

Company registration number: 460039
Date of Incorporation: 16 July 2008

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

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RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

COMPANY INFORMATION

DIRECTORS	Nurul Mokhtar Aileen Mannion
COMPANY SECRETARY AND ADMINISTRATOR	TMF Administration Services Limited
COMPANY REGISTERED NUMBER	460039
REGISTERED OFFICE	Ground Floor, Two Dockland Central Guild Street North Dock Dublin 1 Ireland
BANKER	Citibank N.A. Citigroup Centre Canada Square Canary Wharf London E14 5LB
AUDITORS	Ernst & Young Chartered Accountants Harcourt Centre Harcourt Street Dublin 2 Ireland
SOLICITORS	Dillon Eustace 33 Sir John Rogerson's Quay Dublin 2 Ireland
PORTFOLIO ADMINISTRATOR	IKB Lux Beteiligungen S.à.r.l. 21b Rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg
PORTFOLIO MANAGER	IKB Lux Beteiligungen S.à.r.l. 21b Rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg
CUSTODIAN	Citibank N.A. Citigroup Centre Canada Square Canary Wharf

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for Rio Debt Holdings (Ireland) Designated Activity Company (the "Company") for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company, a special purpose securitisation vehicle with limited liability, acquired a portfolio which consists of notes, bonds and credit linked notes from IKB Deutsche Industriebank AG (IKB). The debt obligations are denominated in USD and are held in a custodian account at Citibank N.A.. In order to finance the purchase of the debt obligations, the Company entered into a senior loan. The senior loan has been repaid in full. The Company's portfolio of assets and loan notes are carried at fair value through profit or loss ("FVTPL").

On 9 June 2016, the Company was converted from a company limited by shares to a designated activity company in accordance with the Companies Act 2014.

On 9 November 2017 IKB Deutsche Industriebank AG, was replaced by Hudson Advisors UK Limited as the new Portfolio Administrator for the Company. Subsequently, on 15 September 2021, Hudson Advisors UK Limited was replaced by IKB Lux Beteiligungen S.à.r.l. as the new Portfolio Administrator

The Company does not intend to acquire any further new investments. Instead, it will continue to seek out counterparties to trade out some of the remaining assets.

RESULTS AND DIVIDENDS

The results for the financial year are set out on page 10. The directors do not propose the payment of any dividend (2024: nil).

GOING CONCERN

The directors have considered the financial situation of the Company including events subsequent to the financial year end. The directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future, and cash generated from the financial assets will be sufficient to cover the costs of the Company, thus, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

RELATED PARTY TRANSACTIONS

The related party transactions in relation to the Company are disclosed in note 16.

SIGNIFICANT SUBSEQUENT EVENTS

The significant subsequent events in relation to the Company are disclosed in note 17.

ISSUE OF SHARES

The Company has issued 1 share of the total authorised shares of 10,000,000 to TMF Management (Ireland) Limited.

DIRECTORS AND COMPANY SECRETARY

The directors and company secretary are listed on page 2 and except where indicated, have served for the entire financial year. The directors and company secretary had no material interest in any contract of significance in relation to the business of the Company other than those disclosed below. The directors and company secretary who held office on 31 March 2025 did not hold any shares, debentures or loan stock of the Company (2024: nil) on that date or during the financial year.

STATEMENT OF RELEVANT AUDIT INFORMATION

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

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

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

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES

The operations of the Company are subject to various risks. Information about the financial risk management objectives and policies of the Company, along with exposure of the Company to market risk, credit risk, and liquidity risk are disclosed in Note 13 to the financial statements.

POWER OF DIRECTORS

The board of directors (the "Board") is responsible for managing the business affairs of the Company in accordance with the Company's Constitution. The directors may delegate certain functions to the Administrator, and other parties, subject to the supervision and direction by the directors. The Board consists of two directors.

DIRECTORS' COMPLIANCE STATEMENT

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

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

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

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

FINANCIAL RISK MANAGEMENT

The disclosures in relation to the Company's policies for financial risk management including market risk, credit risk, liquidity risk, price risk, concentration risk and the policies and procedures in place to manage these risks are disclosed in note 13.

ACCOUNTING RECORDS

The directors are responsible for ensuring that adequate accounting records, as outlined in Section 281 to 285 of the Companies Act 2014, are kept by the Company. The measures taken by directors to ensure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and by ensuring that a competent service provider is responsible for the preparation and maintenance of the accounting records. The accounting records are kept at Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin, Dublin 1, Ireland DO1 K2C5,IE.

SHAREHOLDERS' MEETINGS

The Shareholder's rights and the operations of the shareholders meetings are defined in the Company's Constitution and complies with the Companies Act 2014.

POLITICAL AND CHARITABLE DONATIONS

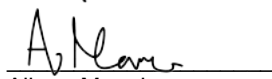
The Company did not make any political donations during the financial year ended 31 March 2025 (2024: None).

DIRECTORS' REPORT (CONTINUED)

INDEPENDENT AUDITORS

The auditors, Ernst & Young Chartered Accountants and Statutory Audit Firm have been appointed and will continue in office in accordance with section 383 (2) of the Companies Act 2014.

This report was approved by the Board on 27 January 2025 and signed on its behalf by:



Aileen Mannion
Director



Nurul Mokhtar
Director

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing the Directors' report and audited financial statements, in accordance with applicable 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 IFRS (International Financial Reporting Standards) as adopted by the European Union ("relevant financial reporting framework").

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable adopted International Financial Reporting Standards (IFRSs) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

These financial statements comply with the aforementioned requirements.

On behalf of the Board:



Aileen Mannion
Director



Nurul Mokhtar
Director

Date: 27 January 2025



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO DEBT HOLDINGS (IRELAND)
DESIGNATED ACTIVITY COMPANY**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Rio Debt Holdings (Ireland) Designated Activity Company ('the Company') for the year ended 31 March 2025, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash flows and notes to the financial statements, including the material accounting policy information set out in Note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ('IFRS') as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its result for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO DEBT HOLDINGS (IRELAND)
DESIGNATED ACTIVITY COMPANY (CONTINUED)**

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the directors' report for the financial year ended 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 material misstatements in the directors' report.

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



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO DEBT HOLDINGS (IRELAND)
DESIGNATED ACTIVITY COMPANY (CONTINUED)**

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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.

A handwritten signature in black ink, appearing to read 'Vincent Bergin', is written over the printed name and title.

Vincent Bergin
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

27 January 2026

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

	Notes	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Other income	3	27,765	67,143
Net loss on financial assets at FVTPL	4	(1,801)	(9,086)
Net gain/(loss) on financial liabilities at FVTPL	5	133,480	(41,476)
Foreign currency exchange gain		-	-
Operating income		159,444	16,581
Administration expenses	6	(159,444)	(16,581)
Profit on ordinary activities before taxation		-	-
Taxation	7	-	-
Profit on ordinary activities after taxation		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

All items dealt with and arriving at the result for the year ended 31 March 2025 related to continuing activities.

The accompanying notes on pages 14 to 25 form an integral part of these financial statements

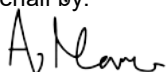
RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

	Notes	As at 31 March 2025 EUR	As at 31 March 2024 EUR
ASSETS			
Non-current assets			
Financial assets designated at FVTPL	8	7,935	9 736
Current assets			
Cash and cash equivalents	9	519,411	643,397
		519,411	643,397
Total assets		527,346	653,133
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Financial liabilities designated at FVTPL	10	480,573	614,053
Current liabilities			
Trade and other payables	11	41,072	33,379
EQUITY			
Ordinary share capital	12	1	1
Retained earnings		5,700	5,700
		5,701	5,701
Total liabilities and equity		527,346	653,133

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.
Please see share capital note to the financial statements.

The financial statements were approved and authorised for issue by the Board on 27 January 2025 and signed on its behalf by:



Aileen Mannion
Director



Nurul Mokhtar
Director

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

Financial year ended 31 March 2025	Ordinary share capital EUR	Retained earnings EUR	Total EUR
Balance as at 1 April 2024	1	5,700	5,701
Total comprehensive income for the financial year	-	-	-
Balance as at 31 March 2025	<u>1</u>	<u>5,700</u>	<u>5,701</u>
Financial year ended 31 March 2024	Ordinary share capital EUR	Retained earnings EUR	Total EUR
Balance as at 1 April 2023	1	5,700	5,701
Total comprehensive income for the financial year	-	-	-
Balance as at 31 March 2024	<u>1</u>	<u>5,700</u>	<u>5,701</u>

The accompanying notes on pages 14 to 25 form an integral part of these financial statements. Please see share capital note to the financial statements.

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

	Notes	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Cash flows from operating activities			
Profit for the year		-	-
Corporation tax paid		-	-
Adjustments for:			
Net loss on financial assets at FVTPL	4	1,801	9 086
Net (gain)/loss on financial liabilities at FVTPL	5	(133,480)	41,476
Movement in other receivables		-	-
Movement in other payables		7,693	(70,915)
Net cash used in generated from operating activities		(123,986)	(20,353)
Net decrease in cash and cash equivalents		(123,986)	(20,353)
Cash and cash equivalents at the beginning of the financial year	9	643,397	663 750
Cash and cash equivalents at the end of the year	9	519,411	643,397

The accompanying notes on pages 14 to 25 form an integral part of these financial statements.

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

1. GENERAL INFORMATION

The Company was incorporated in Ireland as a limited liability company. On 9 June 2016, the Company was converted into a designated activity company with limited liability. The Company qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (the "TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D of the TCA in respect of taxable profits.

The Company acquired a number of CMBS (Collateralised Mortgage-Backed Securities), RMBS (Residential Mortgage-Backed Securities) and ABS (Asset-Backed Securities) debt obligations, which are financed through the proceeds of the issuance of the debt certificates. The Company does not have any subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The entity financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRIC") interpretations as adopted by the European Union and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by revaluation of certain financial instruments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the entity financial statements are disclosed in note 15.

The standards and interpretations listed below have become effective for the Company beginning on 1 April 2024 or after this date:

Description	Effective date (Financial period beginning)
Lease liability in Sale and Leaseback- Amendments to IFRS 16	01 January 2024
Disclosure of Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	01 January 2024
Classification of Liabilities as Current or Non-Current with Convenants - Amendments to IAS 1	01 January 2024
Lack of Exchangeability - Amendments to IAS 21	01 January 2025
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01 January 2026
Classification and measurement of financial instruments - Amendments to IFRS 9 and IFRS 7	01 January 2026
Classification and Measurements of Financial Instruments- Amendments to IFRS 9 and IFRS 7	01 January 2026
Volume 11 – Annuals improvements to IFRS Accounting Standards	01 January 2026
IFRS 19 Subsidiaries without Public Accountability	01 January 2027
IFRS 18 – Presentation and Disclosure in Financial Statements	01 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture -Amendments to IFRS 10 IAS 26**	**

** In December 2015, IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting

None of the above new standards, amendments or interpretations are expected to have, when adopted, a significant impact on the Company's reported financial position. To the extent applicable standards will require new or additional disclosures to be made.

The Company has not adopted any other new standards or interpretations that are not mandatory.

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

2. SIGNIFICANT ACCOUNTING POLICIES

(b) Going concern

The directors have considered the financial situation of the Company including events subsequent to the financial year end. The directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future, and cash generated from the financial assets will be sufficient to cover the costs of the Company, thus, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

(c) Uses of estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(d) Interest income and expense

Interest income and expense are recognised on an effective interest rate basis.

(e) Foreign currencies

The results and financial position of the entity is expressed in EUR ("€") which is the functional currency of the Company. Transactions in currencies other than EUR are recorded at the rate of exchange prevailing on the dates of transactions. At each statement of financial position date, monetary items and non-monetary assets and liabilities that are fair valued and are dominated in foreign currencies are retranslated at the rate prevailing on the statement of financial position date. Gains and losses arising on retranslation are included in net profit or loss for the period.

(f) Expenses

All expenses are accounted for on an accruals basis.

(g) Taxation

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities.

Deferred tax is provided on all temporary 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 more tax in the future have occurred at the statement of financial position date. Temporary differences between profits arise as a result of 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 years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the temporary 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.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments

Initial recognition and measurement of financial assets

Financial assets are measured at initial recognition as financial assets at fair value through profit or loss. The Company determines the classification of its financial assets at initial recognition. Financial assets designated at fair value through profit or loss upon initial recognition include investments in portfolio of assets.

These financial assets are designated upon initial recognition on the basis that they have their performance evaluated on a fair value basis.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as unrealised loss (negative net changes in fair value) or unrealised gain (positive net changes in fair value) in the statement of comprehensive income.

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

(h) Financial instruments

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Initial recognition and measurement of financial liabilities

Financial liabilities are designated at initial recognition as financial liabilities at fair value through profit or loss. The Company has recognised the profit participation loan note at fair value through profit or loss. These financial liabilities are designated upon initial recognition on the basis that they have their performance evaluated on a fair value basis.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

Subsequent Measurement

Financial assets and liabilities at fair value through profit or loss

After initial recognition, the Company measures financial assets and the financial liability at fair value through profit or loss at the yearend date. Fair value is measured using management estimates that are based on cash flow information in the absence of readily determinable market prices. They are also based on a variety of different valuation techniques such as using recent arm's length transactions, reference to the current fair values of other instruments that are substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides an estimate of prices obtained should the investment be traded.

Subsequent changes in the fair value of those financial instruments are recorded in net gain or loss on financial assets and liabilities at fair value through profit or loss in the statement of comprehensive income.

Financial assets and liabilities that are not at fair value include trade and other receivables and trade and other payables. Financial assets and liabilities that are not at fair value are initially recognised at fair value and subsequently measured at amortised cost.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of comprehensive income unless required or permitted by IFRS, as specifically disclosed in the accounting policies of the Company.

(i) Cash and cash equivalents

Cash and cash equivalents includes deposits held with banks and custodians.

(j) Trade and other receivables

Other receivables comprise of interest receivable on portfolio of assets and corporation tax repayable.

(k) Trade and other payables

Trade and other payables comprise of accruals and interest payable.

3. Other income	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Interest income	27,765	67,143
	27,765	67,143
4. Net loss on financial assets at FVTPL	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Net fair value loss on financial assets at FVTPL	(1,801)	(9,086)
5. Net gain/(loss) on financial liabilities at FVTPL	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Net fair value gain/(loss) on financial liabilities at FVTPL	133,480	(41,476)

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

6. Administration expenses	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Audit fees	41,912	849
Tax compliance fees	12,300	6,150
Custodian fees	29,599	10,638
Legal fees	1,353	(29,914)
Corporate services	27,680	26,738
Other expenses	46,600	2,120
	<u>159,444</u>	<u>16,581</u>

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

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

Auditor's remuneration	Financial year ended 31 March 2025 EUR	Financial period ended 31 March 2024 EUR
Audit of these financial statements	17,775	17,275
Tax advisory services	-	-
Non audit services	-	-
	<u>-</u>	<u>-</u>

7. Taxation	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Corporation tax based on result for the financial year	-	-

Factors affecting Company tax charge for the financial year are detailed below:

	Financial year ended 31 March 2025 EUR	Financial year ended 31 March 2024 EUR
Profit on ordinary activities before taxation	-	-
Profit on ordinary activities multiplied by the standard rate of Irish corporation tax for the financial year of 12.5%	-	-
Effect of higher tax rate (25%) applicable under Section 110 TCA, 1997	-	-
Current tax charge for the financial year	<u>-</u>	<u>-</u>

The Company is a qualifying company within the meaning of Section 110 of the TCA, 1997. As such, the profits are chargeable to corporation tax under Case III of Schedule D of the TCA at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D of the TCA. There was no deferred tax during the financial year (2024: nil).

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

8. Financial assets designated at FVTPL	As at 31 March 2025 EUR	As at 31 March 2024 EUR
Beginning	9,736	18,821
Unrealised gain/loss	(18,724)	(57,953)
Coupon Interest	16,923	48,868
Fair value of US portfolio assets	7,935	9,736

The assets of the Company have been charged to a security trustee to secure the obligations of the Company to its lenders.

9. Cash and cash equivalents	As at 31 March 2025 EUR	As at 31 March 2024 EUR
Cash and cash equivalents	519,411	643,397

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

10. Financial liabilities designated at FVTPL	As at 31 March 2025 EUR	As at 31 March 2024 EUR
<u>Profit Participating Loan:</u>		
Beginning	(614,053)	(572,577)
PPL Principal Balance	-	-
Fair value gain on financial liabilities	133,480	(41,476)
Financial liabilities designated at FVTPL	(480,573)	(614,053)

Profit participating loan ('PPL'):

The PPL has a maturity date of 25 November 2030. On 15 September 2021, a deed of novation has been entered transferring ownership of the PPL from LSF6 Rio (Ireland) DAC to IKB Deutsche Industriebank AG. The interest rate of the PPL is linked to the performance of the Company.

The assets of the Company have been charged to a security trustee to secure the obligations of the Company.

RIO DEBT HOLDINGS (IRELAND) DESIGNATED ACTIVITY COMPANY

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

11. Trade and other payables	As at 31 March 2025 EUR	As at 31 March 2024 EUR
Audit fees	21,371	21,249
Tax compliance fees	12,100	12,100
Other expenses - Other Payables	7,601	-
Custodian fees	-	-
Legal fees - Other Payables	-	-
Corporate services	-	30
	<u>41,072</u>	<u>33,379</u>

All accrued expenses are due within one year

12. Ordinary share capital	As at 31 March 2025 EUR	As at 31 March 2024 EUR
<i>Authorised:</i>		
10,000,000 Ordinary Shares of EUR1 each	<u>10,000,000</u>	<u>10,000,000</u>
<i>Allotted, called up and fully paid:</i>		
1 Ordinary Share of EUR1	<u>1</u>	<u>1</u>

The Company's capital as at the financial year end is best represented by the ordinary shares outstanding. The Company is not exposed to externally imposed capital requirements and, accordingly, the Directors do not actively manage its ordinary share capital.

The Company has issued 1 share of the total authorised shares of 10,000,000 to TMF Management (Ireland) Limited. All shares are held under the terms of declarations of trust under which the relevant share trustee holds the issued shares of the Company in trust for a charity.

13. FINANCIAL RISK MANAGEMENT

The principal activity of the Company is the purchase of a diversified portfolio of financial assets. The financial liabilities provide the funding to purchase the Company's financial assets. Financial assets and liabilities provide the majority of the assets and liabilities of the Company along with all the income.

The strategies used by the Company in achieving its objective regarding the use of its financial assets and liabilities were set when the Company entered into the transactions. The Company has attempted to match the properties of its financial liabilities to its assets to avoid significant elements of risk generated by mismatches of investment performance against its obligations together with any interest rate risk.

The board of directors has the overall responsibility of the establishment and oversight of the Company's risk management framework.

The risk profile of the Company is such that market, credit, liquidity and other risks of the investment securities and derivatives held for risk management are borne fully by the holders of debt securities issued.

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

- (a) Market risk
- (b) Liquidity and cash flow risk
- (c) Credit risk
- (d) Operational risk

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

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or its holdings of financial instruments. The noteholders are exposed to the market risk of the assets portfolio.

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

(i) Interest rate risk

As at 31 March 2025, the interest rate risk profile of the Company's interest bearing financial instruments is as follows:

	Interest charging basis %	As at 31 March 2025 EUR	As at 31 March 2024 EUR
Assets			
Financial assets	Fixed	-	-
Financial assets	Floating	7,935	9,736
Cash and cash equivalents	Floating	519,411	643,397
		<u>527,346</u>	<u>653,133</u>
Liabilities			
Financial liabilities	Non-interest	(480,573)	(614,053)
Trade and other payables	Non-interest	(41,072)	(33,379)
		<u>(521,645)</u>	<u>(647,432)</u>

Investments held primarily relate to older and more junior tranches of various mortgage backed securities dating from 2009 and prior. Cash repayments of interest and principal are sporadic. Given that the mezzanine and junior notes bear interest which is linked to the results of the company, changes in interest rates are unlikely to have a significant direct effect on the company's reported results.

(ii) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial asset or liability will fluctuate because of changes in foreign currency rates. The table below sets out the value of assets in each currency. The financial assets values are as per the purchase price less repayments. The financial liabilities values are the nominal values.

As at 31 March 2025	EUR Assets and Liabilities EUR	USD Assets and Liabilities EUR	Total EUR
Assets			
Financial assets designated at FVTPL	-	7,935	7,935
Cash and cash equivalents	407,663	111,748	519,411
Total	<u>407,663</u>	<u>119,683</u>	<u>527,346</u>
Liabilities			
Financial liabilities designated at FVTPL	(480,573)	-	(480,573)
Trade and other payables	(41,072)	-	(41,072)
Total	<u>(521,645)</u>	<u>-</u>	<u>(521,645)</u>

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

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

As at 31 March 2024	EUR Assets and Liabilities EUR	USD Assets and Liabilities EUR	Total EUR
Assets			
Financial assets designated at FVTPL	-	9,736	9,736
Cash and cash equivalents	518,972	124,425	643,397
Total	518,972	134,161	653,133
Liabilities			
Financial liabilities designated at FVTPL	(614,053)	-	(614,053)
Trade and other payables	(33,379)	-	(33,379)
Total	(647,432)	-	(647,432)

The Company's exposure to foreign currency risk is mitigated due to the limited recourse nature of Notes. The changes in foreign exchange rates are unlikely to have a significant direct effect on the Company's reported results.

(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 specified to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company does not consider price risk to be significant risk to the Company.

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring acceptable losses or risking damage to the Company's reputation.

All loans have been repaid to a balance of EUR1 on the junior and mezzanine loans. All future obligations on these loan notes, save for final minimal principal repayments, are for the payment of interest.

The liquidity profile of the Company's financial liabilities is as follows:

As at 31 March 2025	Total	Less than 1 month	Between 1 month and 1 year	Between 1 and 5 years	More than five years
Liabilities	EUR	EUR	EUR	EUR	EUR
Trade and other payables	41,072	41,072	-	-	-
	41,072	41,072	-	-	-
<hr/>					
As at 31 March 2024	Total	Less than 1 month	Between 1 month and 1 year	Between 1 and 5 years	More than five years
Liabilities	EUR	EUR	EUR	EUR	EUR
Trade and other payables	33,379	33,379	-	-	-
	33,379	33,379	-	-	-

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

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit risk

Credit risk is the risk of a counterparty failing to complete its contractual obligations when they fall due. Credit exposures are controlled within the Company's credit risk framework. The Company's exposure to credit risk is mitigated due to the limited recourse nature of Notes.

Maximum exposure to credit risk

The amounts shown below represent the maximum credit risk of the Company's assets. In all cases this is equal to the carrying value of the assets which are recorded at the maximum credit exposure.

	As at 31 March 2025 EUR	As at 31 March 2024 EUR
Assets		
Financial assets designated at FVTPL	7,935	9,736
Cash and cash equivalents	519,411	643,397
	527,346	653,133
Financial assets designated at FVTPL – Moody's rating		
	As at 31 March 2025 EUR	As at 31 March 2024 EUR
WR	7,935	9,736
	7,935	9,736

Cash and cash equivalents

The credit risk on cash transactions is mitigated by transacting with counterparties that are regulated entities subject to prudential supervision or with high credit ratings assigned by international credit rating agencies.

Cash and cash equivalents of the Company are held by CITI Bank, on an unsecured basis. At 31 March 2025, Citibank had a long term credit rating of Aa3 by Moody's Investor Services Limited (2024 CitiBank: Aa3).

(d) Operational risk

Operational risk arises from the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. The Company has entered into a Portfolio Management Agreement with IKB S.à.r.l. who was subsequently replaced by IKB Lux Beteiligungen S. à.r.l (the "Portfolio Manager") during the financial year. The Portfolio Manager engages in the active and direct management of the debt obligations, in accordance with the Business Plans & Guidelines approved by the Company. The Company has also entered into a Portfolio Administration Agreement with IKB Deutsche Industriebank AG.

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

13. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Financial instruments recorded at fair value by level of the fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair values of financial assets and financial liabilities by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices within level 1 those are observable for the asset or liability, either directly or indirectly;

Level 3: Inputs for the asset or liability that is not based on observable market data.

The following table provides an analysis of financial assets recorded at fair value by level of the fair value hierarchy at 31 March 2025:

As at 31 March 2025	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets at FVTPL	-	-	7,935	7,935
Financial liabilities at FVTPL	-		(480,573)	(480,573)
As at 31 March 2024	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets at FVTPL	-	-	9,736	9,736
Financial liabilities at FVTPL	-		(614,053)	(614,053)

There were no transfers between levels during the year (2024: None).

Financial assets represent the expected future cash flows from the Company's portfolio of bonds. The fair value of these financial assets have been determined using market prices. As such, Level 3 is deemed to be the most appropriate categorisation for the Company's financial assets at FVTPL.

Financial liabilities represent the contractual amounts and obligations due by the Company for settlement of amounts payable to the Noteholders but also represent the residual profit or loss of the Company. As such, Level 3 is deemed to be the most appropriate categorisation for the Company's FVTPL.

14. Segment risk and reporting

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.

As required by IFRS 8 Operating Segments ("IFRS 8"), the information provided to the Board, who are the Chief Operating Decision Makers, can be classified into one segment as at 31 March 2025 (2024: nil).

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

15. Contingent liabilities and commitments

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

16. RELATED PARTIES

TMF Administration Services Limited (the "Administrator") provides corporate administration services to the Company at arm's length commercial rates.

Aileen Mannion, director of the Company and the Administrator during the financial year, was also a director of the Administrator during the financial year and in that capacity had an interest in transactions conducted with the Company.

Nurul Mokhtar, director of the Company and the Administrator during the financial year, was also a director of the Administrator during the financial year and in that capacity had an interest in transactions conducted with the Company.

The scope of corporate services agreement with the Administrator includes directorship service and hence administration fees paid to Administrator include fees paid for directorship service. The Administrator received approximately EUR1,000 (2024: EUR1,000) as consideration for the making available of individuals to act as directors of the Company. The terms of the corporate services agreement provide for a single fee for the provision of corporate services (including the making available of individuals to act as directors of the Company).

There were no other contracts 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, at any time during the financial year or at the end of the financial year.

17. SIGNIFICANT SUBSEQUENT EVENTS

There were no other significant subsequent events which need to be adjusted or disclosed in the financial statements.

18. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements on 27 January 2025.