-	(230,520,243)
	<u>(230,520,243)</u>	<u>-</u>	<u>-</u>	<u>(230,520,243)</u>
31-Dec-23				
<i>Financial assets</i>				
Financial assets at FVTPL	288,326,883	-	288,326,883	-
	<u>288,326,883</u>	<u>-</u>	<u>288,326,883</u>	<u>-</u>
<i>Financial liabilities</i>				
Financial liabilities at FVTPL	(321,699,487)	-	-	(321,699,487)
	<u>(321,699,487)</u>	<u>-</u>	<u>-</u>	<u>(321,699,487)</u>

Notes to the Financial Statements (continued)

	31-Dec-24	31-Dec-23
	EUR	EUR
Level 3 reconciliation - financial assets at FVTPL		
Balance at the beginning of the financial year	-	21,053,011
Purchases of financial assets at FVTPL	-	-
PIKs	-	-
Disposals of financial assets at FVTPL	-	-
Movement in/out Level 3	-	(21,053,011)
Balance at the end of the financial year	-	-

	31-Dec-24	31-Dec-23
	EUR	EUR
Level 3 reconciliation - financial liabilities at FVTPL		
Balance at the beginning of the financial year	(321,699,487)	(387,130,730)
Issue of debt securities	-	-
Repayment of debt securities	90,833,046	81,037,850
Fair value movement on notes issued at fair value	346,198	(15,606,607)
Balance at the end of the financial year	(230,520,243)	(321,699,487)

The Company uses a pricing vendor (Markit) to obtain values for the loans and bonds. The pricing vendor uses a valuation technique that draws on observable inputs. The assets have therefore been classified in Level 2 of the fair value hierarchy, where observable inputs exist. The observable inputs used by the vendor include but are not limited to broker quotes, recent arm's length market transactions, and reference to current fair value of any other instrument that is substantially the same.

As a policy where two or more broker quotes or equivalent depth exist for a loan or a bond the Company deems this to be observable data for the purpose of the valuation technique. A loan or bond that does not satisfy this criteria is classified as Level 3.

As 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 at FVTPL after deducting the cash outflows for other liabilities. The fair value of the Notes issued at FVTPL is the residual value of the fair value of the financial assets at FVTPL and net current assets or liabilities. Consequently, we have categorised the Notes within Level 3 of the fair value hierarchy. Gains arising due to movement in fair value amounting €920,795 (2023: loss of €15,606,607) relates to Notes outstanding at year-end.

For all other financial assets and financial liabilities, the carrying value is an approximation of fair value, including trade and other receivables; cash and cash equivalents; unsettled trades receivable, unsettled trades payable and trade and other payables.

Sensitivity analysis

Based on historic price and market movement uncertainty, a 5% sensitivity has been applied by the Company.

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

Description	31-Dec-24	31-Dec-23
	EUR	EUR
5% net movement in fair value of assets		
Adjustment on financial liabilities at FVTPL	10,882,829	14,416,344
Changes in profit for the year	(10,882,829)	(14,416,344)
	-	-

As the Notes of the Company are limited recourse, all profits and losses are passed on to the Noteholder, there is no residual price risk remaining to the Company.

Notes to the Financial Statements (continued)

(c) Credit risk

Credit risk arises from the possibility of obligors failing to meet their obligations to the Company and represents the most significant category of risk. The Company manages the credit risk by engaging in full analysis of possible investments and limiting investments to high credit quality institutions. The Noteholders faces credit risk mainly on the financial assets in the Company.

	31-Dec-24	31-Dec-23
	EUR	EUR
Cash and cash equivalents	17,114,033	33,703,135
Unsettled trade receivables	-	12,965,582
Trade and other receivables	2,879,388	3,113,860
Financial assets at FVTPL	217,656,570	288,326,883
	<u>237,649,991</u>	<u>338,109,460</u>

The maximum credit risk exposure to the Noteholder as at the 31 December 2024 is disclosed above, comprising cash and cash equivalents, the financial assets at FVTPL, unsettled trades and trade and other receivables.

The directors rely on the overall fair value movement to assess the performance of the financial assets in the Company and as such do not require the individual components of the risk. In their opinion the credit ratings assigned to each financial asset in the Portfolio along with the ongoing monitoring of its performance are reasonable assessments of the credit risk.

The Collateral Manager monitors the credit status of all of the financial assets held by the Company and compares this against the market values that could be derived by selling the securities. The credit characteristics of the financial assets in the Portfolio are measured, updated and analysed every month, to determine the current credit status of each financial asset.

The Moody's credit rating profile of the financial assets as at the year-end is as follows:

Credit rating	% of the	31-Dec-24	% of the	31-Dec-23
	Portfolio	EUR	Portfolio	EUR
B	23.83%	51,874,440	9.85%	28,391,802
B-	36.67%	79,817,516	38.82%	111,916,614
B+	6.94%	15,108,660	24.80%	71,496,511
B2	3.14%	6,824,997	5.38%	15,522,340
B3	2.81%	6,108,662	3.83%	11,045,994
BB	3.97%	8,650,386	0.00%	-
BB-	2.20%	4,795,000	0.00%	-
CCC	1.46%	3,176,299	1.20%	3,457,780
CCC+	2.41%	5,251,983	2.07%	5,964,625
NR	16.56%	36,048,628	14.06%	40,531,216
	<u>100.00%</u>	<u>217,656,570</u>	<u>100.00%</u>	<u>288,326,882</u>

The Moody's credit rating profile of The Bank of New York Mellon, London Branch being the account bank holding the cash and cash equivalents balances is A1 for its Long Term Rating.

Notes to the Financial Statements (continued)

(d) Liquidity risk

Prudent liquidity risk management means that the Company maintains sufficient cash and liquid investments. The ability of the Company to meet its ongoing obligations towards the Noteholders are dependent on the receipt of interest and principal from the Portfolio of financial assets. The table below represents the cash flows payable by the Company under non-derivative financial liabilities by remaining contractual maturities at the end of the financial year. 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 inflows.

31-Dec-24	Carrying Amount	Gross contractual cashflows	Up to 1 year	1 - 5 years	Over 5 years
<i>Financial liabilities</i>	EUR	EUR			
Trade and other payables	(321,744)	(321,744)	(321,744)	-	-
Interest payable on notes	(2,987,903)	(269,750,415)	(11,417,442)	(45,669,767)	(212,663,205)
Unsettled trades payable	(3,817,100)	(3,817,100)	(3,817,100)	-	-
Financial liabilities at FVTPL	<u>(230,520,243)</u>	-	-	-	(230,520,243)
	<u>(237,646,990)</u>	<u>(273,889,259)</u>	<u>(15,556,286)</u>	<u>(45,669,767)</u>	<u>(443,183,448)</u>

31-Dec-23	Carrying Amount	Gross contractual cashflows	Up to 1 year	1 - 5 years	Over 5 years
<i>Financial liabilities</i>	EUR	EUR			
Trade and other payables	(428,036)	(428,036)	(428,036)	-	-
Interest payable on notes	(4,435,195)	(119,078,385)	(21,312,325)	(70,557,809)	(27,208,251)
Unsettled trades payable	(11,544,492)	(11,544,492)	(11,544,492)	-	-
Financial liabilities at FVTPL	<u>(321,699,487)</u>	<u>(360,583,461)</u>	-	-	(360,583,461)
	<u>(338,107,210)</u>	<u>(491,634,375)</u>	<u>(33,284,853)</u>	<u>(70,557,809)</u>	<u>(387,791,712)</u>

Trade and other payables represent the accrued expenses. The calculations have been based on the interest rate effective at the statement of financial position date and are based on the assumption that the Notes will not be repaid until contractual maturity date. Given the return on the subordinated loan interest is determined by reference to the residual available cash flows and will vary over its life, it has been excluded from the estimation. The risk of default is borne by the Noteholders and may adversely affect the value of the Notes on redemption.

(e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the Directors' Report. Administration functions are outsourced to the Collateral Administrator. Portfolio management functions are outsourced to the Portfolio Manager. Trustee services are outsourced to BNY Mellon Corporate Trustee Services Limited.

Notes to the Financial Statements (continued)
(f) Concentration risk

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

The Collateral Manager monitors the exposure of the Portfolio to various risks including Country/Geographical, Single Obligor/Counter-party, Industry categories/segments and Asset type. The most significant geographical locations for the investments are the United Kingdom, France, Germany and the United States representing approximately 17%, 17%, 10% and 10% respectively of the total Portfolio. The Portfolio has exposure across 25 Industry categories.

Industry	% of the Portfolio	31-Dec-24 EUR	% of the Portfolio	31-Dec-23 EUR
Aerospace & Defence	2.26%	4,929,150	2.60%	7,500,875
Automobiles	1.75%	3,805,244	0.63%	1,826,087
Banking & Finance	4.83%	10,518,075	7.09%	20,441,137
Building & Materials	7.78%	16,941,343	3.19%	9,197,582
Business Services General	8.89%	19,348,986	0.00%	-
Chemicals	6.37%	13,862,241	8.14%	23,475,303
Consumer Products	3.84%	8,359,031	0.00%	-
Construction & Building	0.00%	-	0.67%	1,920,840
Consumer goods: Non-durable	0.00%	-	0.56%	1,613,340
Containers, Packaging & Glass	0.00%	-	4.04%	11,650,134
Environmental Services	1.01%	2,191,307	0.00%	-
Food & Beverage & Tobacco	2.74%	5,969,540	5.83%	16,805,333
Food & Drug Retail	0.46%	997,920	0.00%	-
Forest Products & Paper	0.00%	-	0.83%	2,380,161
Gaming & Leisure & Entertainment	7.75%	16,876,923	0.00%	-
Healthcare	2.30%	5,002,100	0.00%	-
Healthcare Devices	0.69%	1,500,150	0.00%	-
Healthcare Providers	11.19%	24,350,710	12.72%	36,688,489
High Tech Industries	0.00%	-	6.42%	18,514,710
Hotel, Gaming & Leisure	2.81%	6,108,662	5.55%	15,997,715
Industrial/Manufacturing	4.97%	10,824,793	0.00%	-
Lodging & Restaurants	3.20%	6,974,170	0.00%	-
Media: Advertising, Printing & Publishing	0.00%	-	1.00%	2,893,556
Packaging & Containers	0.84%	1,820,720	0.00%	-
Pharmaceuticals	1.38%	3,011,250	0.00%	-
Real Estate	4.41%	9,606,015	0.00%	-
Retail (General)	1.81%	3,933,320	2.25%	6,495,966
Services: Business	0.88%	1,925,595	21.15%	60,975,374
Services: Consumer	0.00%	-	5.12%	14,758,654
Technology Software	5.38%	11,720,394	2.74%	7,898,247
Telecommunications	4.17%	9,065,458	5.26%	15,152,032
Transportation & Distribution	0.09%	190,158	1.35%	3,881,680
Utilities	2.68%	5,840,260	0.00%	-
Wholesale	0.00%	-	2.20%	6,333,900
Other	5.51%	11,983,058	0.67%	1,925,767
	100.00%	217,656,570	100.00%	288,326,883

Notes to the Financial Statements (continued)

	% of the	31-Dec-24	% of the	31-Dec-23
Geographical concentration	Portfolio	EUR	Portfolio	EUR
Austria	0.00%	-	0.20%	572,158
Belgium	0.00%	-	0.46%	1,328,825
Canada	0.00%	-	0.63%	1,826,087
Denmark	2.04%	4,439,820	1.54%	4,430,020
Finland	1.14%	2,482,300	0.83%	2,380,161
France	19.70%	42,871,369	20.30%	58,527,051
Germany	16.38%	35,662,516	11.43%	32,965,872
Ireland	0.00%	-	1.00%	2,893,556
Italy	0.98%	2,134,650	0.94%	2,712,750
Luxembourg	11.61%	25,267,653	7.71%	22,243,860
Malta	0.00%	-	0.80%	2,318,182
Netherlands	13.70%	29,821,582	13.33%	38,436,263
Norway	1.03%	2,241,523	4.41%	12,708,205
Singapore	0.00%	-	1.70%	4,898,150
Spain	2.26%	4,929,150	9.74%	28,088,867
Sweden	4.70%	10,239,022	4.94%	14,238,570
Switzerland	2.71%	5,889,159	1.26%	3,639,888
United Kingdom	9.37%	20,393,694	9.79%	28,227,441
United States	8.87%	19,301,075	8.31%	23,965,207
Other	5.51%	11,983,058	0.67%	1,925,770
	100.00%	217,656,570	100.00%	288,326,883

The Portfolio as at the year-end consists of 91 loans (2023: 79 loans) and 21 bonds (2023: 17 bonds). There were no loan defaults during the year and there have been no loan defaults from the year end date to the date of signing of these financial statements.

Notes to the Financial Statements (continued)

16. Segment analysis

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 Company's revenue is generated from the Portfolio held during the financial year. The Company has no other product or revenue generating source. The Company has no major customer generating significant revenue. Please refer to geographic disclosures in Note 15 for further information. Revenue attributable to individual foreign countries is not disclosed as the necessary information for this disclosure is not available and the cost to develop it would be excessive. As required by IFRS 8 Operating Segments ("IFRS 8"), the information provided to the Board and the Collateral Manager, who are the Chief Operating Decision Makers, can be classified into one segment as at 31 December 2024.

17. Related party transactions

Accunia Fondsmæglerelskab A/S (the "Collateral Manager") is involved directly in directing the operations in relation to the purchase and sale of the Portfolio. Although the Collateral Manager and the Company has entered into a collateral management agreement, the Board is still considered to have authority and responsibility for planning and directing the activities of the Company, being the purchase and sale of the Portfolio.

In order to satisfy European third-party originator risk retention requirements, Accunia Fondsmæglerelskab A/S retains a nominal value of €23,867,000 of the various class of Notes issued by the Company. The amount of fees incurred in relation to collateral management was €1,220,676 (2023: €1,956,667). As at year end there were fees of €81,096 (2023: €264,996) outstanding to the collateral manager.

Walkers Corporate Services (Ireland) Limited is a related a party as they provide directorship services to the Company at arm's length commercial rates, as part of their wider corporate services agreement. Fees for the corporate services provided for the year were €20,510 (2023: €19,614) with Nil outstanding as at 31 December 2024. The directors received no remuneration for acting as directors of the Company, for further details refer to Note 5.

18. Ownership of the Company

The Company has issued one share to Walkers Global Shareholding Services Limited on behalf of a charitable trust. The directors of the Company are deemed to be the beneficial owners.

19. Subsequent events

Since the balance sheet date, the shareholders have resolved to place the Company into a members' voluntary liquidation within the next twelve months. Other than this planned liquidation, there have been no significant events requiring disclosure in these financial statements.

20. Commitments and contingent liabilities

The Directors were not aware of any other commitments or contingent liabilities. The members of the Company have no long-term contracts other than those with their service providers.

21. Approval of the financial statements

The financial statements were approved by the Board and authorised for issue on 16 February 2026.