

**Miravast ILS Credit Opportunities II Designated Activity Company
("Miravast ILS Credit Opportunities II DAC")**

Directors' Report and Audited Financial Statements

For the financial year ended 31 December 2025

Registered number 706147

Miravast ILS Credit Opportunities II Designated Activity Company

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Miravast ILS Credit Opportunities II Designated Activity Company

Directors and Other Information

Registered number	706147
Directors	David McGuinness (Irish) Grainne Kirwan (Irish) Michael Drew (Irish) (appointed as an Alternate Director on 2 nd September 2025, resigned on 4 th September 2025)
Corporate Administrator	Maples Fiduciary Services (Ireland) Limited 32 Molesworth Street Dublin 2 D02 Y512 Ireland
Secretary	MFD Secretaries Limited 32 Molesworth Street Dublin 2 D02 Y512 Ireland
Investment Advisor	Miravast Asset Management LLC 405 South State Street Newtown, PA 18940 United States of America
Solicitors	Maples and Calder (Ireland) LLP 75 St Stephen's Green Dublin 2 D02 PR50 Ireland
Registered office	32 Molesworth Street Dublin 2 D02 Y512 Ireland
Independent auditors	KPMG, Statutory Audit Firm 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland

Miravast ILS Credit Opportunities II Designated Activity Company

Directors and Other Information (continued)

Bankers

Computershare Trust Company, N.A. (formerly Wells Fargo Bank, N.A.)
WF 8113
P.O. Box 1450
Minneapolis, MN 55485-8113
United States of America

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Bank of Utah
50 South 200 East, Suite 110
Salt Lake City, UT 84111
United States of America

Custodian of Policies

Computershare Trust Company, N.A. (formerly Wells Fargo Bank, N.A.)
WF 8113
P.O. Box 1450
Minneapolis, MN 55485-8113
United States of America

Miravast ILS Credit Opportunities II Designated Activity Company

Directors' Report

The Directors present their annual report and audited financial statements of Miravast ILS Credit Opportunities II Designated Activity Company (the "Company") for the financial year ended 31 December 2025.

Principal activities, business review and future developments

The Company is a special purpose entity with limited liability, which was incorporated on 15 October 2021 under the Companies Act 2014. The principal activity of the Company is to purchase and service a portfolio of Life Settlement Policies. The Company finances its investment activities through the issuance of Profit Participating Notes (the "PPN").

In May 2022, the Company entered into a Subscription Agreement for a total amount of USD 750,000,000 Profit Participating Notes (the "PPN" or "Notes"), due 10 May 2042 to Miravast ILS Credit Opportunities II LP at a purchase price of 100%, of which \$216,500,000 (2024: \$197,000,000) were subscribed for as at 31 December 2025. The Notes are limited recourse in nature. The final redemption date will be May 2042 under the terms of the Deed Poll. The Notes are subject to optional redemption by the Company and Noteholder subject to the provision of notice. There are no plans to exercise this option. The Notes were listed on the Vienna Stock Exchange on 22 July 2022. The final redemption date will be May 2042 under the terms of the Deed Poll. The Notes are subject to optional redemption by the Company and Noteholder subject to the provision of notice. There are no plans to exercise this option.

As detailed in the Conditions in the Deed Poll, the interest expense on the Notes is based on either a) the available amount of profit after payment of expenses and carry forward of losses or b) zero, if the available amount is equal to or less than zero. The interest shall accrue and is due for payment at the end of the accrual period. The accrual period shall end in the period that the Notes are redeemed. Fair value gain/loss on financial liabilities designated at fair value comprises realised and unrealised fair value changes and is determined primarily with reference to the fair value movements on financial assets.

The proceeds from the issuance of these Notes were used by the Company to acquire a portfolio of Life Settlement Policies. The Company plans to continue with its existing business activities in the future.

Key performance indicators ("KPIs")

The Company's KPIs and financial highlights for the year ended 31 December 2025 and 31 December 2024 are as follows:

Ratio to average net assets *:

	31-Dec-25	31-Dec-24
Total expenses	0.44%	0.52%
Net investment income	0.31%	0.22%
Internal rate of Return ("IRR")	-0.12%	-0.31%

*The value of the Notes issued designated at fair value through profit or loss ("FVTPL") as at 31 December 2025 and 2024 has been used as a proxy for the average net assets of the Company to present a more meaningful disclosure.

Miravast ILS Credit Opportunities II Designated Activity Company

Directors' Report (continued)

Results and dividend

The Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31 December 2025 are set out on pages 16 to 19, respectively. The Company made a profit before tax of \$1,000 (2024: \$1,000) for the year ended 31 December 2025. The value of the Investment in Life Settlement Policies at 31 December 2025 is \$261,813,472 (2024: \$230,122,978). The Company made a realised gain on the investment of \$25,020,909 (2024: \$11,286,283) and an unrealised gain of \$4,554,566 (2024: \$27,298,685) during the year. The value of the Notes for the year ended 31 December 2025 is \$302,553,672 (2024: \$253,821,202). The Company made an unrealised loss of \$29,232,470 (2024: \$37,970,522) on the Notes during the year.

The Directors do not propose to pay a dividend for the year (2024: \$Nil).

Directors, company secretary and their interests

None of the Directors or company secretary who held office at 31 December 2025 held any shares or debentures in the Company at that date, or during the year (2024: None). The two Directors of the Company (David McGuinness and Grainne Kirwan) are employees of the Corporate Administrator.

Changes in directors and company secretary

The Directors and company secretary who held office at 31 December 2025 are listed on page 1. During the year Michael Drew was appointed as an alternate director on 2 September 2025 and resigned on 4 September 2025. There were no other changes in directors and company secretary during the year.

Transactions involving Directors

There were no loans advanced to the Directors at any time during the financial year. There were no contracts or arrangements in relation to the business of the Company in which the Directors had any interest, as defined by the Companies Act 2014, at any time during the year, other than those outlined in Note 16 to the financial statements.

Risk management and control

The Company's activities expose it to a variety of financial risks. The principal risks and uncertainties facing the Company are noted below and the policies adopted by the Board of Directors to counter the exposure to financial risk are disclosed further in Note 5 to the financial statements.

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

- a) Market risk;
 - i. *Interest rate risk*
 - ii. *Currency risk*
 - iii. *Other price risk*
- b) Credit and counterparty risk;
- c) Liquidity risk;
- d) Legislative and regulatory risk;
- e) Insurable interest;
- f) Contestability;
- g) Valuation risk;
- h) Longevity/mortality risk;
- i) Inaccurate premium calculations;
- j) Tax risk; and
- k) Concentration risk.

Miravast ILS Credit Opportunities II Designated Activity Company

Directors' Report (continued)

Shareholders

Authorised Share Capital consists of 100,000 ordinary shares of EUR 1 each. One share was issued on 15 October 2021 to MaplesFS Trustees Ireland Limited.

Registered office

The location of the Company's registered office is 32 Molesworth Street, Dublin 2.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by appointing an administrator, Maples Fiduciary Services (Ireland) Limited which employs accounting personnel with the appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at Maples Fiduciary Services (Ireland) Limited, 32 Molesworth Street, Dublin 2, Ireland.

Disclosure of information to the auditor

In the case of each of the persons who are Directors at the time this report is approved, in accordance with Section 330(1) of The Companies Act 2014:

- in so far as each of the Directors is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- the Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information.

Significant events during the year

There have been no significant events during the year that would require adjustment or disclosure in these financial statements.

Subsequent events

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

Going concern

The Company's financial statements have been prepared on a going concern basis. 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 issuance of the financial statements. The Directors consider the financial assets held at the reporting date to be sufficient to cover any accrued ordinary expenses and foreseeable overheads over the period from date of approval of these financial statements and for a period of at least 12 months from the date of issuance of these financial statements.

The Directors are satisfied with the continuous funding from issuance of Notes to meet their commitments as they fall due. Furthermore, the Notes are scheduled to mature in May 2042 and are limited recourse in nature, which means that any losses made by the Company are ultimately borne by the Noteholders. Refer to Note 13 to the financial statements for further details of the Notes issued.

Miravast ILS Credit Opportunities II Designated Activity Company

Directors' Report (continued)

Research and development activities

The Company has not engaged in any research and development activities during the year (2024: None).

Political donations

The Company made no political donations and did not incur any political expenditure during the year (2024: None).

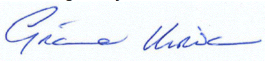
Directors' Compliance Statement

The Company does not meet the qualifying conditions in accordance with Section 225(7) of the Companies Act 2014 for the requirement to provide a "Compliance Policy Statement".

Independent auditor


KPMG, Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383 (2) of the Companies Act 2014.

On behalf of the Board

DocuSigned by:

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Grainne Kirwan
Director

Date: 31 March 2026

DocuSigned by:

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David McGuinness
Director

Date: 31 March 2026

Miravast ILS Credit Opportunities II Designated Activity Company

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare the financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

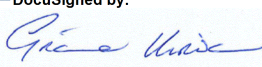
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether 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 enable them to ensure that the financial statements comply with the Companies Act 2014. 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 responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the Board

DocuSigned by:

ED5F6EBE4CB34CB...

Grainne Kirwan
Director

Date: 31 March 2026

DocuSigned by:

49E924B7A1C3442...

David McGuinness
Director

Date: 31 March 2026



KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Miravast ILS Credit Opportunities II DAC ('the Company') for the year ended 31 December 2025 set out on pages 17 to 47, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and related notes, including the material accounting policies 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.

Opinion under International Standards on Auditing (Ireland) (ISAs (Ireland))

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

Opinion under generally accepted auditing standards in the United States of America ('US GAAS')

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at 31 December 2025 and 31 December 2024 and the results of its operations and its cash flows for the year then ended in accordance with IFRS as adopted by the European Union, including a reconciliation of material differences with US Generally Accepted Accounting Standards (US GAAP) and applicable law.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law and in accordance with US GAAS. 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 have fulfilled our ethical responsibilities under, and we remained 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,



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Basis for opinion (continued)

together with the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct.

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 entity's ability to continue to adopt the going concern basis of accounting included:

- Using our knowledge of the Company and the nature of its activities to identify the inherent risks to the Company's business model and analysing how those risks might affect the Company's financial resources or ability to continue as a going concern over the twelve months from the date of when the financial statements are authorised for issue. The risk that we considered most likely to adversely affect the Company's available financial resources over this period was the availability of funding to meet operating costs and the valuation of investments at fair value.
- Considering other factors that could impact the Company, including the current performance of the asset class in which the Company invests, the Investment Advisor's intention to continue to advise on and manage the portfolio and the directors' assessment of the operational resilience of the Company.

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

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

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors and other management as to the Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Inquiring of directors regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Reading Board minutes.



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Detecting irregularities including fraud (continued)

- Performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: compliance with Section 110 of the Tax Consolidation Act 1997 (as amended) and Rule 206(4)-2 under the Investments Advisers Act of 1940 ("the US SEC Custody Rule").

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition.

In response to the fraud risk(s), we also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation.
- Assessing whether any significant unusual transactions took place during the year.
- Assessing significant accounting estimates for bias.
- Assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.



Independent Auditor’s Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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.

In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2024):

Valuation of Investments in Life Settlement Policies USD 261,813,472 (2024 - USD 230,122,978)

Refer to page 23 (accounting policy) and pages 38 to 40 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
<p>The Company’s investment in Life Settlement Policies are considered to be a key driver of the Company’s results.</p> <p>The Company’s valuation of investments in Life Settlement Policies make up 86% (2024: 91%) of total assets by value. Due to the nature of the Company’s investment portfolio, the valuation of the life settlement portfolio involves subjective judgments and uncertainties, in particular in respect of the significant assumptions and key inputs relating to life expectancies and discount rates because of the likelihood and potential magnitude of misstatement to the valuation of investments. 100% (2024: 100%) of the Company’s investment portfolio is comprised of Life Settlement Policies and is categorised as Level 3 in the fair value hierarchy given the subjective and judgmental nature of the investments in Life Settlement Policies.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>Our audit procedures, certain of which were performed with the assistance of our actuary specialists, over the valuation of the Company’s Investments in Life Settlement Policies included but not limited to:</p> <ul style="list-style-type: none"> - Obtaining an understanding of the valuation process and testing the design and implementation of the key control relevant to the valuation of the investments in Life Settlement Policies; - Obtaining an understanding of the overall valuation methodology of the Company’s investment portfolio and the movements in fair value for the year to 31 December 2025; - Assessing the independence, knowledge, skill and abilities of the Valuation Agent and obtaining and considering the Valuation Agent’s 31 December 2025 Valuation Report; - In using our auditor judgment, we formed an independent range for the key assumptions used in the valuation of investments in Life Settlement Policies, including the assumptions relating to life expectancies and discount rates, with reference to relevant industry and market valuation considerations. We derived a range of fair values using our assumptions and other qualitative risk factors. We



Independent Auditor’s Report to the Members of Miravast ILS Credit Opportunities II
 DAC (continued)

	<p>compared these ranges to management’s fair values and shared our results with management;</p> <ul style="list-style-type: none"> - Performing a retrospective review to compare Management’s estimates to actual results; - Challenging the appropriateness of key inputs into the valuation model, including policyholder data and policy premium data, as at 31 December 2025 by comparing the inputs used to external data and our specialist’s actuarial data; - In using our auditor judgment, we recalculated the value of the Life Settlement Policies and analysed the outputs from the valuation agent’s model against our own expectations; - Assessing the adequacy of the disclosures of the investments in accordance with the fair value hierarchy; - Assessing the disclosures about the sensitivity of the outcomes of management’s valuation to changes in key assumptions; and - Assessing that the disclosures reflect the risks inherent in the valuation of the investments in Life Settlement Policies. <p>Based on evidence obtained, we found that the Company’s judgments, significant assumptions, and key inputs relating to Valuation of Life Settlement Policies are within a reasonable range. We found no material misstatements.</p>
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Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at USD 8.37m (2024: USD 2.32m), determined with reference to a benchmark of total assets (of which it represents 3% (2024: 1%).

We consider total assets to be the most appropriate benchmark as we consider them to be one of the principal considerations for members of the company in assessing the financial performance of the Company.

In applying our judgement in determining the most appropriate benchmark, the factors which had the most significant impact were:

- the elements of the financial statements (for example, total assets as the Company is an asset driven Company, which provides returns to investors);



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Our application of materiality and an overview of the scope of our audit (continued)

- the items on which attention of the users of the Company's financial statements tend to be focused (for example, total assets as the investors' residual interest in the Company is derived from the total assets);
- the nature of the Company, where the Company is in its life cycle, and the industry and economic environment in which the Company operates (for example, the Company is established and operates in the investment management industry, which is asset focused); and
- the Company's ownership structure and the way it is financed (for example, the Company is financed through profit participating notes representing the residual interest in the Company. The residual interest in the Company is derived from the total assets).

In applying our judgement in determining the percentage to be applied to the benchmark, the following qualitative factors which had the most significant impact were:

- The Company's ownership structure and the way in which the entity is financed (for example, the Company is financed through profit participating notes representing the residual interest in the Company. The residual interest in the Company is derived from the total assets);
- the stability of the business environment in which it operates (for example, the Company is established and operates in the investment management industry, which is asset focused).

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.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality for the financial statements as a whole was set at USD 6.27m (2024: USD 1.74m), determined with reference to a benchmark of materiality (of which it represents 75% (2024: 75%).

In applying our judgment when determining performance materiality, the following factors were considered to have the most significant impact, increasing our assessment of performance materiality:

- The low number and value of misstatements detected in the prior year financial statement audit;
- The low number and severity of deficiencies in control activities identified in the prior year financial statement audit; and
- The stability in the senior management and key financial reporting personnel of the last 3 years.

We reported to the Board of Directors any corrected or uncorrected identified misstatements exceeding USD 418k (2024: USD 116k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

We used Company performance materiality to assist us determine what risks were significant risks and determine the audit procedures to be performed.

Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Dublin.



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report, the Statement of Directors' Responsibilities, and Directors and Other Information. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider 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.

We have nothing to report on other matters on which we are required to report by exception

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

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Responsibilities of directors for the financial statements (continued)

of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Director's responsibilities for the financial statements in accordance with US GAAS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework, including the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are required to evaluate whether there are conditions or events, considered in the aggregate, that raise significant doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

Auditor's responsibilities in accordance with US GAAS

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.



Independent Auditor's Report to the Members of Miravast ILS Credit Opportunities II DAC (*continued*)

Auditor's responsibilities in accordance with US GAAS (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.
- Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise significant doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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.

31 March 2026

Rio Howley

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Harbourmaster Place

IFSC

Dublin 1

D01 F6F5

Miravast ILS Credit Opportunities II Designated Activity Company

Statement of Comprehensive Income

For the financial year ended 31 December 2025

	<i>Note</i>	Year ended 31-Dec-25 USD	Year ended 31-Dec-24 USD
Income			
Interest income		840,132	431,054
Other income		35,200	-
Net gain on financial assets at FVTPL	4	29,575,475	38,584,968
Net loss on financial liabilities designated at FVTPL	4	(29,232,470)	(37,970,522)
		1,218,337	1,045,500
Expenses			
Wages and salaries	9	(80,860)	(66,693)
Operating expenses	7	(1,136,477)	(977,807)
		(1,217,337)	(1,044,500)
Profit before taxation		1,000	1,000
Tax for the year	10	250	250
Profit after taxation		750	750
Other comprehensive income for the financial year		-	-
Total comprehensive income for the financial year		750	750

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

Miravast ILS Credit Opportunities II Designated Activity Company

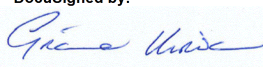
Statement of Financial Position

As at 31 December 2025

	<i>Note</i>	31-Dec-2025 USD	31-Dec-2024 USD
ASSETS			
Cash and cash equivalents	11	24,488,913	8,896,046
Trade receivables	12	13,864,731	12,875,694
Unpaid share capital	15	1	1
Prepayments on Life Settlement Policies		2,694,290	2,020,520
Other prepayments		-	98,122
Financial assets at FVTPL	5,6,13	261,813,472	230,122,978
TOTAL ASSETS		302,861,407	254,013,361
LIABILITIES AND EQUITY			
EQUITY			
Share capital	15	1	1
Retained earnings		3,000	2,250
TOTAL EQUITY		3,001	2,251
LIABILITIES			
Trade and other liabilities	14	304,734	189,908
Financial liabilities designated at FVTPL	6,13	302,553,672	253,821,202
TOTAL LIABILITIES		302,858,406	254,011,110
TOTAL LIABILITIES AND EQUITY		302,861,407	254,013,361


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

Approved and signed on behalf of the Board:

DocuSigned by:

 ED5F6EBE4CB34GB...

Grainne Kirwan
 Director

Date: 31 March 2026

DocuSigned by:

 49E924B7A1C3442...

David McGuinness
 Director

Date: 31 March 2026

Miravast ILS Credit Opportunities II Designated Activity Company

Statement of Changes in Equity

For the financial year ended 31 December 2025

	Share capital USD	Retained earnings USD	Total equity USD
Balance at 1 January 2025	1	2,250	2,251
Profit and total comprehensive income for the financial year	-	750	750
Balance at 31 December 2025	1	3,000	3,001

	Share capital USD	Retained earnings USD	Total equity USD
Balance at 1 January 2024	1	1,500	1,501
Profit and total comprehensive income for the financial year	-	750	750
Balance at 31 December 2024	1	2,250	2,251

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

Miravast ILS Credit Opportunities II Designated Activity Company

Statement of Cash Flows

For the financial year ended 31 December 2025

	<i>Note</i>	Year ended 31-Dec-2025 USD	Year ended 31-Dec-2024 USD
Cash flows from/(used in) operating activities			
Profit after taxation		750	750
Adjusted for			
Net gain on financial assets at FVTPL	4	(29,575,475)	(38,584,968)
Net loss on financial liabilities designated at FVTPL	4	29,232,470	37,970,522
Increase in trade and other receivables (Increase)/decrease in prepayments on Life Settlement Policies	12	(989,037)	(9,985,694)
Decrease/(increase) in other prepayments		(673,770)	2,882,274
Increase/(decrease) in trade and other liabilities	14	98,121	(85,022)
		114,826	(5,292)
Net cash flows used in operating activities		(1,792,115)	(7,807,430)
Cash flows used in investing activities			
Purchase of Life Settlement Policies	13	(50,922,608)	(74,340,066)
Premiums paid and loan repayments	13	(16,879,617)	(13,983,727)
Loan proceeds		1,731,715	338,000
Proceeds from maturity or sale of Life Settlement Policies	12,13	63,955,492	31,065,570
Net cash flows used in investing activities		(2,115,018)	(56,920,223)
Cash flows from financing activities			
Proceeds from issuance of Notes	13	19,500,000	69,000,000
Net cash flows from financing activities		19,500,000	69,000,000
Net increase in cash and cash equivalents		15,592,867	4,272,347
Cash and cash equivalents at the beginning of the financial year		8,896,046	4,623,699
Cash and cash equivalents at the end of the financial year	11	24,488,913	8,896,046
Net cash from operating activities included			
Interest received		840,132	431,054

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

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements

1. Reporting entity

Miravast ILS Credit Opportunities II Designated Activity Company (the “Company”) is a company which was incorporated on 15 October 2021, with a registered address at 32 Molesworth Street, Dublin 2, Ireland and is domiciled in Ireland. The Company was established to issue profit participating notes (“Notes”) to Miravast ILS Credit Opportunities II LP. The Notes are listed on the Multilateral Trading System (“MTF”) of the Vienna Stock Exchange. The proceeds from the issuance of these Notes were used by the Company to acquire a portfolio of Life Settlement Policies, and to carry on the business of a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997 (as amended). The Company was registered as a Section 110 company in 2022. The Notes are direct and limited recourse obligations of the Company.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”), as adopted by the EU and are in accordance with the Companies Act 2014. The IFRS adopted by the EU and applied by the Company in the preparation of the financial statements are those that were effective for the accounting year ended 31 December 2025. The Company has applied all relevant and applicable standards.

The accounting policies set out in this note and Note 3 have been applied consistently throughout the periods presented in these financial statements unless otherwise disclosed.

The Company's financial statements have been prepared on a going concern basis. 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 issuance of the financial statements. The Directors consider the financial assets held at the reporting date to be sufficient to cover any accrued ordinary expenses and foreseeable overheads over the period from date of approval of these financial statements and for a period of at least 12 months from the date of issuance of these financial statements.

The Directors are satisfied with the continuous funding from issuance of Notes to meet their commitments as they fall due. Furthermore, the Notes are scheduled to mature in May 2042 and are limited recourse in nature, which means that any losses made by the Company are ultimately borne by the Noteholders. Refer to Note 13 to the financial statements for further details of the Notes issued.

(b) Basis of measurement

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

- Financial assets at FVTPL are measured at fair value; and
- Financial liabilities designated at FVTPL are measured at fair value.

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

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

2. Basis of preparation (continued)

(c) New and amended standards and interpretations

In preparing the financial statements, the Company has adopted the following new standards, interpretations and amendments which have been issued by the International Accounting Standards Board ('IASB') and have been adopted for use by the EU. The adoption of these standards did not have any material effect on the financial statements of the Company.

Description	Effective date (financial period beginning)
Amendments to IAS 1– Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IFRS 7 and IAS 7 – Supplier Finance Arrangements	1 January 2024

(d) Accounting standards not yet adopted

A number of new standards and amendments are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Company has not early applied these new or amended standards in preparing these financial statements.

Description	Effective date (financial period beginning)
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Indefinitely deferred

Of those standards that are not yet effective, none are expected to have a material impact on the Company's financial statements in the period of initial application.

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present newly defined operating profit subtotal.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities, are required to use the operating profit subtotal as the starting point for the statement of cashflows and the additional disclosures required for MPMs. The Fund is also assessing the impact on how information is grouped in the financial statements, including for the items currently labelled as others.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

2. Basis of preparation (continued)

(e) Functional and presentation currency

The financial statements are presented in US Dollars (“USD or \$”) which is the Company’s functional and presentational currency, being the currency of the primary economic environment in which the Company operates. The issued share capital of the Company is denominated in Euro; however, the Notes which serve as the main source of financing are denominated in USD. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying transactions, events and conditions.

(f) Use of judgements, estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In particular, valuation models used to determine the fair value of Life Settlement Policy assets require the use of a number of assumptions.

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 the period and any future period affected. The key estimates and judgements relate to the valuation of Investment in Life Settlement Policies.

Information about significant areas of estimation uncertainty and critical judgement which have the most significant effect on the amounts recognised in the financial statements are disclosed within Note 6. The Board of Directors has used judgement in the presentation of cash transactions relating to premiums paid and proceeds from maturity or sale of Life Settlement Policies as investing activities in the Statement of Cash Flows.

3. Material accounting policies

The accounting policies set out below have been applied consistently to all financial years presented in these financial statements.

(a) Financial instruments

The financial instruments held by the Company include the following:

- Financial assets at FVTPL
- Financial liabilities designated at FVTPL
- Financial assets at amortised cost
- Financial liabilities at amortised cost

Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities designated at fair value on the settlement date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Cash and cash equivalents, trade and other receivables and trade and other liabilities are recognised on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(a) Financial instruments (continued)

Classification and subsequent measurement

Classification of financial assets

In accordance with IFRS 9, the Company, on initial recognition, classifies financial assets as measured at amortised cost or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI).

All other financial assets of the Company are measured at FVTPL.

Assessment of whether contractual cash flows are SPPI

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

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

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

Investments in Life Settlement Policies are held within a different business model other than “held-to-collect” are categorised at FVTPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVTPL.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(a) Financial instruments (continued)

Classification and subsequent measurement (continued)

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 holding the Life Settlement Policies to maturity, selling them to meet 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.

The Company has determined that it has two business models:

Held-to-collect business model: this includes cash and cash equivalents, prepayments on Life Settlement Policies, other prepayments and trade and other receivables. These financial assets are held to collect contractual cash flows.

Other business model: this includes investments in Life Settlement Policies. These financial assets are managed and their performance is evaluated on a fair value basis.

Subsequent measurement

Financial assets measured at FVTPL

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 gain/(loss) on the financial assets and financial liabilities designated at FVTPL in the Statement of Comprehensive Income.

Financial assets measured at amortised cost

These assets are subsequently measured at amortised cost. Interest earned on these assets is recognised as interest income in profit or loss in the Statement of Comprehensive Income. The Company includes in this category cash and cash equivalents, receivables such as interest receivables, unsettled trade receivables, prepayments on Life Settlement Policies, other prepayments and other receivables.

Classification of financial liabilities

Financial liabilities measured at FVTPL

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

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(a) Financial instruments (continued)

Classification of financial liabilities (continued)

Financial liabilities measured at amortised cost

Financial liabilities, other than those classified as designated at FVTPL, are measured at amortised cost using the effective interest method. This category includes Trade and other liabilities in the Statement of Financial Position.

Fair value measurement

‘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 in the principal or, in its absence, the most advantageous market to which the Company has access at that 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 a mid-price, because this price provides a reasonable approximation of the exit price.

If there is no quoted price in an active market, then the fair value is measured based on the most recent transaction price for assets purchased in last quarter, where available and applicable. The Company also 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.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Amortised cost measurement

The ‘amortised cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Impairment

The Company recognises loss allowances for Expected Credit Losses (“ECLs”) on financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(a) Financial instruments (continued)

Impairment (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, or the financial asset is more than 90 days past due.

The Company considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company assesses on an ongoing basis if the ECL on financial assets carried at amortised cost are credit-impaired.

Interest revenue on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Derecognition

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

- 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.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(a) Financial instruments (continued)

Derecognition (continued)

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income.

Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the Statement of Comprehensive Income.

Fair value hierarchy

Critical accounting judgements made in applying the Company's accounting policies in relation to valuation of financial instruments are as follows:

Valuation of financial instruments

The Company measures fair values using the following fair value hierarchy:

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

Refer to the table in Note 6 "Fair value" for further details.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legally enforceable 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 for gains and losses arising from financial instruments at FVTPL and foreign exchange gains and losses. The Company has not offset any financial assets and financial liabilities in the Statement of Financial Position.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(b) Net gain/(loss) on financial assets and financial liabilities designated at FVTPL

Net gain/(loss) on financial assets at FVTPL relates to investments in financial assets and includes realised and unrealised fair value changes and foreign exchange gain/loss. The fair value changes are recognised in the Statement of Comprehensive Income.

Net gain/(loss) on financial liabilities designated at FVTPL comprises realised and unrealised fair value changes and is determined primarily with reference to the fair value movements on financial assets. The fair value changes are recognised in the Statement of Comprehensive Income.

(c) Interest income and expense

Interest income comprises interest income on cash and cash equivalents and matured Life Settlement Policy claim proceeds. Interest expense is recognised in the Statement of Comprehensive Income for all interest-bearing financial instruments using the effective interest method.

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

(d) 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 together with other fair value changes arising from the asset or liability.

(e) 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 period, using the tax rates applicable to the Company's activities enacted or substantially enacted at the reporting date, and adjustments to tax payable in respect of previous periods. The Company is subject to Irish Corporation tax on trading operations at a rate of 25% in accordance with Section 110 of the Taxes Consolidation Act, 1997.

Deferred taxation is accounted for, without discounting, in respect of all temporary differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the reporting date except as otherwise required by IAS 12 'Deferred Tax'. Provision is made at the tax rates which are expected to apply in the periods in which the temporary differences reverse.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset 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 related tax benefit will be realised.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

(f) Cash and cash equivalents

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term, highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less, such as investments in money market funds. Cash equivalents are carried at amortised cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes.

(g) 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.

4. Net gain/(loss) on financial assets and financial liabilities designated at FVTPL

	Year ended 31-Dec-25 USD	Year ended 31-Dec-24 USD
Realised gain on matured Life Settlement Policies	25,020,909	11,286,283
Fair value movement on Life Settlement Policies	4,554,566	27,298,685
Net gain on financial assets at FVTPL	<u>29,575,475</u>	<u>38,584,968</u>
Net loss on financial liabilities designated at FVTPL	<u>(29,232,470)</u>	<u>(37,970,522)</u>
	<u>343,005</u>	<u>614,446</u>

5. Financial risk management

Risk management framework

The Board of Directors has 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 Life Settlement Policies are borne fully by the holders of the Notes. The interest payments to the Noteholders are determined with reference to the available amount as defined in the terms and conditions of the Deed Poll. Note 13 to the financial statements outlines further details of the interest payments to the Noteholders.

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

- a) Market risk;
 - i. Interest rate risk
 - ii. Currency risk
 - iii. Other price risk
- b) Credit and counterparty risk;
- c) Liquidity risk;
- d) Legislative and regulatory risk;
- e) Insurable interest;
- f) Contestability;
- g) Valuation risk;
- h) Longevity/mortality risk;

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

Risk management framework (continued)

- i) Inaccurate premia calculations;
- j) Tax risk; and
- k) 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 and interest rates will affect the Company's income or the value of its holdings of financial instruments. 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 longevity risk, discount risk and credit risk.

Although the Company's financial assets are subject to the market price risk, the risk is borne by the Noteholders.

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. The interest rate risk profile of the Company is as follows:

The market value of a Life Settlement Policy is based on the estimated discounted value of future cash flows from the Life Settlement Policy, including death benefit proceeds, minus the estimated discounted value of future premiums due on, and other costs of maintenance of, the Life Settlement Policy.

If the interest rates used to determine the market value of a Life Settlement Policy change, the present value of such Life Settlement Policy may also change.

Generally, if the interest rates increase, the present value of a Life Settlement Policy decreases. If the Investment Manager is forced to sell a Life Settlement Policy in a higher interest rate environment, the market price for the Life Settlement Policy may be less than the value or purchase price that the Investment Manager attributed to such Life Settlement Policy when it acquired such Life Settlement Policy.

The base market discount rate used in the valuation of the Life Settlement Policies was 13% which has been set by similar recent transactions for life settlement pools. The Directors believe there is no significant interest rate risk in the Company and no active management of this risk is required.

The following table details the effect on the value of the Life Settlement Policies of an increase and decrease in the discount rate:

	31-Dec-2025	31-Dec-2024
	USD	USD
Discount rate + 1%	(7,751,814)	(7,063,631)
Discount rate - 1%	8,253,124	7,553,873

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

a) Market risk (continued)

ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

On the basis that the Notes are issued in US dollars and all significant assets of the Company are US dollar denominated, the Directors believe that the currency risk of the Company is minimal, hence, no further sensitivity analysis has been disclosed.

iii) Other price risk

Other price risk is the risk that the value of the 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 issuers or factors affecting all instruments traded in the market. The financial assets are carried at fair value with fair value changes recognised in the Statement of Comprehensive Income, all changes in market conditions will directly affect the Statement of Comprehensive Income.

iii) Other price risk (continued)

Sensitivity analysis

An increase in market prices of 1% would result in an increase in the fair value of the financial assets of \$2,618,135 (2024: \$2,301,230) with a corresponding increase in the value of the financial liabilities. The Directors consider a 1% change in market prices to be a reasonable assessment. The sensitivity analysis refers to a percentage amount multiplied by the carrying amount of the financial assets at FVTPL.

b) Credit and counterparty risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into. The Company is ultimately exposed to credit risk of the companies issuing the Life Settlement Policies. The Company will be subject to the possibility of insolvency, bankruptcy or default of any companies issuing life insurance policies, Notes issuer or a counterparty with which the Company trades such instruments, which could result in substantial losses to the Company.

The carrying amounts of the financial assets best represent the maximum credit risk exposure at the reporting date as follows:

	31-Dec-25	31-Dec-24
	USD	USD
Financial assets at FVTPL –		
Investment in Life Settlement Policies	261,813,472	230,122,978
Cash and cash equivalents	24,488,913	8,896,046
Trade and other receivables	13,864,732	12,875,695
	<u>300,167,117</u>	<u>251,894,719</u>

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

b) Credit and counterparty risk (continued)

As at 31 December 2025, the insurers of Life Settlement Policies had the following credit profile as rated by S&P Global Ratings and AM Best.

Counterparty rating agency	Credit rating	31-Dec-2025 USD	31-Dec-2024 USD
S&P Global Ratings	AA+	21,072,514	17,412,795
S&P Global Ratings	AA	11,052,402	6,564,980
S&P Global Ratings	AA-	71,457,579	61,654,198
S&P Global Ratings	A+	114,135,207	93,501,869
S&P Global Ratings	A	17,156,270	13,815,250
S&P Global Ratings	A-	241,903	6,267,068
S&P Global Ratings	BBB+	6,246,340	341,930
S&P Global Ratings	BBB	230,930	-
S&P Global Ratings	BB-	7,758,039	4,655,355
AM Best	A+	130,694	1,120,549
AM Best	A	8,398,089	7,412,176
AM Best	A-	678,404	297,922
AM Best	B++	1,254,412	1,149,577
AM Best	BB-	-	1,246,403
AM Best	C++	1,101,521	120,313
S&P Global Ratings and AM Best	NR	899,169	14,562,593
		261,813,473	230,122,978

As at 31 December 2025, the Company has 88 (2024: 83) Life Settlement Policy carriers. The highest Life Settlement Policy is carried by John Hancock Life Insurance Company (U.S.A.) and comprises 4.06% of the total portfolio and has a credit rating of AA- by S&P Global Ratings (“S&P rating”) (2024: John Hancock Life Insurance Company (U.S.A.) and comprises 4.29% of the total portfolio and has a credit rating of AA- by S&P rating).

The Directors believe that the Company has low net exposure to credit and counterparty risk as credit risk is mitigated by transactions with counterparties that have high credit ratings.

Amounts arising from expected credit losses

Impairment on cash and cash equivalents and receivables has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that these exposures have low credit risk based on the external credit ratings of the counterparties. The impairment assessment has resulted in no material change to the financial statements.

The Company monitors changes in credit risk on these exposures by tracking published external credit ratings of the counterparties. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published ratings, the Company supplements this by reviewing available press and regulatory information about counterparties.

Cash and cash equivalents

The Company’s cash and cash equivalents are held on account with Computershare Trust Company, N.A. (formerly Wells Fargo Bank, N.A.) which is rated A+ by S&P rating, Lloyds Bank plc which is rated A+ by S&P rating and Bank of Utah which is not rated by S&P rating. Refer to Note 11 for the details of cash and cash equivalents.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

b) Credit and counterparty risk (continued)

Other receivables mainly comprise matured Life Settlement Policy claim proceeds and certain interest receivable on claim proceeds. Life policy claim proceeds are normally settled within 2 to 3 months of the policy maturity date.

The counterparties for the prepayments on Life Settlement Policies at 31 December 2025 and 31 December 2024 have the following credit ratings:

	31 December 2025	
	USD	Credit rating
Lincoln National Life Insurance Company	1,000,300	A+
American General Life Insurance Company	181,017	A+
Equitable Financial Life Insurance Company	145,350	A+
Penn Mutual Life Insurance Company	480,000	A+
Pacific Life Insurance Company	105,400	AA-
Metropolitan Life Insurance Company	782,223	AA-
	<u>2,694,290</u>	

	31 December 2024	
	USD	Credit rating
State Farm Life Insurance Company	685,000	AA
Genworth Life Insurance Company of New York	652,850	C++
Lincoln National Life Insurance Company	322,491	A+
Allianz Life Insurance Company of North America	190,350	AA
Brighthouse Life Insurance Company	106,350	A+
New York Life Insurance Company	45,000	AA+
Savings Bank Mutual Life Insurance Company of Massachusetts	18,479	A-
	<u>2,020,520</u>	

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 and limited recourse obligations with respect to the assets and cash flows of the Company and therefore the Company is not exposed to a significant level of liquidity risk.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

c) Liquidity risk (continued)

The Notes issued are callable by the Noteholders, as such, they are contractually to be classified as current liabilities. However, this is not how management expects the cash flows to actually occur. The table below sets out how management expects the cash flows to actually occur.

31 December 2025

	Carrying Amount USD	Gross Contractual Cash Flow USD	Less Than 1 Year USD	1 to 2 Years USD	2 to 5 Years USD	More Than 5 Years USD
Financial liabilities designated at FVTPL	(302,553,672)	(216,500,000)	-	-	-	(216,500,000)
Trade and other liabilities	(304,734)	(304,734)	(304,734)	-	-	-
Premium payments	-	(505,965,790)	(17,172,829)	(19,020,693)	(67,428,996)	(402,343,272)
	(302,858,406)	(722,770,524)	(17,477,563)	(19,020,693)	(67,428,996)	(618,843,272)

31 December 2024

	Carrying Amount USD	Gross Contractual Cash Flow USD	Less Than 1 Year USD	1 to 2 Years USD	2 to 5 Years USD	More Than 5 Years USD
Financial liabilities designated at FVTPL	(253,821,202)	(197,000,000)	-	-	-	(197,000,000)
Trade and other liabilities	(189,908)	(189,908)	(189,908)	-	-	-
Premium payments	-	(754,616,683)	(16,576,684)	(19,055,931)	(61,623,872)	(657,360,196)
	(254,011,110)	(951,806,591)	(16,766,592)	(19,055,931)	(61,623,872)	(854,360,196)

Interest on Notes was not included in the above as it will be determined in accordance with the interest proceeds priority of payments per the Deed Poll. Contractual cash flows owed to the Noteholders issued are only contractually due if monies are received from the investments in Life Settlement Policies.

The contractual cash flows of the premium payments are calculated up to the redemption date of the Notes, May 2042.

The final redemption date under the terms of the Deed Poll is May 2042. The Notes are subject to option redemption by the Company and Noteholder, subject to the provision of notice. There are no plans to exercise this option.

d) Legislative and regulatory risk

The life settlements market is currently subject to regulation in many states. All Life Settlement Policies held by the Company are issued in the United States and the Company may be exposed to certain laws and regulations in the state in which the policies were issued. Laws and regulations vary by the state in which the

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

d) Legislative and regulatory risk (continued)

policy was issued. Each state has or may in the future, adopt regulations that certain or all participants in the life settlements market must abide by, and such regulations may not necessarily be consistent with those of other states. In addition, the growth of the life settlements market has been accompanied by increased oversight by governmental authorities and industry regulations.

The States with existing regulations may review or change their existing statutes and regulations and States from time to time may adopt new statutes and regulations. Industry organisations, including the National Association of Insurance Legislators, have developed model laws applicable to the life settlements market for consideration and adoption (in full or in part) by the state regulatory authorities.

There can be no assurance that applicable laws will not be modified or new laws enacted in a manner that may result in non-compliance by the Company with the relevant statutes or regulations, as so modified or enacted, after the effective date of any such modification or enactment.

In addition, future modifications of existing laws or newly adopted laws with regard to the life settlement markets or investments involving mortality and/or longevity may have a negative impact on the market value or liquidity of the life of the policies or the Notes, and/or may adversely affect the distributions to be made on the Notes and consequently, the yields on the Notes.

e) Insurable interest

All States within the United States require that a purchaser of a life insurance policy insuring the life of an individual has an insurable interest in such individual's life. Generally, there are two forms of insurable interest in the life of an individual: family and financial. Additionally, an individual is deemed to have an insurable interest in his or her own life. As a result, potential investors should be aware that where a life policy has been issued to a policy holder who does not have an insurable interest, the issuing insurance company may not be liable on the life policy and as a result may not make the death benefit payment due on a life policy.

f) Contestability

Potential investors should be aware that most life insurance policies may be contested by the issuing life insurance company usually within two years after issuance, based upon any material misrepresentation or omission made by the applicant or the insured on the life insurance policy application. Although the Company will not acquire policies which are subject to a two-year contestability period, some major United States life insurance companies have begun asking life insurance applicants new questions regarding whether the applicant intends to finance premiums, to assign the policy as security for financing, or to sell the insurance policy in the future.

Misleading answers to any of these questions as well as any of the other questions on an application, can lead to claims of fraud in the inception of a policy. Not all claims of fraud are limited by a contractual or statutory contestability period. The Company will not have any knowledge as to whether the applicants for any of the life insurance policies have made any material misrepresentations or omissions on the policy applications, and, as such, the life policies are subject to the risk of contestability.

If the issuing insurance company successfully contests a life policy, such policy will be rescinded and declared void, and in such event, the issuing insurance company's liability would be limited to a refund of all the insurance premiums paid for such life policy without any accrued interest and, further, without the portion of the premiums paid to any insurance agent as commission.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

f) Contestability (continued)

There may be lawsuits contesting the recovery by the Company of the refunded premiums. There is also the possibility that a former family member or beneficiary of the insured may challenge a life settlement transaction, claiming it is void because of undue influence, duress or unsoundness of mind. Where these claims are made, there is a risk that the proceeds from a matured policy will not be realised by the Company or proceeds will be shared with the family member or beneficiary.

g) Valuation risk

The value of the life settlement portfolio will have a direct impact on the amounts payable to the Noteholders in respect of the Notes. The Life Settlement Policies are valued on the basis of pricing information supplied by the valuation agent, Lewis & Ellis Inc (“L&E”). The value of a Life Settlement Policy in the life settlements market is based, in part, on the discounted value of future cash flows from death benefits minus the discounted value of future premia due on the policy over the life of the Insured.

Accordingly, investors should be aware that the valuation of Life Settlement Policies may be dependent upon the subjective consideration of a number of factors and that there is no guarantee or expectation that the valuation is subject to the same type of accurate pricing and reporting as investment in other asset types such as listed equities and traded bonds. If the discount rate used to discount the future death benefits and the future premiums change, the value of the Life Settlement Policy will also change. This will result in additional profit or loss volatility for the Company.

h) Longevity/mortality risk

Life expectancies are a component of the valuation of the life settlement portfolio. Life expectancy estimates compared to actual results may vary and any extension to the estimated life of the insured person will reduce the Company’s investment returns. Mortality risk is the risk of a higher or lower than expected number of death claims on assurance products and longevity risk is the risk of a faster or slower than expected improvements in life expectancy on immediate and deferred annuity products. Where the Company is exposed to Life Settlement Policies, there is the risk that the Insured may live longer than predicted by medical examiners. The longer that the Insured lives, the more premia the Company will have to pay, and the later any death benefits will be realised by the Company. This will adversely affect the present value of the policy and therefore, the return on the Notes.

i) Inaccurate premia calculations

Future premia payments due on the policy are a component of the valuation of the life settlement portfolio. Analysis has been performed by the Investment Advisor to determine the levels and frequency of premia payments that will be required to be paid to the issuing insurance companies with respect to each life policy. This analysis is based on assumptions used and information provided by each issuing insurance company. Other parties may use different assumptions. There can be no assurance that the actual premia payable will not differ materially from the analysis performed by the servicer on the life policies, either because of a miscalculation or because the issuing insurance companies increased or may increase the cost of insurance to a level higher than that of the estimate. If premia calculations in respect of any life policy are incorrectly made or if unforeseen increases in premia are incurred, this could adversely affect the timing of payments and the amounts received on the Notes and may have a negative impact on the market value or liquidity of the Notes.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

j) Tax risks

The Company is incorporated in Ireland and is resident for tax purposes in Ireland. Accordingly, the Company will be subject to Irish corporation tax on its worldwide income and gains at the rate of twenty five percent (25%). The rate of tax and the methods of computing the tax base in respect of the Company's business in Ireland can change depending on changes in Irish law. If the effective tax burden that the Company suffers in Ireland increases above its anticipated level, returns to Investors will decrease.

There can be no guarantee that such changes in Irish law will not be effected. Although the Company shall enjoy Treaty benefits with regard to the existing Double Taxation Avoidance Agreement between Ireland and the United States, there is a possible position that gross income realised on the maturity of Life Settlement Policies issued by a United States corporation can be considered United States source income subject to withholding at the flat rate of thirty percent (30%) (or lower treaty rate) when paid to a non- United States person such as the Company. The Treaty does not specifically address profits from Life Settlement Policies, but provides that items of income beneficially owned by a resident of Ireland not specifically dealt with in the Treaty (that is, "other income" items) are taxable only in Ireland.

k) Concentration risk

The Company invests in Life Settlement Policies whose return is primarily based upon the mortality experience of individuals. Accordingly, an investment in the Notes represents an investment in only a single asset class and not a portfolio of instruments that is diversified across asset classes. The only source of income for the Company is expected to be death benefits received from policies. If the Company does not receive sufficient proceeds from the Company assets when required, the Company may not be able to continue to service and pay premiums on the policies and otherwise maintain the policies.

6. Fair value

The Company's Life Settlement Policies and Notes issued are carried at fair value in 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 other financial assets and financial liabilities at the reporting date approximated their fair values.

IFRS 13 establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Company's investments. The hierarchy of inputs is summarised below:

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

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 level.

Life Settlement Policies are valued using prices based on assumptions and judgements used in estimating fair values that are continually evaluated and are based on historical experience, available market information and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

6. Fair value (continued)

The Life Settlement Policies are valued on a quarterly basis by an independent 3rd Party valuation agent, L&E.

Policy values are based on fair market assumptions, chosen to reflect approaches and considerations used by the market in determining policy values. Fair market valuations utilise projections of future policy cash flows for both premium payments and benefit realisation based on assigned mortality curves reflective of the health of the insured life under each policy. These future cash flows are then discounted to the valuation date using market-based discount rates. The value of a life settlement portfolio is determined by summing the individual values for each policy in the portfolio. Policy values are determined as the present value of future projected cash flows for maturities less premiums under the policy.

This calculation involves assumptions for mortality and discount rate, as well as modelling the specific policy provisions for determination of premium requirements to maintain the policy in-force.

To determine a value for policies in the portfolio, L&E projected future cash flows over a 50-year period for each policy and then discounted these cash flows to the appraisal date. Future cash flows are composed of policy maturities less all future annual premia payments to maintain policies in-force. Premium schedules for all 501 (2024: 384) policies were provided by the Company to L&E. Mortality assumptions were determined by utilising the Company's internal underwriting assessment for all policies with additional life expectancy opinions from recognised industry underwriters used for some of the policies. At this time, the valuation of the Company utilises opinions from 21st, AVS, Fasano, LSI, Predictive, ISC or Polaris for 358 of the 501 policies (2024: for 300 of the 384). The discount rate incorporates a "risk" component attached to senior life settlement portfolios as well as the time value of money. The risk component measures the uncertainty of future cash flow and is projected based on multiple assumptions and at times, limited or incomplete data regarding health of the insured.

Risk components also depend on policy (portfolio) dynamics, such as policy size, issuing company, attained age and nature of impairment.

The significant assumptions underlying the valuation of each Life Settlement Policy as of 31 December 2025 and 31 December 2024 are as follows:

- **Discount rate:** Baseline discount rate of 13%. Minimum discount rate of 11%, minimum discount rate of 16% where only the Company's internal LE was utilised (discount rate exceeds 16% for some policies where only the Company's internal LE is available and it's more than 3 years old and/or where the sensitivity of the policy to mortality changes is very high). Adjustments made to individual policies for carrier credit, sensitivity, capital preservation, age of LEs, life expectancy duration and policy gross death benefit amount.
- **Mortality table:** 2015 Valuation Basic Table – Society of Actuaries
- **Underwriting method:** Mean LE
- **Mortality improvement:** Flat 0.5% mortality improvement from 01 July 2015 onwards
- **Collection delay:** 2 month delay with 4% assumed interest on delayed death benefit receivable

Sensitivity analysis

1. Discount rate - Refer to Note 5(a) for sensitivity analysis on the discount rate.
2. Premium – a 10% increase in premiums would result in a decrease of \$5,519,696 (2024: \$5,119,821) to the fair value of the Life Settlement Policies.
3. No maturities for 12 months – no maturities for 12 months would result in a decrease of \$18,517,628 (2024: \$15,943,567) to the fair value of the Life Settlement Policies.
4. Life expectancy – a 12 month increase in life expectancies would result in a decrease of \$37,434,947 (2024: \$33,851,069) to the fair value of the Life Settlement Policies.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

6. Fair value (continued)

At the reporting date, the carrying amounts of the portfolio of Life Settlement Policies and Notes issued by the Company which 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:

a) Fair value hierarchy for assets and liabilities measured/designated at fair value:

31 December 2025

	Level 1 USD	Level 2 USD	Level 3 USD
Financial assets at FVTPL	-	-	261,813,472
	-	-	261,813,472

	Level 1 USD	Level 2 USD	Level 3 USD
Financial liabilities designated at FVTPL	-	-	(302,553,672)
	-	-	(302,553,672)

31 December 2024

	Level 1 USD	Level 2 USD	Level 3 USD
Financial assets at FVTPL	-	-	230,122,978
	-	-	230,122,978

	Level 1 USD	Level 2 USD	Level 3 USD
Financial liabilities designated at FVTPL	-	-	(253,821,202)
	-	-	(253,821,202)

The Notes are limited recourse in nature hence the fair value is derived from the residual net asset value of the Company. The lowest level input to the Notes fair value is the fair value of the financial assets at FVTPL net of other liabilities. As the financial assets at FVTPL are Level 3, the Company considers the financial liabilities designated at FVTPL to also be Level 3.

Refer to Note 13 for details of the level 3 reconciliation on financial assets at FVTPL and financial liabilities designated at FVTPL.

There were no transfers between levels of fair value hierarchy during the year.

b) Assets and liabilities not carried at fair value but for which fair value is disclosed:

For all other financial assets and liabilities not measured at fair value, the carrying value is an approximation of fair value due to the short-term nature of the financial instruments and are classified under Level 2 in the fair value hierarchy.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

7. Operating expenses

	Year ended 31-Dec-25 USD	Year ended 31-Dec-24 USD
Corporate administration fees	(406,347)	(438,399)
Professional fees	(565,577)	(406,491)
Audit fee	(102,409)	(80,856)
Tax compliance fee	(15,768)	(15,000)
Other operating expenses	(46,376)	(37,061)
	<u>(1,136,477)</u>	<u>(977,807)</u>

The Company is administered by Maples Fiduciary Services (Ireland) Limited and has 1 employee (2024: 1 employee). The two Directors (David McGuinness and Grainne Kirwan) are employees of Maples Fiduciary Services (Ireland) Limited. Please see Note 16 for further details on related party transactions.

8. Statutory and other information

Remuneration for the statutory audit and other services carried out for the Company by the Company's auditors is as follows (excluding VAT):

	Year ended 31-Dec-25	Year ended 31-Dec-24
Audit fee	72,000 EUR	60,000 EUR
Tax compliance fee	15,768 USD	15,000 USD

9. Employees

The average number of persons excluding Directors employed by the Company during the year was 1 (2024: 1). The aggregate payroll cost of employees was as follows:

Wages and employee benefits:

	Year ended 31-Dec-25 USD	Year ended 31-Dec-24 USD
Wages and salaries	(44,197)	(44,396)
Tax on wages and salaries	(32,114)	(17,877)
Retirement benefit	(4,549)	(4,420)
	<u>(80,860)</u>	<u>(66,693)</u>

10. Tax on profit

	Year ended 31-Dec-25 USD	Year ended 31-Dec-24 USD
Tax on profit	<u>250</u>	<u>250</u>
Profit before taxation	1,000	1,000
Current tax at 25%	250	250
Current tax charge	<u>250</u>	<u>250</u>

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

10. Tax on profit (continued)

The Company is a qualifying securitisation vehicle and will be taxed at 25% in accordance with Section 110 of the Taxes Consolidation Act, 1997.

Factors affecting future tax charges

The Irish corporation tax rate on investment income is expected to remain at its current rate of 25%. There are no other material undisclosed factors expected to impact on future tax charges.

Deferred tax

The Company had no tax deductible losses during the year (2024: \$Nil) calculated under 2004 Irish GAAP which are effectively available for offset against future taxable profits. No deferred tax asset has been recognised in respect of these losses as there is uncertainty over its recovery.

11. Cash and cash equivalents

	31-Dec-25 USD	31-Dec-24 USD
Money Market Fund held at Computershare Trust Company, N.A.	24,282,667	8,861,373
Cash held at Lloyds Bank plc	206,246	34,673
	<u>24,488,913</u>	<u>8,896,046</u>

Cash and cash equivalents held at Computershare Trust Company, N.A. comprises a money market fund of Goldman Sachs US\$ Treasury Liquid Reserve Fund-Institutional \$24,282,667 and cash of \$Nil as at 31 December 2025 (2024: \$8,861,373 and \$Nil).

12. Trade and other receivables

	31-Dec-25 USD	31-Dec-24 USD
Matured Life Settlement Policy claim proceeds	13,864,731	12,875,694
	<u>13,864,731</u>	<u>12,875,694</u>

13. Financial assets and financial liabilities designated at FVTPL

Financial assets at FVTPL

	31-Dec-25 USD	31-Dec-24 USD
Financial assets at FVTPL – Investment in Life Settlement Policies	261,813,472	230,122,978
	<u>261,813,472</u>	<u>230,122,978</u>

Movement in financial assets at FVTPL

	31-Dec-25 USD	31-Dec-24 USD
At the beginning of year	230,122,978	134,617,788
Purchase of life insurance policies	50,922,608	74,340,066
Premiums paid and loan repayments	16,879,617	13,983,725
Loan proceeds	(1,731,714)	(338,000)
Policy maturities and withdrawals	(63,955,492)	(31,065,569)
Net gain on financial assets at FVTPL	29,575,475	38,584,968
At the end of the year	<u>261,813,472</u>	<u>230,122,978</u>

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

13. Financial assets and financial liabilities designated at FVTPL (continued)

The Company's assets mainly consist of investments in Life Settlement Policies measured at FVTPL. The Company purchases Life Settlement Policies for investment purposes. Any gains/losses arising from the fair value measurement are taken to the Statement of Comprehensive Income. As at 31 December 2025 the Company had 501 (2024: 384) policies. Fair value gains recognised in the Statement of Comprehensive Income due to fair value movement for Life Settlement Policies held at year end amounted to \$29,575,475 (2024: \$38,584,968), which comprises a realised gain of \$25,020,909 (2024: \$11,286,283) from matured Life Settlement Policy claims proceeds during the financial year and an unrealised gain of \$4,554,566 (2024: \$27,298,685). During the year the Company received proceeds from policy loans of \$1,731,714 (2024: \$338,000) which are required to be repaid to the carrier of these policies in the future. A policy loan is issued by an insurance company which draws from the cash value of the policy. These policy loans are considered as part of the fair value of the Life Settlement Policies.

Refer to Note 6 for a description of the valuation technique employed when valuing these assets.

Key inputs into the valuation of the policies include life expectancies, discount rates, premiums, and details of sensitivity are disclosed in Notes 5 and 6.

Financial liabilities designated at FVTPL

	31-Dec-25 USD	31-Dec-24 USD
Financial liabilities designated at FVTPL – Notes	(302,553,672)	(253,821,202)
	<u>(302,553,672)</u>	<u>(253,821,202)</u>

Movement in financial liabilities designated at FVTPL

	31-Dec-25 USD	31-Dec-24 USD
At beginning of the year	(253,821,202)	(146,850,680)
Proceeds from issue of Notes during the year	(19,500,000)	(69,000,000)
Net loss on the financial liabilities designated at FVTPL	(29,232,470)	(37,970,522)
At the end of the year	<u>(302,553,672)</u>	<u>(253,821,202)</u>

In May 2022, the Company entered into a Subscription Agreement for a total amount of USD 750,000,000 Notes, due 10 May 2042 to Miravast ILS Credit Opportunities II LP at a purchase price of 100%, of which \$216,500,000 (2024: \$197,000,000) were subscribed as at 31 December 2025.

The Notes are limited recourse in nature. The final redemption date will be May 2042 under the terms of the Deed Poll. The Notes are subject to optional redemption by the Company and Noteholders, subject to the provision of notice. There are no plans to exercise this option.

As detailed in the Conditions in the Deed Poll, the interest expense on the Notes is based on either a) the available amount of profit after payment of expenses and carryforward of losses or b) zero, if the available amount is equal to or less than zero. The interest shall accrue and is due for payment at the end of the accrual period. The accrual period shall end in the period that the Notes are redeemed.

Total unrealised loss recognised in the Statement of Comprehensive Income due to fair value movement for financial liabilities held at year end amounted to \$29,232,470 (2024: \$37,970,522).

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

14. Trade and other liabilities

	31-Dec-25 USD	31-Dec-24 USD
Accruals	(304,734)	(189,908)
Corporation Tax payable	-	-
	<u>(304,734)</u>	<u>(189,908)</u>

15. Share capital

	31-Dec-25 USD	31-Dec-24 USD
Authorised		
100,000 ordinary shares of EUR1 each	<u>116,020</u>	<u>116,020</u>
Allotted, called up and issued		
1 ordinary share of EUR1 each	<u>1</u>	<u>1</u>

Share capital of EUR1 was issued in line with Irish Company Law and is not used for financing the investment activities of the Company. The Company is not subject to any other externally imposed capital requirements. The foreign exchange rate at issuance date was €1:USD1.1602.

The Company has issued 1 share held by MaplesFS Trustees Ireland Limited in line with Irish company law and is not used for financing the investment activities of the Company. There have been no subsequent issues or redemptions of share capital. The Notes issued by the Company are limited recourse debt obligations which are payable solely out of amounts received by or on behalf of the Company in respect of the financial assets held by the Company. Consequently, the Directors believe the level of share capital to be sufficient to support the activities of the Company in the future.

16. Transactions with related parties

The Company considers Miravast ILS Credit Designated Activity Company, Miravast ILS Credit Opportunities II LP, Miravast Asset Management LLC, Miravast ILS Credit Opportunities LP, and Maples Fiduciary Services (Ireland) Limited as related parties.

The Company has no receivable outstanding from Miravast ILS Credit Designated Activity Company (2024: \$Nil) as at 31 December 2025.

Miravast ILS Credit Opportunities II LP controls the Company through its holding in the Notes. The Notes are owned 100% by Miravast ILS Credit Opportunities II LP. The Company's transactions with Miravast ILS Credit Opportunities II LP relate to gains or losses arising from the Notes, proceeds from issuance of the Notes and distributions to Noteholders. The value of the Notes as at 31 December 2025 is \$302,553,672 (2024: \$253,821,202) and there were no distributions made to the Noteholders during the financial year ended 31 December 2025 (2024: \$Nil). The Company made an unrealised loss of \$29,232,470 (2024: \$37,970,522) on the Notes during the financial year.

The Company regards the holder of the Notes as a customer, because it relies on their funding for continuing operations and meeting its objectives. The Company's shareholding structure via Miravast ILS Credit Opportunities II LP is not exposed to a significant shareholder concentration.

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

16. Transactions with related parties (continued)

During the year the Company incurred fees of \$84,823 (2024: \$77,288) relating to administration services provided by Maples Fiduciary Services (Ireland) Limited (the "Corporate Administrator"). The two Directors of the Company (David McGuinness and Grainne Kirwan) are employees of Maples Fiduciary Services (Ireland) Limited.

Pursuant to Section 305A(1)(a) of the Companies Act 2014 (as amended), Maples Fiduciary Services (Ireland) Limited received \$8,482 (2024: \$7,729) as consideration for providing individuals to act as Directors of the Company.

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 providing 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 that 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.

17. Operating Segments

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

The Company is structured in a way that the assets and liabilities are managed as a whole and there are no distinct identifiable segments. The reporting, risk management and administration are performed on a collective basis rather than based on segments. The Company's revenue is generated from the Life Settlement Policies held during the financial year. The Company has no other product or revenue generating source. The Company has no major customers generating significant revenue.

18. Ultimate controlling party

The single share in issue by the Company is held by MaplesFS Trustees Ireland Limited on trust for charitable purposes.

The Board of Directors is responsible for the day-to-day administration of the Company. The Board is composed of two Directors, both of whom are employees of the corporate administrator.

Miravast ILS Credit Opportunities II LP controls the Company through its holding in the Notes. The Notes are owned 100% by Miravast ILS Credit Opportunities II LP. The ultimate controlling party is the General Partner of Miravast ILS Credit Opportunities LP, Miravast ILS Credit Opportunities II GP LLC, a limited liability company incorporated in the United States.

19. Commitments and contingent liabilities

There were no contingent liabilities, commitments or guarantees as at 31 December 2025 (2024: None).

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

20. Reconciliation to US GAAP

There would be no changes in the carrying value of assets or liabilities of the Company reported under US GAAP compared to IFRS.

Financial highlights for the year ended 31 December 2025 and 31 December 2024 are as follows:

Ratio to average net assets *:

	31-Dec-24	31-Dec-24
Total expenses	0.44%	0.52%
Net investment income	0.31%	0.22%
Internal rate of Return (“IRR”)	-0.12%	-0.31%

*The value of the Notes issued designated at FVTPL at 31 December 2025 has been used as a proxy for the average net assets of the Company to present a more meaningful disclosure.

No uncertain taxes, interest expense or penalties have been recognised as at and for year ended 31 December 2025 (2024: \$Nil). The Company does not expect that its assessment regarding unrecognised tax benefits will materially change over the next 12 months. However, the Company’s conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

The schedule of Investment in Life Settlement Policies as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		
	Face Amount USD	Fair Value USD	Percentage to Total Assets %
United States			
Life Settlement Policies (by carrier)			
John Hancock Life Insurance Company (U.S.A.)	46,868,870	30,032,408	9.92%
Lincoln National Life Insurance Company	61,349,615	25,352,766	8.37%
Brighthouse Life Insurance Company	35,081,586	16,464,868	5.44%
American General Life Insurance Company	33,502,023	16,459,828	5.43%
Transamerica Life Insurance Company	29,952,500	15,875,476	5.24%
Others	348,396,307	157,628,126	52.05%
Total Investment in Life Settlement Policies	555,150,901	261,813,472	86.45%

	31 December 2024		
	Face Amount USD	Fair Value USD	Percentage to Total Assets %
United States			
Life Settlement Policies (by carrier)			
John Hancock Life Insurance Company (U.S.A.)	41,216,815	27,748,391	10.92%
Lincoln National Life Insurance Company	47,974,615	22,663,301	8.92%
Brighthouse Life Insurance Company	28,728,000	15,815,634	6.23%
Others	347,585,940	163,895,652	64.52%
Total Investment in Life Settlement Policies	465,505,370	230,122,978	90.59%

Miravast ILS Credit Opportunities II Designated Activity Company

Notes to the Financial Statements (continued)

21. Subsequent events

The Company has evaluated subsequent events through 31st March 2026. The Company repaid the following amounts on the Notes subsequent to year end:

Date	Amount (USD)
10 February 2026	10,000,000
27 February 2026	3,000,000
09 March 2026	4,000,000
	<u>17,000,000</u>

There have been no other significant events subsequent to the 31st March 2025 noted that would require adjustment or disclosure in these financial statements.

22. Approval of the financial statements

The financial statements were approved by the Board and authorised for issue on 31 March 2026.