

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

**Annual Report and Audited Financial Statements for the
financial year ended 30 April 2025**

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

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Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Company Information

Board of Directors of the Company

Alex Leonard (Ireland)
Desmond Quigley (Ireland)

Manager

Blackstone Ireland Fund Management Limited
30 Herbert Street
Dublin 2
Ireland

Secretary to the Company and Manager

Bradwell Limited
10 Earlsfort Terrace
Dublin 2
Ireland

Depository

The Bank of New York Mellon SA/NV, Dublin Branch
The Shipping Office,
20-26 Sir John Rogerson's Quay,
Dublin 2
D02Y049
Ireland

Independent Auditor

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Board of Directors of the Manager of the Master Fund

Heidi Kniessel (United States of America)
Alex Leonard (Ireland)
Samantha McConnell (Ireland)*
Kimberly Percy (United Kingdom)
Desmond Quigley (Ireland)*

Legal Advisors

Arthur Cox LLP
10 Earlsfort Terrace
Dublin 2
Ireland

Company Number

463092

Registered Office of the Manager

Arthur Cox Building
10 Earlsfort Terrace
Dublin 2
Ireland

Administrator/Registrar

BNY Mellon Fund Services (Ireland) Designated Activity Company
The Shipping Office,
20-26 Sir John Rogerson's Quay,
Dublin 2
D02Y049
Ireland

*Independent

Blackstone / GSO Loan Funding Designated Activity Company

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Directors' Report and Directors' Responsibilities Statement in respect of the Financial Statements

The board of directors of the Company (the "Board" or the "Directors") submit their annual report and audited financial statements for the financial year ended 30 April 2025.

Investment objective and policy

The objective of Blackstone / GSO Loan Funding Designated Activity Company (the "Company") is to act as an intermediate investment vehicle of the Blackstone European Senior Loan Fund (the "Master Fund"), a sub-fund of Blackstone Investment Funds (the "Trust"). The Company seeks to invest in senior secured leveraged loans on behalf of the Master Fund.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company relate to the risks associated with financial instruments. Please refer to note 12 to the financial statements for a description of these risks and how they are managed.

Interests of Directors

The Directors who held office at 30 April 2025 or 30 April 2024 had no interests in the share capital of the Company.

Results and business review

The results for the financial year ended 30 April 2025 are set out on page 9. The policy of the Company is not to pay any dividends on its participating shares.

A review of the activities of the Company during the year is included in the report of Blackstone Ireland Fund Management Limited (the "Manager") in the financial statements in respect of the Master Fund.

Future developments

The Directors intend to continue to follow the investment objective of the Company which is to invest in senior secured leveraged loans on behalf of the Master Fund.

Significant events during the financial year

Details of all significant events during the financial year are described in note 18 to these financial statements.

Subsequent events

Details of all significant subsequent events are described in note 19 to these financial statements.

Blackstone / GSO Loan Funding Designated Activity Company

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Directors' Report and Directors' Responsibilities Statement in respect of the Financial Statements (Continued)

Directors' responsibilities statement

The Directors are set out on page 1.

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Directors' compliance statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations.

These arrangements and structures were reviewed by the Company during the financial year. In discharging their responsibilities under Section 225 of the Companies Act 2014, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Audit Information Statement

In accordance with Section 330 of the Companies Act 2014, the Directors confirm the following:

- so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware;
- the Directors have taken all steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of this information.

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that it has resources to continue in business for the foreseeable future. Based on the nature of the Company's liability to noteholders, as described in note 6, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Blackstone / GSO Loan Funding Designated Activity Company

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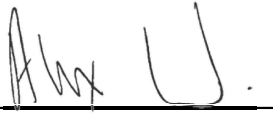
Directors' Report and Directors' Responsibilities Statement in respect of the Financial Statements (Continued)

Accounting records

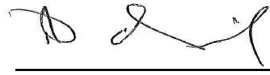
The measures taken by the Directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to keeping of accounting records are the use of appropriate systems and procedures and employment of competent persons. The books of account are kept at BNY Mellon Fund Services (Ireland) DAC, The Shipping Office, 20-26 Sir John Rogerson's Quay, Dublin 2, D02Y049 Ireland.

Independent auditors

The independent auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have signified their willingness to continue in office in accordance with Section 383 (2) of the Companies Act 2014.



Alex Leonard
Date: 21 August 2025



Desmond Quigley
Date: 21 August 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACKSTONE / GSO LOAN FUNDING DESIGNATED ACTIVITY COMPANY

Report on the audit of the financial statements

Opinion on the financial statements of Blackstone / GSO Loan Funding Designated Activity Company ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 April 2025 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Position;
- the Income Statement;
- the Statement of Changes in Shareholders' Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 20, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACKSTONE / GSO LOAN FUNDING DESIGNATED ACTIVITY COMPANY

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

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

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

- 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BLACKSTONE / GSO LOAN FUNDING DESIGNATED ACTIVITY COMPANY**

Use of our report

This 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.



Deborah Hunter
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

28 August 2025

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Statement of Financial Position

As at 30 April 2025

	Note	As at 30 April 2025 €	As at 30 April 2024 €
Assets			
Current Assets			
Financial assets at fair value through profit or loss	3	1,689,314,884	1,391,303,580
Cash and cash equivalents	4	59,409,018	88,979,454
Receivables	5	125,409,927	218,589,181
Total Assets		1,874,133,829	1,698,872,215
Liabilities			
Current Liabilities			
Amounts due to noteholders	6	(1,655,878,734)	(1,448,639,370)
Payables for securities purchased	5	(214,454,303)	(227,193,246)
Other payables		(3,303,626)	(2,538,708)
Total Liabilities		(1,873,636,663)	(1,678,371,324)
Net Assets/(Liabilities)		497,166	20,500,891
Capital and Reserve			
Ordinary share capital	7	1	1
Retained gains/(losses)		497,165	20,500,890
		497,166	20,500,891

Approved and authorised for issue by the Board of Directors.



Alex Leonard
Date: 21 August 2025



Desmond Quigley
Date: 21 August 2025

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

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Income Statement

For the financial year ended 30 April 2025

	Note	For the financial year ended 30 April 2025 €	For the financial year ended 30 April 2024 €
Income			
Interest income	8	114,237,740	117,543,089
Portfolio income	9	-	1,129,525
Other income		2,688,858	2,099,033
Realised gain on investments and foreign currency	10	23,628,399	11,899,145
Unrealised appreciation on investments and foreign currency transactions	10	(21,079,478)	34,097,046
Total Operating Income		119,475,519	166,767,838
Expenses			
Interest expense	6	(136,181,991)	(130,167,385)
Portfolio expense		(622,760)	-
Audit fees		(28,905)	(25,215)
Tax consultancy fees		(19,480)	(7,355)
Other operating expenses		(2,626,108)	(3,600)
Total Operating Expenses		(139,479,244)	(130,203,555)
(Loss)/gain for the financial year		(20,003,725)	36,564,283

All gains and losses relate to continuing activities. There were no other gains or losses during the financial year other than those recognised in the Income Statement.

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

Blackstone / GSO Loan Funding Designated Activity Company

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Statement of Changes in Shareholders' Equity

For the year ended 30 April 2025

	Share Capital €	Retained Earnings €	Total €
Balance at 1 May 2024	1	20,500,890	20,500,891
Loss for the financial year ended 30 April 2025	-	(20,003,725)	(20,003,725)
Balance at 30 April 2025	1	497,165	497,166

Statement of Changes in Shareholders' Equity

For the financial year ended 30 April 2024

	Share Capital €	Retained Earnings €	Total €
Balance at 1 May 2023	1	(16,063,393)	(16,063,392)
Gain for the financial year ended 30 April 2024	-	36,564,283	36,564,283
Balance at 30 April 2024	1	20,500,890	20,500,891

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

Blackstone / GSO Loan Funding Designated Activity Company

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Statement of Cash Flows

For the financial year ended 30 April 2025

		For the financial year ended 30 April 2025	For the financial year ended 30 April 2024
	Note	€	€
Cash flows from operating activities			
(Loss)/gain for the financial year		(20,003,725)	36,564,283
Purchase of financial assets at fair value through profit or loss		(2,105,972,509)	(1,290,179,120)
Sale of financial assets at fair value through profit or loss		1,808,572,990	1,472,035,825
Net gain on financial assets at fair value through profit or loss		(611,785)	(43,456,371)
Net decrease/(increase) in receivables		93,179,254	(50,817,741)
Net (decrease)/increase in payables for securities purchased		(12,738,943)	66,979,745
Net increase in other payables		764,918	2,506,136
Net cash inflow from operating activities		<u>(236,809,800)</u>	<u>193,632,757</u>
Cash flows from financing activities			
Issue of notes	6	225,015,166	89,961,698
Redemptions of notes	6	(153,957,793)	(380,543,608)
Increase in amounts payable to noteholders		<u>136,181,991</u>	<u>130,167,385</u>
Net cash inflow/(outflow) from financing activities		<u>207,239,364</u>	<u>(160,414,525)</u>
Net (decrease)/increase in cash and cash equivalents		(29,570,436)	33,218,232
Cash and cash equivalents at the beginning of the financial year		88,979,454	55,761,222
Cash and cash equivalents at the end of the financial year	4	<u><u>59,409,018</u></u>	<u><u>88,979,454</u></u>

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

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements

1 General information

Blackstone / GSO Loan Funding Designated Activity Company (the “Company”) is a wholly-owned special purpose vehicle of Blackstone European Senior Loan Fund (the “Master Fund”), a sub-fund of Blackstone Investment Funds (the “Trust”), a unit trust constituted as an umbrella unit trust and authorised pursuant to the Unit Trusts Act 1990 as amended, and authorised by the Central Bank of Ireland (the “Central Bank”) as a qualifying investor alternative investment fund pursuant to the Central Bank’s AIF Rulebook. The Master Fund is approved by the Central Bank as a qualifying investor alternative investment fund pursuant to the AIF Rulebook.

The objective of the Company is to act as an intermediate investment vehicle for the Master Fund. The Company seeks to invest in senior secured leveraged loans on behalf of the Master Fund.

The Company’s investment activities are managed by Blackstone Ireland Fund Management Limited (the “Manager”). The Manager was incorporated in Ireland on 25 November 2013 and is organised as a private company limited by shares under the Companies Act 2014. The Manager is authorised by the Central Bank as an alternative investment fund manager pursuant to the European Union (Alternative Investment Fund Managers) Regulations, 2013 (as amended).

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. When preparing financial statements, the Directors make an assessment of the Company’s ability to continue as a going concern and are satisfied that it has resources to continue in business for the foreseeable future. Based on the nature of the Company’s liability to noteholders, as described in note 6, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (“FRS 102”) issued by the Financial Reporting Council and promulgated for use in Ireland by Chartered Accountants Ireland. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The financial statements represent the financial year ended 30 April 2025.

FRS 102 requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. Key estimates, assumptions and judgement that may have significant risk of causing material adjustment to the carrying amount of assets and liabilities within the financial year are outlined in note 3.

In accordance with FRS 102, management has elected to apply the classification and measurement provisions of IFRS 9 Financial Instruments: Classification and Measurement (“IFRS 9”), the disclosure requirements of Sections 11 and 12 of the FRS and the presentation requirements of paragraphs 11.38A or 12.25B of the FRS.

The financial statements are presented in euro.

2.2 Financial assets and financial liabilities at fair value through profit or loss

(a) Classification

In accordance with IFRS 9 Financial Instruments: Classification and measurements, the Company classifies its financial assets at initial recognition into the categories discussed below.

In applying that classification, a financial asset is considered to be held for trading if:

- a) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- b) on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements (Continued)

2 Summary of material accounting policies (Continued)

2.2 Financial assets and financial liabilities at fair value through profit or loss (Continued)

(a) Classification (Continued)

- c) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Under IFRS 9, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets under IFRS 9 is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term receivables including other receivables.

Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss if:

- a) its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- b) it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- c) at initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company’s investment portfolio is managed, and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Company has not taken the option to irrevocably designate any investments as fair value through other comprehensive income. Consequently, the Company classifies all its investment securities as financial assets at fair value through profit or loss.

(b) Recognition/derecognition

All regular way purchases and sales of financial instruments are recognised on the trade date, which is the date that the Company commits to purchase or sell an asset. Regular way purchases or sales are purchases or sales of financial instruments that require delivery of assets within the period generally established by regulation or convention in the market place. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out (“FIFO”) method. The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

(c) Measurement

Financial instruments at fair value through profit or loss are recognised at fair value, with transaction costs for such instruments being recognised directly in the statement of financial position.

After initial measurement, the Company measures financial instruments which are classified as fair value through profit or loss at their fair values excluding accrued income. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty in the case of non-exchange traded instruments, at the statement of financial position date without any deduction for estimated future selling costs. Financial assets and financial liabilities are priced at last traded prices.

Blackstone / GSO Loan Funding Designated Activity Company

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Notes to the Financial Statements (Continued)

2 Summary of material accounting policies (Continued)

2.2 Financial assets and financial liabilities at fair value through profit or loss (Continued)

(d) Impairment of financial assets

In reporting its assets valuation according to IFRS 9, 'Financial Instruments' ("IFRS 9"), the Compartment recognises an allowance for expected credit losses ("ECLs") for all financial assets not held at fair value through profit or loss. ECLs are based on an estimate of the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Compartment expects to receive, discounted at an approximation of the original effective interest rate. ECLs are recognised in three stages. For credit exposures for which there has not been a Significant Increase in Credit Risk ("SICR") since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a SICR since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). No such impairments were recognised in the current year or prior year given the short-term nature of the financial assets held at amortised cost.

2.3 Foreign currency translation

Items included in the Company's financial statements are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is euro, which reflects the Company's primary activity of investing in euro-denominated securities and derivatives.

2.4 Foreign currency transactions

Assets and liabilities denominated in currencies other than the Company's functional currency are translated into euro at the closing rates of exchange at the statement of financial position date. Transactions during the financial year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in realised losses on investments and foreign currency in the income statement.

2.5 Due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date, respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment of amounts due from brokers, if any. A provision for impairment of the amount due from brokers is established when there is objective evidence that the Company will not be able to collect all amounts due from the relevant broker.

2.6 Cash and cash equivalents

Cash represents short-term funds available and is invested in interest bearing accounts.

2.7 Amount due to noteholders

Amount due to noteholders are measured at the outstanding amount of the notes and interest accrued as at the Statement of Financial Position date.

2.8 Realised and unrealised gains and losses

Results arising from trading activities include all gains and losses from changes in fair value of financial instruments and foreign currency.

2.9 Portfolio Income/Expense

Delayed compensation is a component of pricing in the settlement of loan trades which do not close on a timely basis. Delayed compensation is intended to place the parties in the approximate economic position on the actual settlement date that they would have been if they had closed the trade on a timely basis.

2.10 Expenses

All expenses are recognised in the income statement on an accrual basis.

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements (Continued)

2 Summary of material accounting policies (Continued)

2.11 Interest income

Interest income is recognised on an accrual basis with the contractual terms of interest bearing instruments. Interest income is shown gross of any non-recoverable withholding taxes (if applicable), which are disclosed separately in the income statement when incurred.

2.12 Interest expense

Interest expense is payable under the terms of the note instruments. Under the terms of the instruments the annual rate of interest is determined by the Manager, based on income earned using the proceeds of the notes, including reinvestment income on surplus cash retained in the Company, less any relevant costs or expenses of the Company.

2.13 Taxation

Corporation tax is based on the profit for the financial year. Deferred taxation is provided, using the liability method, in respect of all timing differences where, in the opinion of the Directors, there is a reasonable probability that a taxation liability or asset will arise in the foreseeable future.

3 Financial instruments at fair value through profit or loss

In determining fair value, the Company uses various valuation approaches. Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. However, the determination of what constitutes "observable" requires significant judgment by the Manager.

The Manager considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Manager's perceived risk of that instrument. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 valuation methodology is based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Examples of assets and liabilities utilising Level 1 inputs are: most U.S. Government securities, certain U.S agency securities, certain other sovereign government obligations and exchange-traded equity securities and listed derivatives that are actively traded. The Company held no common stock as at 30 April 2025 whose price and fair value fall into the Level 1 categorisation under the standard (2024: €248,910).

Level 2 valuation methodology is based on inputs other than quoted prices included in Level 1 that are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs. As observable prices are not available for these securities, a valuation technique using observable inputs will be used to derive the fair value. Examples of assets and liabilities utilising Level 2 inputs are: exchange-traded equity securities and listed derivatives that are not actively traded; most over-the counter derivatives; restricted stock; corporate and municipal bonds; certain high-yield debt; certain mortgage-backed securities; asset-backed securities and collateralised debt obligations securities and retained interest in certain securitisation transactions. For the Company, corporate bond, senior secured loans and floating rate notes are generally classified in Level 2 as at 30 April 2025 or 30 April 2024.

Level 3 valuation methodology is based on inputs that are unobservable and significant to the overall fair value measurement. Examples of assets and liabilities utilising Level 3 inputs are: some senior secured loans, certain mortgage-backed and asset-backed securities, retained interests in certain securitisation transactions and private equity positions. For the Company, six positions were classified in Level 3 as at 30 April 2025 and seven positions were classified in Level 3 as at 30 April 2024.

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3 Financial instruments at fair value through profit or loss (Continued)

If observable prices are not available for these securities, a valuation technique will be used to derive the fair value. Fair value is a market-based measure considered from the perspective of a particular market participant rather than an aggregation of participants such as an exchange based measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or Level 2 to Level 3.

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. The level of the valuation is not based on the risks associated with the valuation, but with the transparency of the inputs used for the valuation of that financial instrument. Accordingly, the degree of judgment exercised by the Manager in determining fair value is greatest for instruments categorised in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Manager in the absence of market information. Assumptions used by the Manager due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Company's results of operations.

Set forth below are the Company's financial assets as at 30 April 2025 and as at 30 April 2024 categorised based on the hierarchy set out in FRS 102:

Financial assets at fair value through profit or loss	30 April 2025			
	Level 1	Level 2	Level 3	Total
<i>Financial assets held for trading</i>	€	€	€	€
Corporate bond	-	1,382	-	1,382
Senior secured loans	-	1,648,635,427	17,603,985	1,666,239,412
Floating rate notes	-	23,074,090	-	23,074,090
Total	-	1,671,710,899	17,603,985	1,689,314,884

Financial assets at fair value through profit or loss	30 April 2024			
	Level 1	Level 2	Level 3	Total
<i>Financial assets held for trading</i>	€	€	€	€
Common stock	248,910	-	-	248,910
Corporate bond	-	151,501	-	151,501
Senior secured loans	-	1,324,419,226	34,547,351	1,358,966,577
Floating rate notes	-	31,936,592	-	31,936,592
Total	248,910	1,356,507,319	34,547,351	1,391,303,580

Set forth below is the movement of Level 3 assets of the Company for the financial year ended 30 April 2025 and 30 April 2024:

	30 April 2024						30 April 2025
	Fair value €	Realised	Unrealised	Transfer in (out)	Purchases	Sales	Fair value €
Senior secured loans	34,547,351	(1,969,254)	(1,246,968)	(4,270,917)	70,560,547	(80,016,774)	17,603,985

	30 April 2023						30 April 2024
	Fair value €	Realised	Unrealised	Transfer in (out)	Purchases	Sales	Fair value €
Senior secured loans	16,374,510	210,245	305,025	15,292,768	28,877,430	(26,512,627)	34,547,351

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Notes to the Financial Statements (Continued)

3 Financial instruments at fair value through profit or loss (Continued)

As at 30 April 2025 and 30 April 2024, securities included in the above tables were classified as Level 3 as the market price has only one broker quote available and the Manager requires at least two broker quotes to classify them as Level 2.

There were no transfers between Level 1 and Level 2 assets of the Company during the year ended 30 April 2025 or 30 April 2024.

During the year, any positions that were transferred into and out of Level 3 were due to an increase or a decrease in price transparency depending on whether multiple broker quotes were available or not.

The table below discloses the valuation technique used in the valuation for Level 3 investments and quantifies the effect of significant unobservable inputs used to value investments that fall into this category. The ranges of these inputs are not representative of the appropriate inputs to use when calculating the fair value of any one Level 3 asset or liability. Accordingly, the ranges of inputs presented below do not represent uncertainty in, or possible ranges of fair value measurements of the Master Fund's Level 3 assets/liabilities.

Asset description	Fair value at 30 April 2025 €	Valuation techniques	Unobservable input	Range
Senior secured loans	17,603,985	Single broker quote	none	nil

Asset description	Fair value at 30 April 2024 €	Valuation techniques	Unobservable input	Range
Senior secured loans	34,547,351	Single broker quote	none	nil

4 Cash and cash equivalents

As at 30 April 2025, the Company held cash deposits of €59,409,018 (2024: €88,979,454) with The Bank of New York Mellon SA/NV, Dublin Branch as depositary having Aa2 credit rating of Moody's.

There is no restricted cash held by the Company.

5 Receivables/payables

	30 April 2025 €	30 April 2024 €
Receivables		
Due from broker for securities sold	89,975,918	178,284,517
Receivable from Master*	5,700,296	5,700,296
Receivable from Blackstone European Senior Loan Feeder Fund (Cayman)*	16,100,000	21,394,000
Interest receivable	11,064,128	12,448,940
Withholding tax receivable	533,497	219,219
Other receivables	2,036,088	542,209
Total	<u>125,409,927</u>	<u>218,589,181</u>
Payables		
Due to broker for securities purchased	<u>(214,454,303)</u>	<u>(227,193,246)</u>
Total	<u>(214,454,303)</u>	<u>(227,193,246)</u>

*During the year ended 30 April 2025, the Master Fund and Blackstone European Senior Loan Feeder Fund (Cayman), a feeder fund of the Master Fund, pledged cash collateral of €5,700,296 (30 April 2024: €5,700,296) and €16,100,000 (30 April 2024: €21,394,000) respectively, to BNY Mellon as counterparty on forward currency contracts. The cash collateral pledged was paid out by the Company on behalf of the Master Fund and Blackstone European Senior Loan Feeder Fund (Cayman) for operational ease but the Company is not party to the forwards. This amount will be receivable from the Master fund and Blackstone European Senior Loan Feeder Fund (Cayman) on settlement of the rolling forward currency contracts post year end.

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Notes to the Financial Statements (Continued)

6 Amounts due to noteholders

Amounts due to noteholders include notes outstanding at the statement of financial position date and interest accrued on the notes.

	30 April 2025	30 April 2024
	€	€
Balance at beginning of the financial year	1,448,639,370	1,609,053,895
Subscribed	225,015,166	89,961,698
Redeemed	(153,957,793)	(380,543,608)
Interest expense for the year	136,181,991	130,167,385
Balance at end of the financial year	1,655,878,734	1,448,639,370

The notes issued by the Company represent unsecured obligations of the Company in accordance with the terms of the noteholder agreements and therefore rank pari passu with all other creditors, except to the extent provided by law. The notes have no fixed maturity and may be redeemed at the request of the noteholder on any note dealing day at par or at such lower amount as the Company determines is appropriate to reflect any decrease in the value of the portfolio of the debt instruments or financial assets acquired by the Company. Owing to the substance of the notes, any losses that may be incurred by the Company are ultimately borne by the noteholders. Interest is allocated to the notes in accordance with note 2.11.

7 Called up share capital presented as equity

	30 April 2025	30 April 2024
	€	€
Authorised		
1,000 ordinary shares at €1.00 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted and Called Up		
1 ordinary share at €1.00 each	1	1
	<u>1</u>	<u>1</u>
Presented as follows:		
Called Up Share Capital presented as Equity	<u>1</u>	<u>1</u>

Ordinary shares were allotted at par on formation of the Company. The allotted share capital is unpaid at the financial year end. The sole shareholder of the Company is the Master Fund.

8 Interest income

The Company earned €114,237,740 (30 April 2024: €117,543,089) of interest income on senior secured loans and floating rate notes during the financial year ended 30 April 2025.

9 Portfolio income

The below table details the delayed compensation earned for the year ended 30 April 2025 and 30 April 2024:

	30 April 2025	30 April 2024
	€	€
Delayed compensation	-	1,129,525
	<u>-</u>	<u>1,129,525</u>

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Notes to the Financial Statements (Continued)

10 Gains/(losses) on financial assets at fair value through profit or loss

	30 April 2025	30 April 2024
	€	€
Realised gain on investments and foreign currency	23,628,399	11,899,145
Unrealised appreciation on investments and foreign currency transactions	<u>(21,079,478)</u>	<u>34,097,046</u>
Total	<u>2,548,921</u>	<u>45,996,191</u>

11 Soft commission arrangements

There were no soft commission arrangements affecting the Company during the financial year ended 30 April 2025 and 30 April 2024.

12 Risk associated with financial instruments

The Company's activities expose it to a variety of financial risks including market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and natural perils and seeks to minimise potential adverse effects on the Company's financial performance.

12.1 Market risk

Price risk

Price risk is the risk that the value of the investment will fluctuate as a result of changes in market prices (other than those arising from currency risk and interest rate risk) whether caused by factors specific to an individual investment, its issuer or all factors affecting all investments traded in the market. As all of the Company's financial instruments are carried at fair value with fair value changes recognised in the Income Statement, all changes in market conditions will directly affect operating income.

The Company's investments are susceptible to market price risk arising from uncertainties about future prices of financial instruments. All securities invested in present a risk of loss of capital. The Manager seeks to mitigate risk by diversification across geographical and industry sectors. Any increase or decrease in the market price of investments would alter the Company's net asset value to the extent that it was invested at the time. The Company's investment portfolio complies with the investment parameters as disclosed in the prospectus and the supplement of the Master Fund.

At 30 April 2025, if prices had been 5% higher with all other variables held constant, the increase in net assets attributable to noteholders for the financial year would have been €84,465,744 (30 April 2024: €69,565,179); if prices had been 5% lower with all other variables held constant, the decrease in net assets attributable to noteholders for the year would have been €84,465,744 (30 April 2024: €69,565,179).

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Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.1 Market risk (Continued)

Concentration risk

The following table reflects the Company's fair value exposure by geographical sector:

Country	30 April 2025		30 April 2024	
	Fair Value €	% of Total Fair Value	Fair Value €	% of Total Fair Value
Austria	7,307,720	0.43%	5,462,513	0.39%
Belgium	20,935,290	1.24%	12,116,645	0.87%
Canada	15,968,233	0.95%	-	-
Finland	13,751,802	0.81%	3,060,259	0.22%
France	366,541,406	21.70%	278,412,069	20.01%
Germany	250,487,496	14.83%	179,647,894	12.91%
Ireland	59,752,823	3.54%	70,137,358	5.04%
Italy	8,662,860	0.51%	8,293,655	0.60%
Luxembourg	211,372,042	12.51%	209,667,723	15.07%
Netherlands	199,259,561	11.80%	190,455,217	13.69%
Norway	749,599	0.04%	2,121,287	0.15%
Spain	26,791,696	1.59%	25,100,904	1.80%
Sweden	50,302,266	2.98%	39,857,093	2.86%
United Kingdom	303,789,645	17.98%	259,796,267	18.68%
United States	153,642,445	9.09%	107,174,696	7.71%
Total	<u>1,689,314,884</u>	<u>100.00%</u>	<u>1,391,303,580</u>	<u>100.00%</u>

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Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.1 Market risk (Continued)

Concentration risk (Continued)

The following table reflects the Company's fair value exposure by industry sector:

Industry Sector	30 April 2025		30 April 2024	
	Fair Value €	% of Total Fair Value	Fair Value €	% of Total Fair Value
Aerospace and Defence	1,155,154	0.07%	14,565,234	1.05%
Automobiles	34,174,644	2.02%	1,505,858	0.11%
Banking and Finance	58,854,253	3.48%	82,712,080	5.94%
Broadcasting and Media	22,143,042	1.31%	19,618,597	1.41%
Building and Materials	93,494,771	5.53%	62,465,871	4.49%
Business Services Data and Analytics	36,292,843	2.15%	-	-
Business Services General	76,302,493	4.52%	70,685,495	5.08%
Cable	38,239,836	2.26%	56,282,795	4.05%
Chemicals	131,038,741	7.76%	94,745,730	6.81%
Consumer Products	44,056,399	2.61%	24,821,529	1.78%
Environmental Services	20,873,963	1.24%	2,224,116	0.16%
Food and Drug Retail	17,102,691	1.01%	16,752,824	1.20%
Food, Beverage and Tobacco	112,933,773	6.69%	75,541,631	5.43%
Gaming, Leisure and Entertainment	70,578,022	4.18%	107,976,428	7.76%
General Retail	66,354,269	3.93%	27,266,031	1.96%
Healthcare Devices	68,793,466	4.07%	255,228,644	18.34%
Healthcare Providers	204,738,552	12.12%	-	-
Industrial/Manufacturing	135,493,220	8.02%	123,607,035	8.88%
Lodging and Restaurants	18,405,937	1.09%	10,964,908	0.79%
Packaging and Containers	17,002,025	1.00%	22,168,129	1.59%
Pharmaceuticals	99,829,692	5.91%	54,282,941	3.90%
Real Estate	21,407,001	1.27%	9,033,731	0.65%
Technology Software	166,178,920	9.84%	109,082,563	7.84%
Telecommunications	115,626,758	6.84%	133,777,158	9.62%
Transportation and Distribution	1,992,500	0.12%	15,994,252	1.16%
Utilities (Power)	16,251,919	0.96%	-	-
	1,689,314,884	100.00%	1,391,303,580	100.00%

Currency risk

The Company's principal exposure to foreign currency risk comprises its investments priced in currencies other than the functional currency of the Company. The Company may enter into derivative transactions against currency or other risks on behalf of the Company. A certain portion of the net assets of the Company are denominated in currencies other than euro, the Company's functional currency, with effect on the statement of financial position and income statement by currency movements.

The table below illustrates the exchange rates expressed against the Euro used in the valuation as at 30 April 2025 and 30 April 2024 and the average rates used throughout the financial year:

Currency	30 April 2025	Average rate during the year	30 April 2024	Average rate during the year
GBP	1.1750	1.18847	1.1711	1.16134
USD	0.8797	0.92710	0.9352	0.92370

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Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.1 Market risk (Continued)

Currency risk (Continued)

The currency exposure as at 30 April 2025 was as follows:

	Investments	Cash	Other net assets/(liabilities)	Net assets
Currency	€	€	€	€
EUR	1,593,595,491	55,762,354	(1,731,461,431)	(82,103,586)
GBP	63,358,776	751,855	1,140,144	65,250,775
USD	32,360,617	2,894,809	(17,905,449)	17,349,977
	<u>1,689,314,884</u>	<u>59,409,018</u>	<u>(1,748,226,736)</u>	<u>497,166</u>

The currency exposure as at 30 April 2024 was as follows:

	Investments	Cash	Other net assets/(liabilities)	Net assets
Currency	€	€	€	€
EUR	1,318,491,929	87,997,893	(1,471,282,304)	(64,792,482)
GBP	67,433,142	699,775	11,465,429	79,598,346
USD	5,378,509	281,786	34,732	5,695,027
	<u>1,391,303,580</u>	<u>88,979,454</u>	<u>(1,459,782,143)</u>	<u>20,500,891</u>

The Manager monitors currency risk on a periodic basis.

The following sensitivity analysis discloses the Manager's best estimates of the effect of currency risk on the value of the Company, holding all other factors constant by measuring the effect of a given change in the above exchange rates. A 5% increase in the USD exchange rate would have increased the net assets by €867,499 (30 April 2024: €284,751) as at 30 April 2025. A 5% increase in the GBP exchange rate would have increased the net assets by €3,262,539 (30 April 2024: €3,979,917) as at 30 April 2025. A 5% decrease in the exchange rates would have resulted in an equal but opposite effect. In practice the actual trading results may differ from the above sensitivity analysis and the difference could be material.

Interest rate risk

The Company is subject to interest rate risk due to fluctuations in the prevailing levels of market interest rates. The Company's interest bearing financial assets and liabilities include cash and cash equivalents which earns interest at short-term market rates, investments in corporate bond, senior secured loans and floating rate notes which are floating rate loans and bonds linked to Libor or Euribor and the notes issued whose interest is determined by the Manager based on the income earned by the Company.

The interest rate risk associated with cash and cash equivalents is not deemed to be significant. Fluctuations in market interest rates are expected to have an impact on the fair value of the senior secured loans and floating rate notes. A movement of 1% in the market interest rates would increase/decrease the interest income for any given financial year by €17,541,828 (2024: €14,455,440). As the interest attached to the notes is based on the income earned by the Company, such movements in market interest rates would have an equal but opposite impact on the interest payable on the notes and therefore the net impact to the Company is expected to be nil.

Due to the floating rate nature of the Company's portfolio which provides protection against inflation and the associated rising interest rates, the current high inflationary environment and associated rising base interest rates is expected to have a limited impact on the value of the Company's portfolio.

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Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.1 Market risk (Continued)

Interest rate risk (Continued)

The table below illustrates the Company's interest rate exposure as at 30 April 2025:

	Fixed rate interest €	Floating rate interest €	Non-interest bearing €	Total €
Financial assets at fair value through profit or loss	1,382	1,689,313,502	-	1,689,314,884
Cash and cash equivalents	-	59,409,018	-	59,409,018
Receivables	-	-	125,409,927	125,409,927
Amount due to noteholders	-	(1,655,878,734)	-	(1,655,878,734)
Payables for securities purchased	-	-	(214,454,303)	(214,454,303)
Other payables	-	-	(3,303,626)	(3,303,626)
Total	1,382	92,843,786	(92,348,002)	497,166

The table below illustrates the Company's interest rate exposure as at 30 April 2024:

	Fixed rate interest €	Floating rate interest €	Non-interest bearing €	Total €
Financial assets at fair value through profit or loss	-	1,391,054,670	248,910	1,391,303,580
Cash and cash equivalents	-	88,979,454	-	88,979,454
Receivables	-	-	218,589,181	218,589,181
Amount due to noteholders	-	(1,448,639,370)	-	(1,448,639,370)
Payables for securities purchased	-	-	(227,193,246)	(227,193,246)
Other payables	-	-	(2,538,708)	(2,538,708)
Total	-	31,394,754	(10,893,863)	20,500,891

12.2 Liquidity risk

An investment in the Company may provide limited liquidity as it may be restricted in its ability to liquidate its investments. This could also impair the Company's ability to distribute redemption or other proceeds to a noteholder in a timely manner. Redemptions of notes of the Company are largely dependent on the level of unitholder redemptions from the Master Fund and so the following redemption procedures and limits in the Master Fund's supplement should mitigate against the liquidity risk at the level of the Company. The offering documents of the Master Fund set out that the Trust is not bound to redeem on any dealing day more than 20% of the Units in issue of the Master Fund, and if the number of requests exceeds that limit, the requests may be reduced proportionately.

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Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.2 Liquidity risk (Continued)

The tables below analyse the Company's assets and liabilities into relevant maturity groups based on the remaining period at the statement of financial position date to the contractual maturity date.

As at 30 April 2025	Less than 1 month €	1-3 months €	3-12 months €	1-5 years €	Greater than 5 years €	Total €
Financial assets						
Financial assets at fair value through profit or loss	-	-	-	1,141,388,058	547,926,826	1,689,314,884
Cash and cash equivalents	59,409,018	-	-	-	-	59,409,018
Receivables	41,361,497	28,772,637	34,471,540	20,804,253	-	125,409,927
Total undiscounted financial assets	100,770,515	28,772,637	34,471,540	1,162,192,311	547,926,826	1,874,133,829
Financial liabilities						
Amount due to noteholders	-	(1,655,878,734)	-	-	-	(1,655,878,734)
Payables for securities purchased	(30,433,587)	(15,913,333)	(130,392,791)	(37,714,592)	-	(214,454,303)
Other payables	(3,301,039)	(1,010)	(1,577)	-	-	(3,303,626)
Total undiscounted financial liabilities	(33,734,626)	(1,671,793,077)	(130,394,368)	(37,714,592)	-	(1,873,636,663)
As at 30 April 2024						
	Less than 1 month €	1-3 months €	3-12 months €	1-5 years €	Greater than 5 years €	Total €
Financial assets						
Financial assets at fair value through profit or loss	-	-	7,407,438	1,095,022,002	288,874,140	1,391,303,580
Cash and cash equivalents	88,979,454	-	-	-	-	88,979,454
Receivables	55,597,656	11,419,288	151,572,237	-	-	218,589,181
Total undiscounted financial assets	144,577,110	11,419,288	158,979,675	1,095,022,002	288,874,140	1,698,872,215
Financial liabilities						
Amount due to noteholders	-	(1,448,639,370)	-	-	-	(1,448,639,370)
Payables for securities purchased	(38,786,094)	-	(171,679,025)	(16,728,127)	-	(227,193,246)
Other payables	(2,538,708)	-	-	-	-	(2,538,708)
Total undiscounted financial liabilities	(41,324,802)	(1,448,639,370)	(171,679,025)	(16,728,127)	-	(1,678,371,324)

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.3 Insolvency considerations relating to loans

Senior secured leveraged loans may be subject to laws enacted for the protection of creditors in the jurisdictions of incorporation of the borrowers which issue senior secured leveraged loans. If the jurisdiction is different as to where the assets are physically held it may adversely affect such borrowers' ability to make payment on a full or timely basis. These insolvency considerations will differ depending on the country in which each borrower is located or domiciled or, to the extent that Regulation (EU) 2015/848 of the European Parliament and the Council of 20 May 2015 on insolvency proceedings (recast) applies, has its centre of main interest and may differ depending on whether the underlying obligor is a non-sovereign or a sovereign entity. In particular, it should be noted that a number of continental European jurisdictions operate "debtor friendly" insolvency regimes which would result in delays in payments under leveraged loans where obligations thereunder are subject to such regimes, in the event of their insolvency.

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for senior loans entered into by borrowers in such jurisdictions. Limited reliable historical data is available in the European market for default and recovery rates.

12.4 Credit risk

The Manager monitors the creditworthiness of financial institutions with whom cash is held, or with whom investment or derivative transactions are entered into, on a regular basis. Blackstone, through its investment strategy, will endeavour to avoid losses relating to defaults on the underlying assets. In-house credit research is used to identify asset allocation opportunities amongst potential borrowers and industry segments and to take advantage of episodes of market mis-pricing. Segments and themes that are likely to be profitable are subjected to rigorous analysis and risk is allocated to these opportunities consistent with investment objectives. All transactions involve credit research analysts with relevant industry sector experience. The credit analysis performed involves developing a full understanding of the business and associated risk of the loan or bond issuer and a full analysis of the financial risk, which leads to an overall assessment of credit risk. Blackstone analyses credit concentration risk based on the counterparty, country and industry of the financial assets that the Company holds.

Contracts entered into by the Company may involve credit risk that could result in loss of the Company's investment. The receipt of monies owed will be subject to and dependent on the counterparty's ability to pay such monies. The Company is therefore open to risks relating to the creditworthiness of the counterparty. If the counterparty fails to make any cash payments required to settle an investment, the Company may lose principal as well as any anticipated benefit from the transaction.

The Company is subject to credit risk exposures from counterparties who may be unlisted and/or who are below an investment grade rating. The ability of the Company to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Company. The investments held are senior secured loans and therefore may be subject to lower levels of credit risk than the general credit of the issuer.

The Company may be adversely impacted by an increase in its credit exposure related to investing, financing, and other activities. The Company is exposed to the potential for credit-related losses that can occur as a result of an individual, counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships, commitments, derivatives and other transactions. These exposures may arise, for example, from a decline in the financial condition of a counterparty, from entering into swap or other derivative contracts under which counterparties have obligations to make payments to the Company, from a decrease in the value of securities of third parties that the Company holds as collateral, or from extending credit through guarantees or other arrangements. As the Company's credit exposure increases, it could have an adverse effect on the Company's business and profitability if material unexpected credit losses occur.

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements (Continued)

12 Risk associated with financial instruments (Continued)

12.4 Credit risk (Continued)

The following table reflects the Company's fair value exposure by investment ratings:

Rating*	30 April 2025		30 April 2024	
	Fair Value €	% of Fair Value	Fair Value €	% of Fair Value
BBB-	30,040,973	1.78%	17,040,823	1.22%
BB+	153,040,166	9.06%	150,597,114	10.82%
BB	124,875,144	7.39%	37,736,965	2.71%
BB-	204,170,987	12.09%	187,771,518	13.50%
B+	295,470,261	17.49%	282,993,997	20.34%
B	541,078,915	32.03%	426,219,009	30.63%
B-	256,536,653	15.19%	225,749,631	16.23%
CCC+	51,500,456	3.05%	24,757,309	1.78%
CCC	7,680,493	0.45%	27,687,214	1.99%
CCC-	15,576,917	0.92%	2,596,978	0.19%
CC	4,723,857	0.28%	6,331,430	0.46%
D	4,618,680	0.27%	1,821,592	0.13%
NR	1,382	-	-	-
	1,689,314,884	100.00%	1,391,303,580	100.00%

*Ratings provided by Fitch.

12.5 Administration of loan participation and securitisation risk

Where the Company invests in loan participations or a securitisation administered by a third party bank or other counterparty there is the additional risk of the potential failure of the bank/other counterparty acting for such loan pool, the risk of incorrect valuations, and the risk of error, fraud and inadequate accounting and reporting standards.

12.6 Unlisted and/or unrated securities

A substantial proportion of senior secured loans or securities in which the Company invests may be unlisted and/or unrated securities. Such assets may involve higher risks, in terms of credit, liquidity and interest rates, than investment grade sovereign or corporate bonds or loans and may be more volatile, more liable to default and less liquid than listed and rated securities. A high proportion of non-investment grade assets will also impact adversely on the Company's ability to distribute redemption proceeds to a redeeming shareholder in a timely manner. Investments may be made by the Company in both performing and distressed securities. A summary of the Company's fair value exposure by investment ratings is provided in note 12.4.

13 Taxation

	30 April 2025	30 April 2024
	€	€
Operating profit	(20,003,725)	36,564,283
Tax on profit at standard rate	(5,000,931)	9,141,071
Adjustment of trading results from FRS 102 to Old Irish GAAP*	5,000,931	(9,141,071)
Tax charge for the financial year	-	-

Blackstone / GSO Loan Funding Designated Activity Company

(A special purpose vehicle incorporated in Ireland pursuant to the Companies Act 2014)

Notes to the Financial Statements (Continued)

13 Taxation (Continued)

Corporation tax is charged at the standard rate of 25% for the financial year ended 30 April 2025 and 30 April 2024.

*The Company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997 (as amended). As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25%, but are computed in accordance with the provisions applicable to Case I of Schedule D.

14 Parent and ultimate parent undertaking

Blackstone / GSO Loan Funding Designated Activity Company is a wholly-owned subsidiary of the Master Fund, a sub-fund of the Trust. The Master Fund represents the only group of which the Company is a member for which consolidated financial statements are prepared.

15 Auditor fees

Audit fees for the financial year ended 30 April 2025 amounted to €22,000 (2024: €22,000) exclusive of VAT of which €27,060 (2024: €22,000) was payable at the end of the financial year to Deloitte Ireland LLP.

Deloitte Ireland LLP also provided tax advisory services which amounted to €5,250 (2024: €4,000) exclusive of VAT.

16 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Manager is considered a related party of the Company.

All related party transactions on the Company during the financial year were negotiated on an arm's length basis and were in the best interest of the Master Fund as the sole shareholder of the Company.

The Company has availed of the exemption included in section 33.11 of FRS 102 'Related Party Transactions' from disclosing certain related party transactions.

17 Contingent liabilities and commitments

There were no contingent liabilities or commitments as at 30 April 2025 or 30 April 2024.

18 Significant events during the financial year

As of 12 June 2024, Desmond Quigley was appointed as a Director of the Company.

As of 12 June 2024, Thomas Iannarone resigned as a Director of the Company.

There were no other significant events during the year that required disclosure in the financial statements.

19 Subsequent events

Subsequent to financial year ended 30 April 2025 up to the date of signing of these financial statements, there were subscriptions of €172,725,547 into the Company and redemptions of €7,028,439 out of the Company.

There have been no other significant events subsequent to the year end, other than those already disclosed.

20 Approval of financial statements

The directors approved the financial statements on 21 August 2025.