

**St. Paul's CLO II Designated Activity Company**

**Directors' Report and Financial Statements**

**For the year ended 31 March 2025**

Registered number 527856

# St. Paul's CLO II Designated Activity Company

<b>Contents</b>	<b>Page(s)</b>
Directors and other information	2 - 3
Directors' Report	4 - 10
Directors' Responsibilities Statement	11
Independent Auditor's Report	12 - 17
Statement of Financial Position	18
Statement of Comprehensive Income	19
Statement of Changes in Equity	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 – 51

# St. Paul's CLO II Designated Activity Company

## Directors and other information

<b>Directors</b>	Julian Dunphy (Irish) Michael Drew (Irish)
<b>Registered Office</b>	32 Molesworth Street Dublin 2 Ireland
<b>Secretary</b>	MFD Secretaries Limited 32 Molesworth Street Dublin 2 Ireland
<b>Auditor</b>	Ernst & Young EY Building Harcourt Centre Harcourt Street Dublin 2 Ireland
<b>Principal Paying Agent, Bankers, Transfer Agent, Trustee &amp; Custodian</b>	Citibank, N.A. London Branch Citigroup Centre Canada Square Canary Wharf London E14 5LB United Kingdom
<b>Investment Manager</b>	ICG Manager Limited (formerly Intermediate Capital Managers Limited) Procession House 55 Ludgate Hill London EC4M 7JW United Kingdom

# St. Paul's CLO II Designated Activity Company

## Directors and other information (continued)

### Collateral Administrator

Virtus Group L.P  
25 Canada Square, Level 33  
London E14 5LQ  
United Kingdom

### Corporate Administrator

Maples Fiduciary Services (Ireland) Limited  
32 Molesworth Street  
Dublin 2  
Ireland

### Solicitor

Maples & Calder (Ireland) LLP  
75 St. Stephen's Green  
Dublin 2  
Ireland

# St. Paul's CLO II Designated Activity Company

## Directors' Report

The Board of Directors (the "Directors") present their annual report and audited financial statements for St. Paul's CLO II Designated Activity Company (the "Company") for the year ended 31 March 2025. The Company's registered number is 527856.

### Principal activities

The Company is a bankruptcy remote special purpose entity with limited liability, which was incorporated on 22 May 2013 under the laws of Ireland. The financial statements included herein are for the year ended 31 March 2025.

The sole purpose of the Company is to acquire a portfolio of Collateral Loan Obligations ("CLOs") and issue debt securities (the "Notes") and engage in certain related transactions and agreements. The collateral portfolio that the Company may acquire from time to time may consist of high-yield securities, loans, and special opportunity investments such as distressed debt, which are purchased using the proceeds from the issuance of the Notes. The Company used the proceeds of the Notes to acquire loan and debt securities.

The Company is a CLO transaction entity that is managed by Intermediate Capital Managers Limited (the "Investment Manager", "ICM"), a wholly owned subsidiary of Intermediate Capital Group PLC ("ICG"). The Company has been consolidated in ICM. More details are disclosed in Note 18.

All administration functions have been outsourced to Maples Fiduciary Services (Ireland) Limited (the "Corporate Administrator").

### Business Review

The Company has various classes of fixed rate notes, floating rate notes and subordinated notes to the notional amount of €435,600,000 (2024: €435,600,000). The Notes are direct, secured, limited recourse obligations of the Company.

On 16 November 2021, the Company redeemed the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class X Notes (the "Original Notes") and refinanced by issuing Class A Notes, Class B-1 Notes, Class B-2 Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class Z Notes (the "Refinanced Notes") with the interest rates and maturity date indicated in the next page in accordance with the Trust Deed. The Company also updated its Subordinated Notes maturity date to 25 October 2035. The Notes were subscribed and purchased, net of €1,769,400 discount on the date of reissuance. The discount consists of Class E €374,000, Class F €395,500 and Class Z €999,900.

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

The Notes are secured in favour of the Trustee for the benefit of the Secured Parties by security over a portfolio of CLOs predominantly consisting of Senior Secured Loans, Senior Secured Floating Rate Notes, Secured High Yield Bonds, Exchanged Securities and Collateral Enhancement Obligations.

The details of the Notes in the next page are in order of priorities.

# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Business Review (continued)

#### 31 March 2025

Class of Notes	Issue Price	Nominal Amount (€)	Fair Value Amount (€)	Interest	Stated Maturity
Class A	100.00%	248,000,000	248,000,000	3 month EURIBOR + 0.98%	25-Oct-35
Class B-1	100.00%	26,000,000	26,000,000	3 month EURIBOR + 1.75%	25-Oct-35
Class B-2	100.00%	15,000,000	15,000,000	2.15% fixed rate	25-Oct-35
Class C	100.00%	24,200,000	24,200,000	3 month EURIBOR + 2.45%	25-Oct-35
Class D	100.00%	29,400,000	29,400,000	3 month EURIBOR + 3.70%	25-Oct-35
Class E	98.00%	18,700,000	18,700,000	3 month EURIBOR + 6.38%	25-Oct-35
Class F	96.50%	11,300,000	11,300,000	3 month EURIBOR + 8.88%	25-Oct-35
Class Z	0.01%	1,000,000	1,000,000	Available fund basis*	25-Oct-35
Subordinated	56.01%	62,000,000	15,173,830	Available fund basis**	25-Oct-35
<b>Total</b>		<b>435,600,000</b>	<b>388,773,830</b>		

#### 31 March 2024

Class of Notes	Issue Price	Nominal Amount (€)	Fair Value Amount (€)	Interest	Stated Maturity
Class A	100.00%	248,000,000	248,000,000	3 month EURIBOR + 0.98%	25-Oct-35
Class B-1	100.00%	26,000,000	26,000,000	3 month EURIBOR + 1.75%	25-Oct-35
Class B-2	100.00%	15,000,000	15,000,000	2.15% fixed rate	25-Oct-35
Class C	100.00%	24,200,000	24,200,000	3 month EURIBOR + 2.45%	25-Oct-35
Class D	100.00%	29,400,000	29,400,000	3 month EURIBOR + 3.70%	25-Oct-35
Class E	98.00%	18,700,000	18,700,000	3 month EURIBOR + 6.38%	25-Oct-35
Class F	96.50%	11,300,000	11,300,000	3 month EURIBOR + 8.88%	25-Oct-35
Class Z	0.01%	1,000,000	1,000,000	Available fund basis*	25-Oct-35
Subordinated	56.01%	62,000,000	12,052,160	Available fund basis**	25-Oct-35
<b>Total</b>		<b>435,600,000</b>	<b>385,652,160</b>		

\* Interest payment is determined whether the Class Z IRR threshold has been met or surpassed in accordance with applicable priorities of payments and on an available fund basis. If the IRR threshold is met, Class Z will receive payments of interest in accordance with the priorities of payments per offering circular dated 15 November 2021.

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

The Company's investment management agreement dictates that the Company prescribes to the below collateral quality test in order to reduce the volatility of its asset portfolio and reduce the risk associated with the Notes issued. The Company's investments are continuously managed and monitored through the monthly performance reports provided by Virtus Group L.P (the "Collateral Administrator").

# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Business Review (continued)

#### Portfolio Guideline

At the year end, the Company's compliance with prescribed collateral tests were as follows:

#### Coverage Tests

Each of the par value tests and interest coverage tests shall be at least equal to the trigger percentage to avoid mandatory redemption on Senior Notes as per the prospectus.

	<b>Current</b>	<b>Trigger</b>	<b>Result</b>
Class A/B Par Value Test	136.81%	129.41%	Passed
Class C Par Value Test	126.24%	120.71%	Passed
Class D Par Value Test	115.40%	110.75%	Passed
Class E Par Value Test	109.43%	106.21%	Passed
Class F Par Value Test	106.11%	103.35%	Passed
Class A/B Interest Coverage Ratio	276.68%	120.00%	Passed
Class C Interest Coverage Ratio	247.56%	110.00%	Passed
Class D Interest Coverage Ratio	213.58%	105.00%	Passed
Class E Interest Coverage Ratio	190.02%	101.00%	Passed

The Company has defaulted assets at the year end as follows:

#### 31 March 2025

<b>Issuer</b>	<b>Security ID</b>	<b>Principal balance</b>	<b>Carrying amount</b>
		€	€
Altice France S.A.	LX210660	4,157,317	3,720,799
Garfunkelux Holdco 3 SA	XS2250154494	3,266,000	2,237,210
Garfunkelux Holdco 3 SA	XS2250153769	2,050,000	1,416,952
Hurtigruten Group AS	LX227422	1,760,895	–
Ignition Midco B.V.	LX235455	1,075,705	–
IQERA Group SAS	XS2580885908	2,564,000	1,456,406
		<b>14,873,917</b>	<b>8,831,367</b>

#### 31 March 2024

<b>Issuer</b>	<b>Security ID</b>	<b>Principal balance</b>	<b>Carrying amount</b>
		€	€
Casino Guichard-Perrachon	LX228756	2,000,000	943,313
Casper Debtco B.V.	LX193538	454,666	9,212
Hurtigruten Group AS	LX227422	1,760,895	548,818
Ignition Midco B.V.	LX174681	2,501,000	1,036,039
		<b>6,716,561</b>	<b>2,537,382</b>

Defaulted assets consist of investments determined by the Investment Manager using reasonable commercial judgment that meets the criteria of defaulted obligation as defined in the prospectus (e.g. assets with continuing default in payment of interest or principal; assets where bankruptcy, insolvency or receivership proceed has been initiated, assets with Moody's rating of CA or C / Fitch rating of CC etc). These defaulted assets may be sold at any time by the Company and these do not constitute an event of default as defined in the offering circular.

# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Results and dividends

The results for the year ended 31 March 2025 are set out on page 19. The Directors do not propose the payment of a dividend (2024: nil). The Company made a profit after tax of EUR 750 for the year ended 31 March 2025 (2024: EUR 750).

### Key Performance Indicators ("KPIs")

During the year:

- The Company's realised gain on investments was €3,186,716 (2024: gain €3,121,478) and unrealised gain on investments was €288,595 (2024: gain €11,016,899);
- The Company's realised loss on Notes was €Nil (2024: loss €Nil) and unrealised loss on Notes was €3,121,670 (2024: loss €12,092,898);
- The Company's cash settled purchases during the year was €220,796,444 (2024: €115,415,982);
- The Company's cash settled sales during the year was €208,903,882 (2024: €127,947,393);
- The Company's coupon income was €30,107,526 (2024: €30,399,353); and
- The Company's coupon expense on Notes was €28,346,779 (2024: €31,058,546).

The key performance indicators are in line with the Directors' expectations.

### Future developments

The Company will continue with its existing principal activities and has no plans at present regarding future developments, or changes to the current activity. Per offering circular, the Company has reinvestment period until 16 November 2026. Reinvestment period refers to the period from and including the issue date up to 16 November 2026 where the Company can facilitate a refinancing or reinvest in additional collateral obligations in accordance with the reinvestment criteria.

### Changes in Directors

The names of the persons who were Directors during the year are set out below. Except where indicated, they served as Directors for the entire year:

Julian Dunphy (Irish)  
Michael Drew (Irish)

### Interest of Directors and Company Secretary

None of the Directors or Secretary who held office on 31 March 2025 held any shares in the Company at that date, or during the year ended 31 March 2025 (2024: none).

The Directors of the Company, as employees of the Corporate Administrator, had an interest in the Corporate Administration fee.

#### *Corporate Administrator*

Maples Fiduciary Services (Ireland) Limited, an Irish company, provided administration services to the Company. As outlined further in Note 17 this includes the making available of individuals to act as directors of the Company.

# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Principal risks and uncertainties

The Company is subject to various risks including market risk, price risk, credit risk, operational risk, concentration risk and liquidity risk. The key risks facing the Company and the manner in which these risks have been dealt with are disclosed in Note 4 to the Financial Statements.

In relation to the assumptions and estimation uncertainty associated with the measurement of various assets and liabilities in the financial statements, management continue to apply their best efforts to take account of all known factors that may impact the carrying amount of assets and liabilities.

In preparing the financial statements, the Directors have considered the impact of Russia and Ukraine, and Middle East conflicts as well as the physical and transition risks of climate change and have concluded that these do not have a material direct or indirect impact on the Company.

Effective 05 April 2025, the United States of America (the "U.S.") imposed a minimum 10% tariff on all imports. Subsequently, additional tariffs were applied on a number of countries. These tariffs have caused widespread market volatility. The Company and Directors are not aware of any business operations or direct impacts the tariffs will have on the Company's going concern. The Directors will continue to evaluate the situation and its impact on financial position and operating results.

### Political donations

The Company made no political donations or incurred any political expenses (2024: none).

### Issue of shares

Authorised share capital consists of 100,000 ordinary shares of €1 each. One share was issued on 22 May 2013 to Maples Fiduciary Services (Ireland) Limited. On 25 March 2014, this share was transferred to MaplesFS Trustees Ireland Limited and held in trust on behalf of charities.

No individual, including any individual Director, has any special rights of control over the Company's share capital, including issuance or buying back of the Company's shares. However collectively as a board, the Directors of the Company have authority to issue or buy back shares of the Company.

### Going concern

The Company's financial statements for the financial year ended 31 March 2025 have been prepared on a going concern basis. The Notes issued by the Company are due to mature in 2035 and are limited recourse obligations of the Company that are payable solely out of the amounts received in respect of the financial assets. The Directors are satisfied with the performance of the Company and believe that the Company will continue to operate in the future on the same basis for a period of at least 12 months from the date of signing the financial statements.

The Directors have considered the broader economic environment in the context of the going concern assumption adopted in the preparation of the financial statements. Despite the broader macro environment and the economic challenges, the Directors note the resilient nature of the CLO structure, the ability of the Company to manage its portfolios to reduce risk and minimize losses, to address and cure any portfolio tests which may fail under the deal documentation, and divert proceeds to the rated notes as required. As a result, the Directors are satisfied that the going concern basis of preparation remains appropriate.

### Subsequent events

Refer to Note 21 to the financial statements for details of subsequent events.

# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Accounting Records

The Directors believe that they have complied with the requirements of Sections 281 - 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by engaging the Corporate Administrator who employs accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 32 Molesworth Street, Dublin 2, Ireland.

### Independent Auditor

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

### Relevant audit information

In the case of the persons who are directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the Company's statutory auditor is unaware; and
- (b) 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 Company's statutory auditor is aware of that information.

### Directors' Compliance Statement

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

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

The Directors acknowledge they are responsible for securing the Company's compliance with its "relevant obligations" as defined in section 225 of the Companies Act, 2014 (as amended) by Section 1374 of the Companies Act, 2014.

Further, the Directors confirm that:

- (a) a compliance policy statement has been drawn up 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;
- (b) appropriate arrangements or structures have been put in place that are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations; and
- (c) a review was conducted during the financial year of the arrangements or structures referred to in paragraph (b) above.

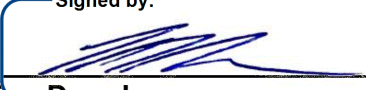
# St. Paul's CLO II Designated Activity Company

## Directors' Report (continued)

### Audit Committee

Given the contractual obligations of the administrator and the limited recourse nature of the securities issued by the Company, the Directors have concluded that there is currently no need for the Company to have a separate audit committee in order for the Directors to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process. Accordingly, the Company has availed itself of the exemption under Section 167 of the Companies Act, 2014 the Regulations.

On behalf of the Board of Directors

Signed by:  
  
\_\_\_\_\_  
**Julian Dunphy**  
Director

DocuSigned by:  
  
\_\_\_\_\_  
**Michael Drew**  
Director

Date: 11 December 2025

# St. Paul's CLO II Designated Activity Company

## Directors' Responsibilities Statement

The Directors are responsible for preparing the annual report and the Company financial statements in accordance with applicable law and regulations.

Irish Company law requires the directors to prepare Company financial statements for each financial year. The directors have elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU and as applied in accordance with the Companies Act 2014.


Under company law the directors must not approve the Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that financial year.


In preparing the Company's 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 applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements comply with the provision of the Companies Act 2014 and ensure the financial statements to be audited. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014. These financial statements comply with the aforementioned requirements.

On behalf of the Board of Directors

Signed by:  
  
\_\_\_\_\_  
Julian Dunphy  
Director

DocuSigned by:  
  
\_\_\_\_\_  
Michael Drew  
Director

Date: 11 December 2025

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

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

#### **Opinion**

We have audited the financial statements of St. Paul's CLO II Designated Activity Company ('the Company') for the year ended 31 March 2025, which comprise the Statement of Financial Position, Statement of Comprehensive Income, 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 3. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

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

#### **Basis for opinion**

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

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

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

#### **Conclusion**

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

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

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

**Key audit matters**

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

Risk	Our response to the risk	Key observations communicated to the Board of Directors
<p>Risk of management override of controls in relation to valuation of financial assets at fair value through profit or loss ('FVTPL') and the related unrealised gain or loss</p> <p>Financial assets at fair value through profit or loss: €423,322,666 (2024: €403,374,906)</p> <p>Unrealised gain/(loss) on financial assets at FVTPL: Gain of €288,595 (2024: Gain of €11,016,899)</p> <p>The financial assets at FVTPL in the Statement of Financial Position of the Company are comprised of investments in collateralised loan obligations ('the CLOs'), bonds and equity securities.</p> <p>Further details of these investments can be found in Note 2(f) 3(b), 3(c), 4, 5, 6 and 11 of the financial statements.</p> <p>The valuation of investments is solely performed by the Investment Manager of the Company and no independent re-pricing is performed by the administrator, which increases the risk of management override of controls.</p> <p>The incorrect valuation of investments may result in misstatement of assets of the Company. The nature and size of the balances and its importance to the Company are such that we have identified this as a fraud risk and key audit matter.</p>	<p>We performed the following testing to address the key audit matter:</p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness of accounting policies governing the valuation of financial assets at FVTPL.</li> <li>• Assessed the design effectiveness of the Company's controls over the valuation of financial assets at FVTPL.</li> <li>• Independently tested the valuation of the financial assets at FVTPL held at the year end to pricing sources.</li> </ul>	<p>Our planned audit procedures were completed without any material exception.</p>

**Our application of materiality**

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

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

### **Materiality**

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

We determined materiality for the Company to be €7,775,477 (2024: €7,713,043), which is 2% (2024: 2%) of Financial Liabilities at fair value through to profit or loss of the Company. We believe that Financial Liabilities at fair value through to profit or loss of the Company provides us with the most appropriate basis for materiality having considered the expectation of the users of the financial statements and the overall business environment.

### **Performance materiality**

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

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 50% (2024: 75%) of our planning materiality, namely €3,887,738 (2024: €5,784,782). We have set performance materiality at this percentage based on our knowledge of the Company and industry, effectiveness of the control environment, and our assessment of the risks associated with the engagement. We reduced our performance materiality to 50%, reflecting our prior experience with the Company and our evaluation of the engagement-related risks.

### **Reporting threshold**

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

We agreed with the Board of Directors that we would report to them all uncorrected audit differences in excess of €388,774 (2024: €385,682), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

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

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

#### **Tailoring the scope**

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' report and Directors' Responsibility Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

### *Other information (continued)*

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

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

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

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

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

### *Respective responsibilities*

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

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### *Auditor's responsibilities for the audit of the financial statements*

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

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

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

### **Our approach was as follows:**

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

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

This description forms part of our auditor's report.

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

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

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



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

**Office:** Dublin, Ireland  
**Date:** 11 December 2025

# St. Paul's CLO II Designated Activity Company

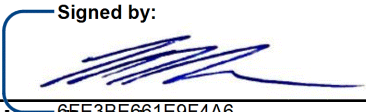
## Statement of Financial Position

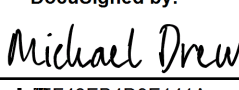
As at 31 March 2025

	Note	31-Mar-2025 €	31-Mar-2024 €
<b>ASSETS</b>			
Cash and cash equivalents	12	9,507,647	22,092,271
Coupon and other receivables	13	6,953,768	7,303,788
Financial assets at fair value through profit or loss	11	423,322,666	403,374,906
<b>TOTAL ASSETS</b>		<b>439,784,081</b>	<b>432,770,965</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Coupon and other payables	15	50,995,459	47,104,763
Financial liabilities at fair value through profit or loss	14	388,773,830	385,652,160
<b>TOTAL LIABILITIES</b>		<b>439,769,289</b>	<b>432,756,923</b>
<b>Equity attributable to equity holders</b>			
Share capital	16	1	1
Retained earnings		14,791	14,041
<b>TOTAL EQUITY</b>		<b>14,792</b>	<b>14,042</b>
<b>LIABILITIES AND EQUITY</b>		<b>439,784,081</b>	<b>432,770,965</b>

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

Approved and authorised for issue on behalf of the Board of Directors

Signed by:  
  
 \_\_\_\_\_  
 6FE3BE661E9F4A6...  
**Julian Dunphy**  
 Director

DocuSigned by:  
  
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 43F43FB4D9E141A...  
**Michael Drew**  
 Director

Date: 11 December 2025

# St. Paul's CLO II Designated Activity Company

## Statement of Comprehensive Income

For the year ended 31 March 2025

	Note	Financial year ended 31-Mar-2025 €	Financial year ended 31-Mar-2024 €
<b>Income</b>			
Net gain on financial assets at fair value through profit or loss	6	33,582,837	44,537,730
Net loss on financial liabilities at fair value through profit or loss	7	(31,468,449)	(43,151,444)
		<u>2,114,388</u>	<u>1,386,286</u>
<b>Other income and expenses</b>			
Other income	8	515,964	1,954,329
Other expenses	9	(2,629,352)	(3,339,615)
		<u>(2,113,388)</u>	<u>(1,385,286)</u>
<b>Profit on ordinary activities before taxation</b>		<b>1,000</b>	<b>1,000</b>
Tax on profit on ordinary activities	10	(250)	(250)
<b>Profit for the year</b>		<u><b>750</b></u>	<u><b>750</b></u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u><b>750</b></u>	<u><b>750</b></u>

All items above relate to continuing operations during the financial year.

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

# St. Paul's CLO II Designated Activity Company

## Statement of Changes in Equity

*For the year ended 31 March 2025*

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Balance at 1 April 2024</b>	1	14,041	14,042
Total comprehensive income	-	750	750
<b>Balance at 31 March 2025</b>	<b>1</b>	<b>14,791</b>	<b>14,792</b>

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Balance at 1 April 2023</b>	1	13,291	13,292
Total comprehensive income	-	750	750
<b>Balance at 31 March 2024</b>	<b>1</b>	<b>14,041</b>	<b>14,042</b>

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

# St. Paul's CLO II Designated Activity Company

## Statement of Cash Flows

For the year ended 31 March 2025

	Note	Financial year ended 31-Mar-2025 €	Financial year ended 31-Mar-2024 €
<b>Cash flows (used in)/from operating activities</b>			
Profit on ordinary activities after tax		750	750
Net changes in fair value on financial assets at FVTPL	6	(3,475,311)	(14,138,377)
Net changes in fair value on financial liabilities at FVTPL	7	3,121,670	12,092,898
Loss on foreign exchange	9	650	369
Movement in working capital:			
Decrease/(increase) in coupon and other receivables		569,793	(957,465)
(Decrease)/increase in coupon and other payables		(908,964)	6,449,758
<b>Net cash flows (used in)/from operating activities</b>		<u>(691,412)</u>	<u>3,447,933</u>
<b>Cash flows (used in)/from investing activities</b>			
Acquisition of financial assets at FVTPL	11,15	(220,796,444)	(115,415,982)
Proceeds from disposal of financial assets at FVTPL	11,13	208,903,882	127,947,393
<b>Net cash flows (used in)/from investing activities</b>		<u>(11,892,562)</u>	<u>12,531,411</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<u>(650)</u>	<u>(369)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(12,584,624)	15,978,975
Cash and cash equivalents at beginning of the year		22,092,271	6,113,296
<b>Cash and cash equivalents at year end</b>	12	<u>9,507,647</u>	<u>22,092,271</u>
<b>Supplementary information:</b>			
Taxation paid		(250)	(250)
Coupon received		30,677,319	29,426,666
Coupon paid		(29,181,660)	(24,686,172)

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

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements

### 1 Background to the Company

St. Paul's CLO II Designated Activity Company (the "Company") is a company domiciled in Ireland and was established to issue secured notes (the "Notes") under the terms of the note purchase agreement, and apply the proceeds to purchase Collateral Loan Obligations ("CLOs") that satisfy the eligibility criteria and reinvestment criteria. The Notes are direct, secured and limited recourse obligations of the Company with respect to the financial assets purchased.

The Company was incorporated on 22 May 2013 with a Company registration number 527856 and the registered office is 32 Molesworth Street, Dublin 2, Ireland. The Company is a special purpose company with limited liability and qualifies for the regime contained in Section 110 of the Irish Taxes Consolidation Act, 1997 (TCA). This provides that a qualifying company will be liable to corporation tax at the rate of 25% under Case III of Schedule D in respect of taxable profits.

The Company is a CLO transaction entity that is managed by Intermediate Capital Managers Limited (the "Investment Manager", "ICM"), a wholly owned subsidiary of Intermediate Capital Group PLC ("ICG"). The Company has been consolidated in ICM. More details are disclosed in Note 18.

### 2 Basis of preparation

#### (a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union ("EU") and in accordance with Irish statute comprising the Companies Act 2014.

The accounting policies set out in Note 3 have been applied consistently in preparing the financial statements for the year ended 31 March 2025. The comparative information presented in these financial statements for the year ended 31 March 2024 has been prepared on a consistent basis.

The Company's financial statements for the financial year ended 31 March 2025 have been prepared on a going concern basis. The Notes issued by the Company are due to mature in 2035 and are limited recourse obligations of the Company that are payable solely out of the amounts received in respect of the financial assets. The Directors are satisfied with the performance of the Company and believe that the Company will continue to operate in the future on the same basis for a period of at least 12 months from the date of signing the financial statements.

The Directors have considered the broader economic environment in the context of the going concern assumption adopted in the preparation of the financial statements. Despite the broader macro environment and the economic challenges, the Directors note the resilient nature of the CLO structure, the ability of the Company to manage its portfolios to reduce risk and minimize losses, to address and cure any portfolio tests which may fail under the deal documentation, and divert proceeds to the rated notes as required. As a result, the Directors are satisfied that the going concern basis of preparation remains appropriate.

#### (b) Changes in accounting policies

There were no changes in accounting policies that would have a financial impact on the Company's financial statements during the year. The accounting policies set out in Note 3 have been applied consistently in preparing the financial statements for the year ended 31 March 2025.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 2 Basis of preparation (continued)

#### (c) Basis of measurement

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

- Financial assets at fair value through profit or loss are measured at fair value; and
- Financial liabilities at fair value through profit or loss are measured at fair value.

The method used to measure fair values is discussed further in Note 3 (b).

In order to avoid the accounting mismatch that would otherwise arise, the Company has designated the financial liabilities issued to be at fair value through profit or loss as the financial assets are held at fair value through profit or loss.

#### (d) New and revised accounting standards and interpretation

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

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 17

The above standards did not have a material impact on the Company's financial statements.

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

The Directors have reviewed those standards and interpretations that are issued and effective subsequent to financial period end but not adopted early. The Directors assessed that none of those new standards and interpretations will have an impact to the Company's financial statements.

Description	Effective date (financial period beginning)
Lack of Exchangeability - Amendments to IAS 21	01 January 2025
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	01 January 2026
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	01 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027

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

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 2 Basis of preparation (continued)

#### (d) New and revised accounting standards and interpretation (continued)

The Directors have considered the new standards, amendments and interpretations as detailed in the above table and do not plan to adopt these standards early. The application of all of these standards, amendments or interpretations will be considered in detail in advance of a confirmed effective date by the Company. For IFRS 18, the Company is currently identifying the impacts of the amendments on the primary financial statements and notes to the financial statements.

The Directors have concluded that the other new standards, amendments and interpretations detailed above will have no material impact to the financial statements of the Company.

#### (e) Functional and presentation currency

The financial statements are presented in Euro (€) which is the Company's functional currency, being the currency of the primary economic environment of which the ultimate beneficial owners operate. The financial assets and liabilities are denominated in Euro (€). The Directors of the Company believe that Euro (€) most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented to the nearest Euro.

#### (f) Use 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 of the Investment Manager with other similar structures 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key judgements are levelling of financial instrument and valuation technique used for pricing which is explained in Note 5 and the key estimate is fair value of financial instruments which is explained in below and in Note 3(b).

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 2 Basis of preparation (continued)

#### (f) Use of estimates and judgements (continued)

##### Key sources of estimation uncertainty

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty relates to the use of valuation technique for pricing.

##### *Determining fair values*

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in Note 5 of the financial statements. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. These are further discussed in Note 5.

Because of its limited recourse nature, the fair value of Notes issued by the Company (financial liabilities at fair value through profit or loss) is determined by reference to the fair value of associated financial assets at fair value through profit or loss. Any future change in the fair value of financial assets will have an equal but opposite impact on the fair value of financial liabilities.

### 3 Material accounting policies

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

#### (a) Segmental reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company's business involves the investments in financial assets. The Company has only one segment and all administrating and operating functions are carried out and reviewed by the Directors. The Directors are considered to be the chief operating decision maker. The Company's revenue is generated from CLOs held during the year. The Company has no other product or revenue generating source. The Company has no major customer generating significant revenue. The financial result from this segment are equivalent to the financial statements of the Company as a whole. Note 4(e) provides further details of the geographical and industry concentrations.

#### (b) Financial instruments

The financial instruments held by the Company include the following:

- Financial assets at fair value through profit or loss;
- Financial liabilities at fair value through profit or loss;
- Financial asset at amortised cost; and
- Financial liabilities at amortised cost.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 3 Material accounting policies (continued)

#### (b) Financial instruments (continued)

##### *Classification*

The Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

##### *Financial assets*

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

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

##### *Financial assets measured at amortised cost*

A financial instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term receivables such as cash and cash equivalents, coupon receivables, unsettled trade receivables and other receivables as adjusted for any expected credit loss impairment.

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

##### *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:

- 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;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; 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.

Financial assets that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

The Company includes in this category debt instruments that are held under a business model to manage them on a fair value basis for investment income and fair value gains. The Investment Manager reviews the performance of the underlying loans in the portfolio regularly on a fair value basis and uses market values to assess if selling any underlying loans would maximise the return to the noteholders.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 3 Material accounting policies (continued)

#### (b) Financial instruments (continued)

##### ***Classification (continued)***

###### *Financial liabilities*

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

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

###### *Financial liabilities measured at amortised cost*

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

##### ***Recognition***

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

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

##### ***Initial measurement***

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

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

##### ***Subsequent measurement***

After initial measurement, the Company measures financial instruments which are classified as at FVTPL, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net change in fair value of financial assets and liabilities at FVTPL in the Statement of Comprehensive Income. Coupon income is recorded as part of "Net gain/(loss) on financial assets at fair value through profit or loss" and coupon expense is recorded as part of "Net gain/(loss) on financial liabilities at fair value through profit or loss" in the Statement of Comprehensive Income.

Financial assets and financial liabilities, other than those classified as at FVTPL, are measured at amortised cost using the effective interest method.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 3 Material accounting policies (continued)

#### (b) Financial instruments (continued)

##### ***Derecognition***

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

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

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

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

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

##### ***Expected Credit Loss (ECL) Policy***

The Company applies an approach similar to the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all coupon and other receivables. There is not considered to be any concentration of credit risk within these assets.

ECL amounts which are material are presented in the Statement of Financial Position as a reduction from the gross carrying amount of the asset. Based on the ECL review carried out by the Directors, no such losses have been recorded for the year.

##### ***Cash and cash equivalents***

The Company has determined that the application of IFRS 9's expected credit loss results in an immaterial provision on the cash and cash equivalents and therefore no provision is booked in the financial statements. The Company considers cash and cash equivalents to have low credit risk based on the external credit ratings of the counterparty.

##### ***Coupon and other receivables***

The Company has determined that the application of IFRS 9's expected credit loss on coupon and other receivables results in an immaterial impairment and therefore no provision is booked in the financial statements. Coupon and other receivables are short-term in nature and relate to amounts owed by reputable counterparties.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 3 Material accounting policies (continued)

#### (b) Financial instruments (continued)

##### **Offsetting**

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions. There has been no offsetting on the Statement of Financial Position as at 31 March 2025 (2024: None).

##### **Fair value measurement principles**

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. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at bid price.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

For more complex instruments, the Company uses proprietary models, which usually are developed from recognised valuation models. Some or all of the inputs into these models may not be market observable, and are derived from market prices or rates or are estimated based on assumptions. These are described in detail in Note 5 to the financial statements.

#### (c) Net gain on financial assets at fair value through profit or loss

Net gain on financial assets at fair value through profit or loss relates to investments in securities and includes realised and unrealised gains or losses, coupon income and foreign exchange differences. Unrealised gains/losses comprise changes in the fair value of the financial assets for the financial year. Realised gains/losses on disposals of financial assets classified as at fair value through profit or loss are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

#### (d) Net loss on financial liabilities at fair value through profit or loss

Net loss on financial liabilities at fair value through profit or loss comprises of coupon expense, realised and unrealised fair value changes.

#### (e) Coupon income and expense

Coupon income and expense are recognised in the Statement of Comprehensive Income as part of net gain or loss on financial instruments at FVTPL for all interest-bearing financial instruments on an accrual basis. For financial instruments at FVTPL, coupon income and expense are recognised using the nominal interest. Coupon on the subordinated notes and Class Z Notes is determined in accordance with the interest proceeds priority of payments as set out in the prospectus. Payment of coupon on the subordinated notes and Class Z Notes will only be made to the extent of the funds available after payments of expenses and coupon on Class A to F Notes, as set out in this priority of payments, regardless of the amount accrued during an accounting period.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 3 Material accounting policies (continued)

#### (f) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Statement of Comprehensive Income.

#### (g) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (h) Cash and cash equivalents

Cash and cash equivalents include cash held on deposit with banks with original maturities of less than 3 months. Cash and cash equivalents are measured and carried at amortised cost.

#### (i) Unsettled trades

Unsettled trades include amounts payable for securities purchased and receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date. Unsettled trades are initially measured at transaction price plus any directly attributable incremental costs.

#### (j) Other income and expenses

Other income and expenses are accounted for on an accruals basis.

#### (k) 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 a deduction from the proceeds, net of tax.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management

#### ***Risk management framework***

The Directors have overall responsibility for 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 are borne fully by the Noteholders. The income payments to the Noteholders are determined with reference to the priorities of payment schedule as contained in their terms and conditions of the Notes issued.

The Notes issued are initially recorded at the value of the net proceeds received and are carried as financial liabilities designated at fair value through profit or loss. The ultimate amount to be repaid to the Noteholders will depend on the proceeds from the related collaterals and the running cost of the Company due to the limited resource nature of the Notes in issue.

All substantial risks and rewards associated with the investment securities are ultimately borne by the Noteholders. Therefore any change in risk variables would have no net impact on the equity or the results of the Company.

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

- a) Market risk;
- b) Credit risk;
- c) Liquidity risk;
- d) Operational risk; and
- e) Concentration risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

#### **(a) Market risk**

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

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

##### *i) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is managed through the weighted priority of payment and that the payments on subordinated notes are only made based on available funds basis.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (a) Market risk (continued)

##### i) Interest rate risk (continued)

The interest rate risk profile of the Company's financial instruments was:

#### As at 31 March 2025

	Fixed rate	Floating rate	Non-interest bearing	Total
	€	€	€	€
Financial assets at FVTPL	21,486,940	401,694,866	140,860	423,322,666
Coupon and other receivables	-	-	6,953,768	6,953,768
Cash and cash equivalents	-	9,507,647	-	9,507,647
	<u>21,486,940</u>	<u>411,202,513</u>	<u>7,094,628</u>	<u>439,784,081</u>
Financial liabilities at FVTPL	(15,000,000)	(373,773,830)	-	(388,773,830)
Coupon and other payables	-	-	(50,995,459)	(50,995,459)
	<u>(15,000,000)</u>	<u>(373,773,830)</u>	<u>(50,995,459)</u>	<u>(439,769,289)</u>
<b>Net Exposure</b>	<b>6,486,940</b>	<b>37,428,683</b>	<b>(43,900,831)</b>	<b>14,792</b>

#### As at 31 March 2024

	Fixed rate	Floating rate	Non-interest bearing	Total
	€	€	€	€
Financial assets at FVTPL	42,986,882	360,046,349	341,675	403,374,906
Coupon and other receivables	-	-	7,303,788	7,303,788
Cash and cash equivalents	-	22,092,271	-	22,092,271
	<u>42,986,882</u>	<u>382,138,620</u>	<u>7,645,463</u>	<u>432,770,965</u>
Financial liabilities at FVTPL	(15,000,000)	(370,652,160)	-	(385,652,160)
Coupon and other payables	-	-	(47,104,763)	(47,104,763)
	<u>(15,000,000)</u>	<u>(370,652,160)</u>	<u>(47,104,763)</u>	<u>(432,756,923)</u>
<b>Net Exposure</b>	<b>27,986,882</b>	<b>11,486,460</b>	<b>(39,459,300)</b>	<b>14,042</b>

Cash and cash equivalents bear variable interest based on prevailing market rates.

Refer to Note 11 for details of the floating and fixed interest rates of the financial assets at FVTPL. Refer to Note 14 for the details of the interest rates of the financial liabilities at FVTPL.

#### Sensitivity analysis

The impact of a 50 basis points ("bps") movement in interest rates as at the reporting date in the Statement of Comprehensive Income is as follows:

	31-Mar-2025	31-Mar-2024
	€	€
50 bps net movement on interest rate on financial assets at FVTPL	2,083,334	1,880,657
50 bps net movement on interest rate on financial liabilities at FVTPL	(1,788,000)	(1,788,000)
Impact in financial liabilities at FVTPL	(295,334)	(92,657)
Changes in profit for the year	<u>-</u>	<u>-</u>

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (a) Market risk (continued)

##### i) Interest rate risk (continued)

The interest rate risk of the financial assets is borne by the Noteholders and thus changes in interest rates have no net impact on the equity or the results of the Company. The sensitivity analysis refers to the impact of a 50 bps change in the interest rate on the coupon income and expense recorded in the Statement of Comprehensive Income.

##### ii) Currency risk

Currency 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. The Company limits its exposure by operating bank accounts in other currencies than its functional currency for receipts and payments in other currencies.

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

##### iii) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk and currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market. The Company does not consider price risk to be significant risk to the Company as any fluctuations in the value of investments held by the Company will be borne by the Noteholders.

#### *Sensitivity analysis*

An increase in market prices of 5% would result in an increase in the fair value of the investment securities of €21,166,133 (2024: €20,168,745) with a corresponding increase in the value of the Notes issued. A decrease in market prices of 5% would have equal but opposite impact. The Directors consider a 5% change in market prices to be a reasonable assessment. The market price risk of the investment securities is borne by the Noteholders and thus market price changes have no net impact on the equity or the results of the Company.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (b) Credit risk

The credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from investment securities.

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

	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	€	€
Cash and cash equivalents	9,507,647	22,092,271
Coupon and other receivables	6,953,768	7,303,788
Financial assets at FVTPL		
Loans	356,009,796	320,842,945
Bonds	67,172,010	82,190,286
	<u>439,643,221</u>	<u>432,429,290</u>

#### *Financial assets at FVTPL*

The Company limits its exposure to credit risk by only investing according to portfolio guidelines approved by Investment Manager. The Investment Manager can only transact in accordance with assigned defined limits set out in the legal agreements. The risk of default on these assets is borne by the holders of financial liabilities.

The credit risk is eventually transferred to the Notes through the terms and conditions of the Notes.

The exposure of the Company's investments is continuously monitored and the Directors receive monthly performance reports from the Collateral Administrator. The following table details the credit ratings of the Company's investment securities, as rated by the rating agency Standard and Poor's (S&P) in terms of percentage of the carrying value:

<b>Credit Rating</b>	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	%	%
B	38.56%	44.17%
B-	29.60%	24.44%
B+	8.51%	13.86%
BB	10.40%	4.69%
BB-	7.29%	5.28%
BB+	–%	0.53%
BBB-	0.17%	–%
CC	1.78%	1.95%
CCC	0.62%	0.14%
CCC-	–%	–%
CCC+	2.73%	4.68%
D	–%	0.26%
Shadow rated	0.34%	–%
	<u>100.00%</u>	<u>100.00%</u>

Further disclosures on the Company's concentration risk are provided in Note 4(e).

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (b) Credit risk (continued)

The Company has defaulted assets at the year end as follows:

#### 31 March 2025

Issuer	Security ID	Principal balance	Carrying amount
		€	€
Altice France S.A.	LX210660	4,157,317	3,720,799
Garfunkelux Holdco 3 SA	XS2250154494	3,266,000	2,237,210
Garfunkelux Holdco 3 SA	XS2250153769	2,050,000	1,416,952
Hurtigruten Group AS	LX227422	1,760,895	–
Ignition Midco B.V.	LX235455	1,075,705	–
IQERA Group SAS	XS2580885908	2,564,000	1,456,406
<b>Total</b>		<b>14,873,917</b>	<b>8,831,367</b>

#### 31 March 2024

Issuer	Security ID	Principal balance	Carrying amount
		€	€
Casino Guichard-Perrachon	LX228756	2,000,000	943,313
Casper Debtco B.V.	LX193538	454,666	9,212
Hurtigruten Group AS	LX227422	1,760,895	548,818
Ignition Midco B.V.	LX174681	2,501,000	1,036,039
<b>Total</b>		<b>6,716,561</b>	<b>2,537,382</b>

Defaulted assets consist of investments determined by the Investment Manager using reasonable commercial judgment that meets the criteria of defaulted obligation as defined in the prospectus (e.g. assets with continuing default in payment of interest or principal; assets where bankruptcy, insolvency or receivership proceed has been initiated, assets with Moody's rating of CA or C / Fitch rating of CC etc). These defaulted assets may be sold at any time by the Company and these do not constitute an event of default as defined in the offering circular.

#### *Cash and cash equivalents*

The Company's cash and cash equivalents is held with Citibank, N.A. London Branch which has a credit rating of Aa3 (2024: Aa3) as per international credit rating agency Moody's.

#### *Coupon and other receivables*

Coupon and other receivables mainly comprise unsettled trades receivable and certain coupon receivable on financial assets at FVTPL. The credit rating of the coupon receivable is in line with that of the financial assets at FVTPL. Unsettled trades are normally settled within a few months of the trade date and are only entered with reputable counterparties.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all coupon receivables and other receivables. No assets are considered impaired given the short-term nature of these financial assets and no amounts have been written off during the year.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (c) Liquidity 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 obligations to Noteholders are direct secured and limited recourse with respect to the assets and cash flows of the company and therefore the Company does not bear any liquidity risk in respect of the Notes issued.

The ability of the Company to meet its obligations under the Notes is dependent on the receipt of interest and principal from the financial instrument transactions.

The Company's approach to managing liquidity is to ensure as far as possible, that it will always have liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

All substantial risks and rewards associated with the financial assets and liabilities are borne by the Noteholders. The Notes are carried at fair value through profit or loss as described in Note 2. The ultimate amount paid to the Noteholders will depend on the proceeds from collateral. The income payments to the Noteholders are determined with reference to priorities of payment schedule as contained in their terms and conditions of the Notes issued.

The expected maturities of liabilities as at year end are categorised below:

#### 31-Mar-2025

	Carrying Amount	Gross expected cash flows	Less than one year	One to five years	More than five years
	€	€	€	€	€
Financial liabilities at FVTPL	(388,773,830)	(611,613,335)	(16,643,748)	(66,574,992)	(528,394,595)
Coupon and other payables	(50,995,459)	(50,995,459)	(50,995,459)	-	-
	<u>(439,769,289)</u>	<u>(662,608,794)</u>	<u>(67,639,207)</u>	<u>(66,574,992)</u>	<u>(528,394,595)</u>

#### 31-Mar-2024

	Carrying Amount	Gross expected cash flows	Less than one year	One to five years	More than five years
	€	€	€	€	€
Financial liabilities at FVTPL	(385,652,160)	(681,364,847)	(21,231,756)	(84,927,024)	(575,206,067)
Coupon and other payables	(47,104,763)	(47,104,763)	(47,104,763)	-	-
	<u>(432,756,923)</u>	<u>(728,469,610)</u>	<u>(68,336,519)</u>	<u>(84,927,024)</u>	<u>(575,206,067)</u>

The timing of the gross contractual cash flow is different from the expected timing of cash flows as the subordinated notes has the option to redeem early after non-call period at 16 November 2023 which also requires full redemption of all senior notes issued.

The table above shows the Notes based on projected cashflows over the life of the securities. Interest portion is calculated using Euribor rate as at year end. Future interest on the subordinated notes was not included in the above as it will be determined based on future available profits and as such cannot be estimated. The Notes are subject to optional redemption after the non-call period and refer to Note 14.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (d) Operational risk exposure

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, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards to corporate behaviour.

Operational risks arise from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. All administration functions are outsourced to Maples Fiduciary Services (Ireland) Limited. The Company's financial return from realising the disposal of investment securities is subject to market conditions. The Directors have outsourced the management of the portfolio to the Investment Manager.

#### (e) Concentration risk

Details of the industry split and geographic concentration of the financial assets at FVTPL are outlined below:

#### Industry concentration

	31-Mar-2025	31-Mar-2025	31-Mar-2024	31-Mar-2024
	€	%	€	%
Automobiles	12,842,986	3.03%	8,443,252	2.09%
Banking and finance	17,377,967	4.11%	25,425,700	6.30%
Broadcasting and media	14,874,255	3.51%	6,720,196	1.67%
Building and materials	17,687,260	4.18%	14,979,989	3.71%
Business services	57,108,463	13.49%	50,380,066	12.49%
Cable	17,174,573	4.06%	7,982,505	1.98%
Chemical	32,261,942	7.62%	27,569,004	6.83%
Computers and electronics	-	0.00%	38,541,754	9.55%
Consumer products	16,975,395	4.01%	27,356,366	6.78%
Environmental services	4,744,150	1.12%	4,681,561	1.16%
Farming and agricultural services	-	0.00%	9,212	0.00%
Food & Drug Retailers	39,845	0.01%	1,201,680	0.30%
Food, beverage and tobacco	23,396,071	5.53%	29,233,339	7.25%
Gaming, leisure and entertainment	7,804,499	1.84%	9,778,874	2.42%
Healthcare	34,218,444	8.08%	31,193,895	7.73%
Industrial/manufacturing	23,437,107	5.54%	30,089,347	7.47%
Lodging and restaurants	4,711,025	1.11%	1,665,633	0.41%
Packaging and containers	11,863,264	2.80%	9,942,569	2.46%
Paper and forest products	-	0.00%	9,589,416	2.38%
Pharmaceuticals	27,062,398	6.39%	29,520,663	7.33%
Real estate	5,460,371	1.30%	2,583,252	0.64%
Retail (general)	5,892,217	1.39%	3,213,535	0.80%
Technology - hardware	2,155,807	0.51%	-	0.00%
Technology - software	49,407,993	11.67%	-	0.00%
Telecommunications	22,037,550	5.21%	19,127,351	4.74%
Transportation	14,789,084	3.49%	14,145,747	3.51%
	<b>423,322,666</b>	<b>100.00%</b>	<b>403,374,906</b>	<b>100.00%</b>

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 4 Financial risk management (continued)

#### (e) Concentration risk (continued)

##### Geographic concentration

	31-Mar-2025	31-Mar-2025	31-Mar-2024	31-Mar-2024
	€	%	€	%
Austria	841,500	0.20%	2,411,350	0.60%
Belgium	7,274,426	1.72%	2,922,556	0.72%
Denmark	6,225,249	1.47%	4,489,705	1.11%
Finland	8,734,450	2.06%	4,112,740	1.02%
France	65,895,434	15.57%	61,369,038	15.21%
Germany	66,780,745	15.78%	52,156,988	12.93%
Ireland	3,568,075	0.84%	4,731,736	1.17%
Italy	26,004,856	6.14%	27,054,810	6.71%
Luxembourg	15,623,228	3.69%	15,551,443	3.86%
Netherlands	48,533,296	11.46%	50,310,168	12.47%
Norway	809,177	0.19%	2,914,715	0.72%
Spain	19,852,120	4.69%	10,284,934	2.55%
Sweden	16,638,869	3.93%	15,547,021	3.85%
Switzerland	1,886,292	0.45%	2,431,759	0.61%
United Kingdom	81,511,647	19.26%	72,874,029	18.07%
United States	53,143,302	12.55%	74,211,914	18.40%
	<b>423,322,666</b>	<b>100.00%</b>	<b>403,374,906</b>	<b>100.00%</b>

#### (e) Capital risk management

The Company views the Notes in issue as its capital (refer to Note 14). The Company is a special purpose vehicle set-up to issue debt to finance the acquisition of its portfolio of financial assets. The Company manages its capital to ensure that it is able to continue as a going concern while maximising the return to the Noteholders. The Company is not subject to externally imposed capital requirements.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 5 Fair values

The Company's investment securities and the Notes issued are carried at fair value on the Statement of Financial Position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. The carrying amounts of all the Company's financial assets and financial liabilities carried at amortised cost at year end approximated their fair values. These disclosures supplement the financial risk management disclosures at Note 4.

#### **Critical accounting judgements in determining fair value of financial instruments**

The Company's accounting policy on fair value measurements is discussed under Note 3(b) under the sub heading "Financial Instruments".

IFRS 13 requires that the Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data; and
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the observable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Changes in valuation methods may result in transfers into or out of an investment's assigned hierarchy level.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 5 Fair values (continued)

#### a) Significant observable and unobservable inputs used in measuring fair value

##### *Valuation Techniques*

The following is an explanation of the valuation techniques used in establishing the fair value of the different types of financial instruments of the Company.

Investment securities: Fair values, on any date of determination and as provided by the Investment Manager to the Collateral Administrator, are determined as follows:

- (a) the bid price (mid price in the case of bonds) determined by an independent recognised pricing service; or
- (b) If such independent recognised pricing service is not available, the mean of the bid side prices (in the case of any High Yield Bond, Secured Bond or Senior Secured Floating Rate Note, excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations; or
- (c) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:
  - (i) the higher of (x) the lower of (A) the S&P Recovery Rate of such Collateral Debt Obligation and (B) the Fitch Recovery Rate of such Collateral Debt Obligation and (y) 70 per cent of such Collateral Debt Obligation's Principal Balance; and
  - (ii) the fair market value thereof determined by the Investment Manager on a best efforts basis in a manner consistent with reasonable and customary market practice.

The fair values are referred to the Investment Managers Pricing Committee which meets on a monthly basis. The fair values of financial assets are determined by quoted prices and latest prices executed for a similar asset. The financial assets at FVTPL in the portfolio are primarily priced through broker quotes sourced from Markit and IDC. The Company does not make any adjustments to the broker quotes obtained. Where there are no recent transactions, then fair value may be determined from the last market price adjusted for all changes in risks and information since that date. Where a close proxy instrument is quoted in an active market, then fair value is determined by adjusting the proxy value for differences in the risk profile of the instruments.

In less active markets, data is obtained from less frequent market transactions and broker quotes. Where observable prices or inputs are not available, management judgment is required to determine fair values by assessing other relevant sources of information such as historical data, fundamental analysis of the economics of the transaction and proxy information from similar transactions.

Notes issued at fair value through profit and loss: The fair value of the Notes issued at fair value through profit and loss is dependent upon the fair value of investment securities. Any changes in the valuation have direct impact to the fair value of the Notes issued.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 5 Fair values (continued)

#### a) Significant observable and unobservable inputs used in measuring fair value (continued)

##### *Valuation Techniques (continued)*

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Level 3 assets are valued by taking the value of broker quotations which reflects the key observable inputs available in the market and making appropriate adjustments within a range of broker quotes available as outlined above. Adjustments, where necessary, are determined by assessing variables such as maturity, subordination and industry of similar assets. Where post year end sales were evidential, the values realised were reviewed to ensure the reasonableness of the fair value as at year end.

Financial assets at FVTPL with 1 or 2 broker quotes available are categorised under level 3 due to illiquidity of trading and those financial assets at FVTPL with more than 2 broker quote are categorised under level 2. The broker takes the unobservable and observable factors into account when determining the fair value of the loan asset.

The fair value of the defaulted assets is calculated by using the lower of the price or the independently observed recovery rate (Moody's or Fitch). Where a price is not available, the lower of the Moody's and Fitch recovery rates are used.

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The changes in the fair value of level 3 financial instruments are recorded in net gain/loss on financial assets at FVTPL in the Statement of Comprehensive Income.

#### b) Fair Value Hierarchy

At the reporting date, the carrying amounts of investment securities and Notes issued by the Company whose fair values were determined directly, in full or in part, by reference to Level 1, Level 2 and Level 3 as mentioned above are as follows:

31-Mar-2025	Level 1	Level 2	Level 3	Total Fair Values
	€	€	€	€
<b>Financial assets at FVTPL</b>				
Equities	140,860	-	-	140,860
Loans	-	340,228,379	15,781,417	356,009,796
Bonds	-	67,172,010	-	67,172,010
<b>Financial liabilities at FVTPL</b>				
Notes	-	-	(388,773,830)	(388,773,830)
<b>Total</b>	<b>140,860</b>	<b>407,400,389</b>	<b>(372,992,413)</b>	<b>34,548,836</b>

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 5 Fair values (continued)

#### b) Fair Value Hierarchy (continued)

31-Mar-2024	Level 1	Level 2	Level 3	Total Fair Values
	€	€	€	€
<b>Financial assets at FVTPL</b>				
Equities	341,675	-	-	341,675
Loans	-	282,851,479	37,991,466	320,842,945
Bonds	-	82,190,286	-	82,190,286
<b>Financial liabilities at FVTPL</b>				
Notes	-	-	(385,652,160)	(385,652,160)
Total	341,675	365,041,765	(347,660,694)	17,722,746

#### Reconciliation of Level 3 fair value measurements of financial assets at fair value through profit or loss

	31-Mar-2025	31-Mar-2024
	€	€
Opening balance	37,991,466	36,237,637
Additions during the year	11,825,090	5,779,345
Repayments/disposals during the year	(19,936,440)	(14,201,404)
Transfers in from Level 2 to Level 3	3,764,658	12,719,317
Transfers out from Level 3 to Level 2	(18,159,167)	(4,033,461)
Realised gain on Level 3 investments	385,785	385,469
Unrealised (loss)/gain on Level 3 investments	(89,975)	1,104,563
Closing balance	<b>15,781,417</b>	<b>37,991,466</b>

#### Reconciliation of Level 3 fair value measurements of financial liabilities at fair value through profit or loss

	31-Mar-2025	31-Mar-2024
	€	€
Opening balance	(385,652,160)	(373,559,262)
Unrealised loss on Level 3 Notes	(3,121,670)	(12,092,898)
Closing balance	<b>(388,773,830)</b>	<b>(385,652,160)</b>

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting year during which the change has occurred. During the year investment securities of €3,764,658 transferred from level 2 to level 3 based on depth of price i.e. number of quotes available (2024: €12,719,317). During the year, investment of €18,159,167 transferred from level 3 to level 2 based on depth of price (2024: €4,033,461). Included in the net fair value through profit or loss above are unrealised loss on Level 3 assets of €89,975 (2024: gain of €1,104,563) and realised gain of €385,785 (2024: gain of €385,469).

Notes issued are traded in the institutional market and the prices at the year end are based on the relevant investment securities. The Directors have concluded that the Notes are not actively traded due to the limited liquidity that exists in the market.

The Notes are not actively traded in the market and the fair value of the Notes mainly derived from residual value of financial assets therefore it has been classified as Level 3 (2024: Level 3).

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 5 Fair values (continued)

#### b) Fair Value Hierarchy (continued)

The financial assets and liabilities not measured at fair value through profit or loss are short term financial assets and liabilities and their carrying amount approximates fair value.

As per IFRS 13, an entity is not required to provide quantitative information for Level 3 instruments if the quantitative unobservable inputs are not internally developed by the entity. Based on this, the Directors believe that no further disclosure is required for the quantitative and sensitivity analysis of Level 3 inputs.

#### 6 Net gain on financial assets at fair value through profit or loss

	Financial year ended 31-Mar-2025	Financial year ended 31-Mar-2024
	€	€
Coupon income	30,107,526	30,399,353
Realised gain on investments	3,186,716	3,121,478
Unrealised gain on investments	288,595	11,016,899
	<u>33,582,837</u>	<u>44,537,730</u>

#### 7 Net loss on financial liabilities at fair value through profit or loss

	Financial year ended 31-Mar-2025	Financial year ended 31-Mar-2024
	€	€
Coupon expense on the Notes	(28,346,779)	(31,058,546)
Unrealised loss on the Notes	(3,121,670)	(12,092,898)
	<u>(31,468,449)</u>	<u>(43,151,444)</u>

Coupon expense on the Notes includes coupon on subordinated note amounting to €8,670,652 (2024: €10,694,222) and Class Z note amounting to €Nil (2024: €Nil).

#### 8 Other income

	Financial year ended 31-Mar-2025	Financial year ended 31-Mar-2024
	€	€
Investment related income	514,964	1,953,329
Corporate benefit fee	1,000	1,000
	<u>515,964</u>	<u>1,954,329</u>

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 9 Other expenses

	Financial year ended 31-Mar-2025	Financial year ended 31-Mar-2024
	€	€
Collateral management fees	(1,997,265)	(2,126,998)
Rating agency fees	(35,000)	(96,994)
Professional fees	(255,490)	(251,528)
Trustee fees	-	(18,689)
Corporate administration fees	(28,974)	(27,471)
Audit fees (including VAT)	(27,060)	(26,096)
Loss on foreign exchange	(650)	(369)
Other expenses	(284,913)	(791,470)
	<b>(2,629,352)</b>	<b>(3,339,615)</b>

The Investment Manager is entitled to a senior investment management fee in respect of the immediately preceding due period equal to 0.15% per annum of the average aggregate principal balance of the asset portfolio and the balance standing to the credit of the collateral enhancement account applicable to such payment date.

The Investment Manager is also entitled to a subordinated investment management fee in respect of the immediately preceding due period equal to 0.35% per annum of the average aggregate principal balance and the balance standing to the credit of the collateral enhancement account applicable to such payment date. Payment of Investment Manager Fees is subject to available proceeds and the waterfall of payments.

	Financial year ended 31-Mar-2025	Financial year ended 31-Mar-2024
	€	€
<b>Auditors remuneration (excl. VAT)</b>		
Audit of the individual company financial statements	(22,000)	(21,216)
Tax advisory services	-	-
Other assurance services	-	-
Other non-audit services	-	-
	<b>(22,000)</b>	<b>(21,216)</b>

There were no other non-assurance services provided by the statutory auditors during the year (2024: none).

The Company is administered by the Corporate Administrator and has no employees. The Directors are employees of the Corporate Administrator and as such had an interest in the Corporate Administration fees in their capacity as Directors. Refer to Note 17 for further details.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 10 Taxation

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

The Company is a qualifying Company within the meaning of Section 110 of the TCA. As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25%, but are computed in accordance with the provisions applicable to Case I of Schedule D.

### 11 Financial assets at fair value through profit or loss

	31-Mar-2025	31-Mar-2024
	€	€
Investment securities at fair value through profit or loss	423,322,666	403,374,906

	31-Mar-2025	31-Mar-2024
	€	€
Equities	140,860	341,675
Loans	356,009,796	320,842,945
Bonds	67,172,010	82,190,286
	423,322,666	403,374,906

<b>Movement in investment securities</b>	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	€	€
At the beginning of the year	403,374,906	376,973,053
Settled purchases	183,392,957	98,070,061
Unsettled purchases	42,203,147	37,403,487
Settled disposals	(205,368,422)	(119,674,612)
Unsettled sales	(3,755,233)	(3,535,460)
Realised gain in fair value	3,186,716	3,121,478
Unrealised gain in fair value	288,595	11,016,899
	423,322,666	403,374,906

The carrying value of the investments securities of the Company (excluding equity securities) represents their maximum exposure to credit risk.

The Directors have engaged the Investment Manager, a company providing investment management services, having appropriately recognised professional qualification and recent experience in the market in which the investment securities being managed and are valued and traded, to value the portfolio at year end as part of its Investment Manager Agreement.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 11 Financial assets at fair value through profit or loss (continued)

The estimate of the investment securities value provided by the Investment Manager has been prepared in accordance with their obligations under the transaction documents and IFRS 13. In this regard, no account is taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be sold simultaneously, either in lots or as a whole.

The Company's portfolio consist of equities, bonds and loans in EUR. Bonds and loans bear floating and fixed interest rates. Annual fixed interest rates on bonds range from 2.88% to 11.13% (2024: 1.00% to 11.13%) whereas floating interest rates are based on EURIBOR plus margin. Annual fixed interest rates on loans range from 0.02% to 0.02% as at 31 March 2025 (2024: 0.02% to 6.00%). Annual floating interest rates on bonds range from 5.61% to 9.96% (2024: 8.15% to 11.43%). Annual floating interest rates on loans range from 0.07% to 11.48% (2024: 3.75% to 12.87%).

The Investment Manager utilises pricing quotes from underlying brokers in determining the fair value of loans and bonds. Prices on equity investments are obtained from stock exchange quotes. As the number of quotes and spreads between brokers may vary significantly, should these investment securities be disposed of subsequent to year end, the Directors understand that disposal proceeds negotiated may differ significantly from the above estimates, thereby indicating an uncertainty over the investment securities estimated valuation.

The Company funded the financial assets by issuing various classes of Notes. The Notes are limited recourse debt obligations which are payable solely out of amounts received by or on behalf of the Company in respect of these financial assets.

*Maturity profile of financial assets at FVTPL based on contractual maturities:*

	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	€	€
No maturities	140,860	341,675
Amounts due within 1 year	3,100,777	534,789
Amounts due more than 1 year	420,081,029	402,498,442
	<u>423,322,666</u>	<u>403,374,906</u>

### 12 Cash and cash equivalents

	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	€	€
Cash in bank	9,507,647	22,092,271
	<u>9,507,647</u>	<u>22,092,271</u>

The cash and cash equivalents are carried at amortised cost and this approximates fair value. The Company's cash and cash equivalents is held with Citibank, N.A. London Branch which has a credit rating of Aa3 (2024: Aa3) as per international credit rating agency Moody's.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 13 Coupon and other receivables

	31-Mar-2025	31-Mar-2024
	€	€
Coupon income receivable	3,198,535	3,768,328
Unsettled trade sales	3,755,233	3,535,460
	<u>6,953,768</u>	<u>7,303,788</u>

Coupon and other receivables are due to be settled within one year.

### 14 Financial liabilities at fair value through profit or loss

	31-Mar-2025	31-Mar-2024
	€	€
Financial liabilities at fair value through profit or loss	(388,773,830)	(385,652,160)

Notes issued are designated at fair value through profit or loss when the related investment securities are fair valued, to avoid accounting mismatch.

<b>Debt reconciliation</b>	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	€	€
At the beginning of the year	(385,652,160)	(373,559,262)
Net changes in fair value	(3,121,670)	(12,092,898)
	<u>(388,773,830)</u>	<u>(385,652,160)</u>

At 31 March 2025, Notes issued includes net fair value loss of €3,121,670 (2024: loss of €12,092,898). The changes in fair value of Notes issued is predominantly attributable to the change in fair value of the Company's investment securities due to the limited recourse arrangement in place. Net fair value gain/loss is allocated to the subordinated class of notes. Any excess in net fair value gain/loss is allocated over the next class of notes in reverse order of seniority.

On 16 November 2021, the Company redeemed the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class X Notes (the "Original Notes") and refinanced by issuing Class A Notes, Class B-1 Notes, Class B-2 Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class Z Notes (the "Refinanced Notes") with the interest rates and maturity date indicated in the next page in accordance with the Trust Deed. The Company also updated its Subordinated Notes maturity date to 25 October 2035. The Notes were subscribed and purchased, net of €1,769,400 discount on the date of reissuance. The discount consists of Class E €374,000, Class F €395,500 and Class Z €999,900.

The Notes will be subject to optional redemption, mandatory redemption and special redemption as outlined in the offering circular. From 21 November 2021 to 16 November 2023 (the "Non-call period"), the Notes are not subject to Optional Redemption. The Company has reinvestment period up to 16 November 2026. Following the expiry of the Non-Call Period, the Company shall redeem the Rated Notes in whole from Sale Proceeds on any Business Day, if the Aggregate Principal Balance is less than 20 per cent. of the Target Par Amount and the Investment Manager so directs in writing. Mandatory redemption can occur upon breach of coverage tests in accordance with the terms and conditions in the offering circular. As at 31 March 2025, no such tests have been breached (2024: none). The Notes were also not subjected to special redemption as at 31 March 2025.

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

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 14 Financial liabilities at fair value through profit or loss (continued)

The details of the Notes below are in order of priorities:

#### 31 March 2025

Class of Notes	Issue Price	Nominal Amount (€)	Fair Value Amount (€)	Interest	Stated Maturity
Class A	100.00%	248,000,000	248,000,000	3 month EURIBOR + 0.98%	25-Oct-35
Class B-1	100.00%	26,000,000	26,000,000	3 month EURIBOR + 1.75%	25-Oct-35
Class B-2	100.00%	15,000,000	15,000,000	2.15% fixed rate	25-Oct-35
Class C	100.00%	24,200,000	24,200,000	3 month EURIBOR + 2.45%	25-Oct-35
Class D	100.00%	29,400,000	29,400,000	3 month EURIBOR + 3.70%	25-Oct-35
Class E	98.00%	18,700,000	18,700,000	3 month EURIBOR + 6.38%	25-Oct-35
Class F	96.50%	11,300,000	11,300,000	3 month EURIBOR + 8.88%	25-Oct-35
Class Z	0.01%	1,000,000	1,000,000	Available fund basis*	25-Oct-35
Subordinated	56.01%	62,000,000	15,173,830	Available fund basis**	25-Oct-35
<b>Total</b>		<b>435,600,000</b>	<b>388,773,830</b>		

#### 31 March 2024

Class of Notes	Issue Price	Nominal Amount (€)	Fair Value Amount (€)	Interest	Stated Maturity
Class A	100.00%	248,000,000	248,000,000	3 month EURIBOR + 0.98%	25-Oct-35
Class B-1	100.00%	26,000,000	26,000,000	3 month EURIBOR + 1.75%	25-Oct-35
Class B-2	100.00%	15,000,000	15,000,000	2.15% fixed rate	25-Oct-35
Class C	100.00%	24,200,000	24,200,000	3 month EURIBOR + 2.45%	25-Oct-35
Class D	100.00%	29,400,000	29,400,000	3 month EURIBOR + 3.70%	25-Oct-35
Class E	98.00%	18,700,000	18,700,000	3 month EURIBOR + 6.38%	25-Oct-35
Class F	96.50%	11,300,000	11,300,000	3 month EURIBOR + 8.88%	25-Oct-35
Class Z	0.01%	1,000,000	1,000,000	Available fund basis*	25-Oct-35
Subordinated	56.01%	62,000,000	12,052,160	Available fund basis**	25-Oct-35
<b>Total</b>		<b>435,600,000</b>	<b>385,652,160</b>		

\* Interest payment is determined whether the Class Z IRR threshold has been met or surpassed in accordance with applicable priorities of payments and on an available fund basis. If the IRR threshold is met, Class Z will receive payments of interest in accordance with the priorities of payments per offering circular dated 15 November 2021.

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

Based on the offering circular dated 15 November 2021, interest on Notes is payable quarterly in arrears on 25 January, 25 April, 25 July and 25 October prior to the occurrence of a frequency switch event as per prospectus. The first interest payment date after refinancing was on 25 January 2022.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 15 Coupon and other payables

	31-Mar-2025	31-Mar-2024
	€	€
Coupon expense payable	(8,397,679)	(9,232,560)
Audit fees payable	(27,060)	(23,370)
Investment management fees payable	(367,573)	(445,346)
Unsettled trade purchases	(42,203,147)	(37,403,487)
	<u>(50,995,459)</u>	<u>(47,104,763)</u>

Coupon and other payables are due to be settled within one year. Coupon expense accrued for the subordinated notes at year end amounting to €5,391,232 (2024: €5,339,962).

### 16 Share capital - equity

	31-Mar-2025	31-Mar-2024
	€	€
<b>Authorised</b>		
100,000 ordinary shares of €1 each	<u>100,000</u>	<u>100,000</u>
<b>Issued and unpaid</b>		
1 ordinary shares of €1 each	<u>1</u>	<u>1</u>

The share capital was issued on 22 May 2013. On 25 March 2014, this share was transferred to MaplesFS Trustees Ireland Limited and held in trust on behalf of charities.

### 17 Transactions with related parties

Maples Fiduciary Services (Ireland) Limited (“the Corporate Administrator”) provides corporate administration services to the Company at commercial rates. Maples Fiduciary Services (Ireland) Limited provides directors to the Company as part of its service under the corporate service agreement. The directors, as employees of the Corporate Administrator, had an interest in these fees in their capacity as directors.

During the financial year the Company incurred a fee of €28,974 (2024: €27,471) relating to administration services provided by the Corporate Administrator. The directors, as employees of the Corporate Administrator, had an interest in these fees in their capacity as directors. The outstanding balance on this transaction is €Nil (2024: €Nil).

Maples Fiduciary Services (Ireland) Limited received €2,897 (2024: €2,747) as consideration for the making available of individuals to act as directors of the Company. The outstanding balance on this transaction is €Nil (2024: €Nil).

The terms of the corporate services agreement in place between the Company and Maples Fiduciary Services (Ireland) Limited provides 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 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, notwithstanding the directors of the Company are employees of Maples Fiduciary Services (Ireland) Limited, they each do not receive any remuneration for acting as directors of the Company.

# St. Paul's CLO II Designated Activity Company

## Notes to the Financial Statements (continued)

### 17 Transactions with related parties (continued)

ICM is involved directly in directing the operations in relation to the purchase and sale of the Portfolio and it is considered as key management personnel. Although, the Investment Manager and the Company has entered into a portfolio management agreement, the Directors are still considered to have the authority and responsibility for planning and directing the activities of the Company being the purchase and sale of the Portfolio. During the year, the Company incurred fees of €1,997,265 (2024: €2,126,998) relating to investment management services from ICM. At the financial year end, €367,573 (2024: €445,346) was accrued.

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

ICM's Notes holding at year-end and details of the coupon incurred/payable to them during the year can be seen in the table below.

#### 31-Mar-2025

Class of Notes	% of Holdings	ICM Notional Holdings €	Coupon expense €	Coupon payable €
Class Z	50.00%	500,000	-	-
Subordinated Note	85.48%	53,000,000	7,412,009	4,608,634

#### 31-Mar-2024

Class of Notes	% of Holdings	ICM Notional Holdings €	Coupon expense €	Coupon payable €
Class Z	50.00%	500,000	-	-
Subordinated Note	85.48%	53,000,000	9,141,835	4,564,806

### 18 Ownership of the Company

One share was issued to Maples Fiduciary Services (Ireland) Limited on 22 May 2013, under which the relevant share trustee holds the issued share of the Company on trust for a charity. On 25 March 2014, this share was transferred to MaplesFS Trustees (Ireland) Limited.

The Directors are responsible for the day-to-day management and administration of the company. The Directors are composed of two directors, both of whom are employees of the Administrator.

ICM controls the Company through its 85.48% (2024: 85.48%) holding in the Subordinated notes and its provision of investment management services to the Company and consolidates the Company in its financial statements. ICM is a wholly owned subsidiary of Intermediate Capital Group PLC ("ICG") and is being consolidated in ICG, being the ultimate parent company.

### 19 Charges

The trustee, Citibank, N.A. London Branch, holds fixed and floating charges over the collateral of the Company's undertaking or property and the book debts of the Company.

### 20 Commitments and contingencies

There were no commitments and contingencies as at 31 March 2025 (2024: None).

# **St. Paul's CLO II Designated Activity Company**

## **Notes to the Financial Statements (continued)**

### **21 Subsequent events**

Effective from 21 July 2025, Intermediate Capital Managers Limited officially changed its name to ICG Manager Limited and Intermediate Capital Group PLC to ICG plc.

Effective 05 April 2025, the United States of America (the "U.S.") imposed a minimum 10% tariff on all imports. Subsequently, additional tariffs were applied on a number of countries. These tariffs have caused widespread market volatility. The Company and Directors are not aware of any business operations or direct impacts the tariffs will have on the Company's going concern. The Directors will continue to evaluate the situation and its impact on financial position and operating results.

There have been no other significant events subsequent to year-end that would require adjustment or disclosure in the financial statements.

### **22 Approval of the financial statements**

The financial statements were approved by the board on 11 December 2025.