Company Number: 393439

IRIS SPV PLC

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

CONTENTS

DIRECTORS AND OTHER INFORMATION

DIRECTORS

The Directors who held office during the financial year and subsequently were:

Sinead O'Connor	(appointed on 03 September 2021 and resigned on 28 October 2022)
Martina Regan	(appointed on 30 July 2021 and resigned on 31 July 2023)
Stephen Hugh Innes	(appointed on 28 October 2022 and resigned on 10 July 2023)
Syed Haque	(appointed on 31 July 2023)
Saiuren Moodley	(appointed on 10 July 2023)

COMPANY SECRETARY

The Company Secretary is Apex Group Capital Markets Ireland Limited.

REGISTERED OFFICE

The registered office address is at 3rd Floor Block 5, Irish Life Centre, 1 Abbey Street Lower, Dublin 1, Ireland

TRUSTEES

HSBC Trustee (C.I.) Limited
HSBC House, Esplanade, St Helier, Jersey, JE1 1GT

HSBC Corporate Trustee Company (UK) Limited
Level 24, 8 Canada Square, London, E14 5HQ

Kroll Agency and Trustee Services Limited
6th Floor, No1 Building, 1-5 London Wall, London, EC2M 5PG

CORPORATE SERVICES PROVIDER

Apex Group Capital Markets Ireland Limited
3rd Floor Block 5, Irish Life Centre, 1 Abbey Street Lower, Dublin 1, Ireland

CUSTODIAN, ISSUING AGENT AND PAYING AGENT

HSBC Bank plc
8 Canada Square, London, E14 5HQ

Citibank
9/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong

ARRANGER, SWAP COUNTERPARTY AND CALCULATION AGENT

Société Générale S.A.
29 Boulevard Haussmann, 75009, Paris

LISTING AGENT

Arthur Cox Listing Services Limited
Earlsfort Centre, Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland

DIRECTORS AND OTHER INFORMATION - (CONTINUED)

LEGAL ADVISORS

Matheson LLP
70 Sir John Rogerson's Quay, Dublin Docklands, Dublin 2, D02 R296, Ireland

Arthur Cox LLP
Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland

INDEPENDENT AUDITOR

Grant Thornton
Chartered Accountants and Statutory Audit Firm
13 - 18 City Quay, Dublin, D02 ED70, Ireland

BANK

HSBC Bank plc
8 Canada Square, London, E14 5HQ

BNY Mellon Corporation
240 Greenwich Street New York, NY 10286

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

The Board of Directors (or the "Directors") present their annual report and the audited financial statements of Iris SPV PLC (the "Company") for the financial year ended 30 June 2023.

INCORPORATION

The Company was incorporated in Ireland on 10 November 2004. The Company registration number is 393439.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is the issue of Limited Recourse Notes ("Notes") and Warrants in separate series under the terms of the Offering Circular dated 2 April 2004, last updated on 21 July 2023, under a €20,000,000,000 secured note programme, with Claris Limited, Claris 2 Limited, Claris III Limited (liquidated) and Claris IV Limited (liquidated), all of which are companies incorporated in Jersey, Channel Islands, and Iris II SPV Designated Activity Company, a company incorporated in Ireland. The proceeds from the issue of the Notes and Warrants have been used to acquire securities, loans and/or to enter into credit default swap ("CDS"), equity linked swap ("ELS"), cross currency swap ("CCS") and interest rate swap ("IRS") transactions with Société Générale ("SG" or the "Arranger"). The Notes and Warrants are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes and Warrants. The Notes and Warrants issued have been listed in Main Securities Market on Euronext Dublin (formerly The Irish Stock Exchange ("ISE")), except for Series 43/2013, Series 83/2018, Series 85/2018 Series 86/2018, Series 87/2018, Series 88/2018, Series 97/2020 and Series 103/2020 which has been listed on the Vienna Stock Exchange and Series 46/2014 which has not been listed.

On 21 December 2017 Series 75 was issued. The Company issued Limited Recourse Secured Notes on a stand-alone basis and do not form part of the €20,000,000,000 secured note programme.

During the financial year ended 30 June 2023, the Company did not issue any new series and had redeemed Series 86/2018 Series. There was an increase in nominal value of series 87/2018 and a partial repayment and consolidation to form a single tranche of Series 111/2021. Series 109/2020 and Series 112/2021 have reached maturity during the financial year.

FUTURE DEVELOPMENTS

The Directors currently expect the Company to continue to act as an issuer of Notes and Warrants.

PRINCIPAL RISKS AND UNCERTAINTIES

The major risks associated with the Company's business are interest rate risk, currency risk, credit risk and liquidity risk. The Company has established policies for managing these risks. The policies and the exposure thereto are detailed in note 24 to the financial statements.

GOING CONCERN

The Directors consider the Company to be a going concern and it is their intention to avail themselves of further investment opportunities, should they become available. Refer to note 2 to the financial statements for further details of the Directors' going concern assessment.

DIRECTORS' REPORT - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

KEY PERFORMANCE INDICATORS

The performance of the underlying portfolios applicable to each series of Notes/Warrants is the principal key performance indicator monitored by Société Générale S.A. and the Directors. Under current market conditions, the aggregate assets of the Company may have a tendency to change in value if market interest rates change and/or if credit spreads change, amongst other factors that might affect the value of the Company's assets. Prices may be affected and may decrease if liquidity is limited. All relevant numerical performance metrics are visible on the face of the primary statements. The structure performed in accordance with the parameters set out in the underlying programme documents and the Company's performance may be considered to be satisfactory due to the net profit earned by the Company during the financial year.

DIRECTORS, SECRETARY AND THEIR INTERESTS

The Directors and Secretary who held office for the year ended 30 June 2023 did not hold any shares or debentures in the Company at that date, or during the financial year. Martina Regan (resigned on 31 July 2023) and Stephen Hugh Innes (resigned on 10 July 2023) were Directors of Apex Group Capital Markets Ireland Limited (AGCMIL) and Syed Haque (appointed on 31 July 2023) and Saiuren Moodley (appointed on 10 July 2023) who are employees of the Apex Group should be deemed as having an interest in the fees paid to AGCMIL, as disclosed in note 19 to the financial statements.

RESULTS AND DIVIDENDS

The profit for the financial year after taxation amounted to €209 (2022: €305).

There was no interim dividend and the Directors do not propose a dividend for the financial year (2022: €nil).

SUBSEQUENT EVENTS

Apart from the transactions disclosed in note 22, there are no subsequent events that require adjustment to or disclosure to the financial statements.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no political donations or incurred any political expenditure during the financial year (2022: €nil).

INDEPENDENT AUDITOR

The independent auditor, Grant Thornton, Chartered Accountants & Statutory Audit Firm has expressed its willingness to continue in office as auditor of the Company in accordance with section 383 (2) of the Companies Act 2014.

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 and adequate accounting records are kept by outsourcing this function to a specialised provider of such services. The accounting records are kept at 3rd Floor Block 5, Irish Life Centre, 1 Abbey Street Lower, Dublin 1, Ireland.

DIRECTORS' REPORT - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

CORPORATE GOVERNANCE STATEMENT

The European Communities (Directive 2006/46/EC) Regulations (S.I. 450 of 2009 and S.I. 83 of 2010) (the "Regulations") requires the inclusion of a corporate governance statement in the Directors' Report.

Although there is no specific statutory corporate governance code applicable to Irish Section 110 Limited Liability Companies whose debt is listed on Euronext Dublin, the Company is subject to corporate governance practices imposed by:
(i) The Irish Companies Act 2014;
(ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company and at the Companies Registration Office in Ireland; and
(iii) The ISE through the ISE Code of Listing Requirements and Procedures.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association and Irish Statute comprising the Companies Act 2014. The Articles of Association themselves may be amended by special resolution of the shareholders.

As of 30 June 2023, 7 of the series issued by the Company are listed on the Vienna Stock Exchange (2022: seven). There are no additional requirements imposed by the Vienna Stock Exchange on the Company. Series 75 is not listed and the remaining Series are listed on the Main Securities Market of Euronext Dublin.

FINANCIAL REPORTING

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Directors have established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing Apex Group Capital Markets Ireland Limited or its delegate (the "Corporate Service Provider") to maintain the accounting records of the Company independently of the Arranger and HSBC Bank plc (the "Custodian"). The Corporate Service Provider is contractually obliged to maintain proper books and records as required by the Corporate Services Agreement.

The Corporate Service Provider has operating responsibility for internal control in relation to the financial reporting process. The Corporate Service Provider designs and maintains control structures to manage the risks which it judges to be significant for internal control over financial reporting. To that end the Corporate Service Provider performs reconciliations of its records to those of the Arranger and the Custodian. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's financial statements.

The Corporate Service Provider has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements. The Corporate Service Provider is also contractually obliged to prepare for review and approval by the Directors the Annual Report including financial statements intended to give a true and fair view of the Company's performance and liaise with the independent auditors during the audit process. The financial statements must be filed with Euronext Dublin and Irish Companies Registration Office on an annual basis.

DIRECTORS' REPORT - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

CORPORATE GOVERNANCE STATEMENT - (CONTINUED)

FINANCIAL REPORTING - (CONTINUED)

The financial instruments held by or issued by the Company, are classified as financial liabilities at fair value through profit or loss or other liabilities with the associated collateral classified as financial assets at fair value through profit or loss or loans and receivables, respectively, according to their characteristics. The fair values for the financial instruments and the amortised cost for the loans held by, or issued by, the Company have been provided to the Directors by Société Générale. The Directors have relied upon Société Générale, whom they regard as an expert in valuing such financial instruments. The Directors are satisfied that the values as stated in the Company's financial statements represent a reasonable approximation of their fair values.

The Company’s policies and the Directors’ instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner.

The Directors are responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place with the aim of timely identification of internal and external matters with a potential effect on financial reporting. The Directors evaluate and discuss significant accounting and reporting issues as the need arises.

AUDIT

The Directors have an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditor. The performance, qualification and independence of the external auditors is also reviewed as part of this process. Given the contractual obligations on the Corporate Service Provider, the Directors have concluded that there is currently no need for the Company to have a separate internal audit function in order for the Directors to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

The principal activity of the Company relates to the issuing of asset-backed securities. It also enters into certain derivatives to hedge against exposure to changes in interest rates, exchange rates and other variables. Under the Regulation 115 10(c) of the Statutory Instruments Number 312/2016 of the European Union (Statutory Audits) (Directive 2006/43/EC, as amended by Directive 2014/56/EU, and Regulation (EU) No 537/2014), such a Company may avail itself of an exemption from the requirement to establish an audit committee and the Company have availed of this exemption.

SHAREHOLDERS AND DIRECTORS

Apex Group Nominees 5 Limited holds 39,994 ordinary shares in the Company. Apex Group Nominees 2 Limited, Apex Group Nominees 1 (UK) Limited, Apex Group Nominees 3 Limited, Apex Group Nominees 4 Limited, Apex Group Nominees Limited and Apex Group Nominees 2 (UK) Limited each hold one ordinary share in the Company. No other person has a significant direct or indirect holding of equity securities in the Company. No person has any special rights of control over the Company's share capital. There are no restrictions on voting rights.

The convening and conduct of shareholders’ meetings are governed by the Articles of Association of the Company and the Companies Act 2014. The Articles of Association of the Company set out the notice periods, quorum required for an extraordinary general meeting and the use of proxies or voting procedure.

All matters requiring a resolution of the Company in general meetings shall, unless a poll is demanded, be put to a vote by a show of hands. On a show of hands, a declaration by the Chairman that a resolution has been carried unanimously or by majority and an entry to that effect in the minutes, shall be conclusive evidence of the number of votes for or against such resolution.

DIRECTORS' REPORT - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

CORPORATE GOVERNANCE STATEMENT - (CONTINUED)

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are granted by the Companies Act 2014 or by the Articles of Association of the Company.

AUDIT COMMITTEE

The Company has taken the exemption to appoint an audit committee as set out in Section 1551 (11) (c) of the Companies Act 2014.

DIRECTORS' COMPLIANCE STATEMENT

We, the Directors of the Company hereby say and affirm:

The Directors of the Company acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in the Companies Act 2014) and, as required by Section 225 (2) of the Companies Act 2014, the Directors confirm that:

(i) a compliance policy statement setting out the Company's policies with regard to complying with the relevant obligations under the Companies Act 2014 has been prepared;

(ii) arrangements and structures have been put in place that they consider sufficient to secure material compliance with the Company's relevant obligations; and

(iii) a review of the arrangements and structures has been conducted during the financial year to which the Directors' report relates.

DIRECTORS' STATEMENT ON RELEVANT AUDIT INFORMATION

So far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditor is unaware, and the Directors have taken all the 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 auditor is aware of that information.

BY ORDER OF THE BOARD

Director: **Saiuren Moodley**

Director: **Syed Haque**

Date: 28 June 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee, as endorsed by the European Union, and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

Irish company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for that financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- comply with applicable IFRS, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements are prepared in accordance with IFRS and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS and the listing rules of Euronext Dublin and Vienna Stock Exchange. 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.

The Directors confirm that they have complied with the above requirements in preparing the financial statements throughout the financial year and subsequently.

The financial statements of the Company are filed to the relevant authorities.

BY ORDER OF THE BOARD

Director: **Saiuren Moodley**

Director: **Syed Haque**

Date: 28 June 2024

Independent auditor's report to the members of Iris SPV Public Limited Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Iris SPV Public Limited Company (or the "Company") for the financial year ended 30 June 2023 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes, including the summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (or "IFRS") as adopted by the European Union.

In our opinion, the Company's financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and the financial position of the Company as at 30 June 2023 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (or "ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor 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, namely the Irish Auditing and Accounting Supervisory Authority (or "IAASA"), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 Director's use of 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 as a going concern basis of accounting included:

- assessing the capacity of the Company to continue to pursue investment opportunities by assessing subsequent events up to and including the date of issuance of the financial statements;
- making inquiries with the Directors and reviewing board minutes available up to and including the date of authorisation of the financial statements in order to understand the future plans of the Company;
- assessing the limited recourse nature of the Company's financial liabilities, the priorities of payment during the financial year and any redemption clauses applicable to the financial liabilities; and
- assessing the adequacy of the disclosures with respect to the going concern assertion.

Independent auditor's report to the members of Iris SPV Public Limited Company

Conclusions relating to going concern (continued)

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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and the directing of 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 therefore we do not provide a separate opinion on these matters.

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias by the Directors that could result in a risk of material misstatement due to fraud.

Based on our considerations as set out below, our areas of focus included:

- Existence and valuation of financial assets held at fair value through profit or loss;
- Existence and valuation of loans and receivables at amortised cost; and
- Existence and valuation of derivative financial instruments.

How we tailored our audit scope

The Company is a bankruptcy remote special purpose vehicle with listed debt. The Company was established to purchase a portfolio of financial securities, which was financed through the issuance of debt notes by the Company. Debt notes present limited recourse obligations of the Company payable solely from the collateral pledged, which is comprised of Bonds and corresponding hedging derivatives. The Directors control the affairs of the Company and they are responsible for the overall investment policy which is determined by them. The Company engages the Arranger to manage certain duties and responsibilities with regards to the day-to-day management of the Company. We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of third party service providers, the accounting processes and controls, and the industry in which the Company operates.

Independent auditor's report to the members of Iris SPV Public Limited Company

Key audit matters (continued)

How we tailored our audit scope (continued)

The Notes are listed on the main securities market and the global exchange market of the Euronext Dublin along with the Vienna Stock Exchange.

The Arranger has delegated certain responsibilities to the Corporate Service Provider including maintenance of the accounting records. The financial statements, which remain the responsibility of the Directors, are prepared on their behalf by the Corporate Service Provider. The Company has appointed the Custodian to act as custodian of the Company's assets.

In establishing the overall approach to our audit we assessed the risk of material misstatement at a Company level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Corporate Service Provider, and we assessed the control environment in place at the Corporate Service Provider.

Materiality and audit approach

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, such as our understanding of the entity and its environment, the nature of its operations, the complexity of the Company and the reliability of the control environment helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Company as follows: 1% of Total Assets as at 30 June 2023. Total Assets was considered to be the most appropriate benchmark on which to base our materiality based on the activities of the Company.

We have set Performance materiality for the Company at 60% of materiality, taking into account the results of the prior year's audit and the current year's assessment of the risk of misstatements, business risks and fraud risks associated with the entity and its control environment. This is to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.

We agreed with the Directors that we would report to them misstatements identified during our audit above 5% of materiality as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant matters together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

Independent auditor's report to the members of Iris SPV Public Limited Company

Key audit matters (continued)

Significant matters identified (continued)

<table>
<tr><th>Significant matter</th><th>Description of significant matter and audit response</th></tr>
<tr><td>Financial assets at fair value through profit of loss – existence and valuation (Notes 2, 3, 25)</td><td>There is a risk that the financial assets held by the Company do not exist or that the balance included in the Statement of Financial Position of the Company at 30 June 2023 is not valued in line with IFRS as adopted by the European Union.

Significant auditor's attention was deemed appropriate because of the materiality of the financial assets at fair value through profit or loss. In addition, the valuation of the Company's financial assets is a key judgemental area due to the subjectivity in estimating their fair value. As a result, we considered this a key audit matter.

The following audit work has been performed to address the risks:
Obtained an understanding and evaluated the design and implementation of key controls relevant to the valuation and existence of the Company's financial assets at fair value through profit or loss by conducting a walkthrough of the processes;
Obtained year end reconciliations to check that the investments balance was complete and recorded in the correct period and consistent with underlying records;
Obtained direct independent confirmation of the investments from the Company's custodian and agreed the amounts held to accounting records;
Vouched acquisitions and disposals to relevant agreements and bank statements;
Re-performed the assigned valuation of each instrument using independent pricing sources; and
Assessed the adequacy of disclosures and classification in accordance with IFRS 9.
Our planned audit procedures were completed without material exception.</td></tr>
</table>

Independent auditor's report to the members of Iris SPV Public Limited Company

Key audit matters (continued)

Significant matters identified (continued)

Significant matter	Description of significant matter and audit response
Loans and receivables – existence and valuation (Notes 2, 4, 26)	There is a risk that the loans and receivables held by the Company do not exist or that the balance included in the Statement of Financial Position of the Company at 30 June 2023 is not valued in line with IFRS 9 as adopted by the European Union. Significant auditor's attention was deemed appropriate because of the materiality of the loans and receivables held. Their valuations are a key judgemental area due to the subjectivity in estimating impairment and expected credit losses ("ECL") provisions as required by IFRS 9. As a result, we considered loans and receivables to be a key audit matter. The following audit work has been performed to address the risks: • Obtained an understanding and evaluated the design and implementation of key controls relevant to the valuation and existence of the Company's loans and receivables by conducting a walkthrough of these processes; • Obtained year end reconciliations to check that the loan balance was complete and recorded in the correct period and consistent with underlying records; • Obtained direct independent confirmation of the existence of loans and receivables from the Company's custodian/counterparty and agreed the amounts held to accounting records; • Assessed the Company's impairment methodology by reference to the requirements of the standard. In particular, we independently verified the inputs and challenged the Company's approach regarding the calculation of expected credit losses by testing the assumptions and accuracy of key inputs as well as the adjustments made to reflect current market conditions, if any; • Assessed recoverability of the loan balance receivable by inspecting the counterparty's financial statements and other relevant documentation; and • Assessed the adequacy of disclosures and classification in accordance with IFRS 9. Our planned audit procedures were completed without material exception.

Independent auditor's report to the members of Iris SPV Public Limited Company

Key audit matters (continued)

Significant matters identified (continued)

Significant matter	Description of significant matter and audit response
Derivative financial instruments at fair value through profit and loss (Derivative swaps) – existence and valuation (Notes 2, 5, 6, 7, 8)	There is a risk that the derivative financial instruments contracts issued by the Company do not exist or that the balance included in the Statement of Financial Position of the Company at 30 June 2023 is not valued in line with IFRS as adopted by the European Union. Significant auditor's attention was deemed appropriate because of the materiality of the derivative financial instruments at fair value through profit or loss. In addition, the valuation of derivatives is a key judgment area due to the level of subjectivity in estimating their fair value. As a result, we considered this a key audit matter. The following audit work has been performed to address the risks: • Obtained an understanding and evaluated the design and implementation of key controls relevant to the valuation and existence of the Company's derivative financial instruments by conducting a walkthrough of these processes; • Obtained direct independent confirmation of the existence of the swaps from the Swap Counterparty and agreed the amounts held to accounting records; • Recalculated the swaps fair value using independent pricing sources and our internal valuation experts to ensure the fair value used is reasonable; and • Assessed the adequacy of disclosures and classification in accordance with IFRS 9. Our planned audit procedures were completed without material exception.

Other information

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

Independent auditor's report to the members of Iris SPV Public Limited Company

Other information (continued)

In connection with our audit of the financial statements, 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 in the financial statements, 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.

Matters on which we are required to report by the Companies Act 2014

- 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; and
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of the audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our 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.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by section 305 to 312 of the Companies Act 2014 have not been made. We have no exceptions to report arising from this responsibility.

Corporate governance statement

In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process, specified for our consideration and included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.

Based on our knowledge and understanding of the Company and its environment obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.

Independent auditor's report to the members of Iris SPV Public Limited Company

Responsibilities of those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine 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 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.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (Ireland). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Euronext Dublin and Vienna Stock Exchange Listing Rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2014 and Section 110 Taxes Consolidation Act 1997.

Independent auditor's report to the members of Iris SPV Public Limited Company

Responsibilities of the auditor for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.

In response to these principal risks, our audit procedures included but were not limited to:

- enquiries of management and board of directors on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of board of director's meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including impairment assessment of loans and receivables and valuation of financial assets at fair value through profit or loss and derivative financial instruments;
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management; and
- engagement partner's assessment of the engagement team's collective competence and capabilities to identify or recognise non-compliance with the laws and regulation, which included the use of experts, where appropriate.

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

Independent auditor's report to the members of Iris SPV Public Limited Company

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

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.

Report on other legal and regulatory requirements

We were appointed by the Directors on 02 December 2019. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is five years.

We have not provided non-audit services prohibited by the IAASA's Ethical Standard and have remained independent of the entity in conducting the audit.

The audit opinion is consistent with the additional report to the board of directors.

Shahnawaz Mirza

For and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Dublin

28 June 2024

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023	2022
ASSETS		€	€
Non-current assets			
Financial assets at fair value through profit or loss	3,25	4,258,025,126	4,973,269,887
Loans and receivables	4, 26	343,382,651	659,557,034
Credit default swaps	5	3,446,480	1,539,347
Interest rate swaps	6	144,231,723	151,890,316
Cross currency swaps	7	6,272,152	6,626,877
Equity linked swaps	8	74,273,616	41,571,840
		4,829,631,748	5,834,455,301
Current assets			
Financial assets at fair value through profit or loss	3,25	7,074,200	179,571,618
Interest rate swaps	6	27,421	-
Other receivables	9	12,619,858	13,153
Cash and cash equivalents	10	10,984,178	11,651,563
		30,705,657	191,236,334
TOTAL ASSETS		4,860,337,405	6,025,691,635
EQUITY AND LIABILITIES			
Capital and reserves			
Called up share capital	11	40,000	40,000
Retained earnings		8,278	8,069
TOTAL SHAREHOLDERS' EQUITY		48,278	48,069
Non-current liabilities			
Financial liabilities at fair value through profit or loss	12, 27	4,195,862,200	4,817,702,024
Other liabilities	13, 28	343,382,651	659,557,034
Credit default swaps	5	17,859,603	22,433,328
Interest rate swaps	6	240,639,281	306,188,720
Cross currency swaps	7	8,041,115	8,326,239
Equity linked swaps	8	23,846,895	42,299,849
		4,829,631,745	5,856,507,194
Current liabilities			
Financial liabilities at fair value through profit or loss	12, 27	7,060,807	157,519,728
Interest rate swaps	6	40,814	-
Accruals and other payables	14	23,555,761	11,006,499
Deferred income	15	-	610,145
		30,657,382	169,136,372
TOTAL EQUITY AND LIABILITIES		4,860,337,405	6,025,691,635

The financial statements were approved and authorised for issue by the Board of Directors on 28 June 2024 and were signed on its behalf by:

Director: Saiuren Moodley

Director: Syed Haque

(The notes on pages 22 to 50 form part of these audited financial statements)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
INCOME AND EXPENSE ON FINANCIAL INSTRUMENTS		€	€
Financial instruments			
Net loss on financial assets at fair value through profit or loss	3	(440,472,135)	(439,522,231)
Net gain on financial liabilities at fair value through profit or loss	12	324,859,059	283,164,082
Net loss on loans and receivables	4	(314,031,526)	(35,016)
Net gain on other liabilities	13	314,031,526	35,016
Net gain on derivative financial instruments at fair value through profit or loss	2	130,567,980	161,676,090
		14,954,904	5,317,941
Interest income and interest expense			
Interest income on financial assets through profit or loss	3	59,791,542	59,911,535
Interest income on loans and receivables	4	25,542,374	25,759,290
Interest expense on financial liabilities through profit or loss	12	(74,176,153)	(57,334,189)
Interest expense on other liabilities	13	(25,617,311)	(25,170,000)
		(14,459,548)	3,166,636
OTHER OPERATING INCOME			
Bank interest		9,213	2,109
Upfront swap income	2	-	13,000
Transaction fees income		-	407
Other income		42,633	355
Foreign exchange gain	2	393,638	-
		445,484	15,871
EXPENSES			
Administration fees		(91,990)	(29,198)
Professional fees		(701,073)	(147,600)
Audit fees		(97,170)	(71,955)
Bank overdraft interest and charges		(329)	(6,724)
Foreign exchange loss	2	-	(7,800,041)
Listing and filing fees		-	(19,053)
Arranger fees		(50,000)	(425,470)
		(940,562)	(8,500,041)
PROFIT FOR THE FINANCIAL YEAR BEFORE TAXATION		278	407
Taxation	17	(69)	(102)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		209	305

There were no items of other comprehensive income during the current and previous financial years. All gains and losses relate to continuing operations.

(The notes on pages 22 to 50 form part of these audited financial statements)

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Share capital	Retained earnings	Total
	€	€	€
Balance at 1 July 2021	40,000	7,764	47,764
Total comprehensive income for the financial year	-	305	305
Balance at 30 June 2022	40,000	8,069	48,069
Balance at 1 July 2022	40,000	8,069	48,069
Total comprehensive income for the financial year	-	209	209
Balance at 30 June 2023	40,000	8,278	48,278

(The notes on pages 22 to 50 form part of these audited financial statements)

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
Cash flows from operating activities		€	€
Total comprehensive income for the financial year		209	305
(Increase)/decrease in receivables	9	(46,705)	388,076
Increase/(decrease) in accruals and other payables	14	10,355,161	(114,713)
Decrease in deferred income	15	(610,145)	(82,122)
Net (gain)/loss on financial instruments			
Financial assets at fair value through profit or loss	3	440,472,135	439,522,231
Financial liabilities at fair value through profit or loss	12	(324,859,059)	(283,164,082)
Net loss on loans and other receivables		314,031,526	35,016
Net gain on loans and other liabilities		(314,031,526)	(35,016)
Derivative financial instruments at fair value through profit or loss		(130,567,980)	(161,676,090)
Interest income and expense			
Interest income on financial assets through profit or loss		(59,791,542)	(59,911,535)
Interest income on loans and receivables		(25,542,374)	(25,759,290)
Interest expense on financial liabilities through profit or loss	12	74,176,153	57,334,189
Interest expense on other liabilities		25,617,311	25,170,000
Net cash generated from/(used in) operating activities		9,203,164	(8,293,031)
Cash flows from investing activities			
Income received on financial assets at fair value through profit or loss		59,791,542	59,911,535
Income received on loans and receivables		12,982,374	25,759,290
Swap amounts received		74,385,749	55,143,940
Proceeds on redemption of financial assets at fair value through profit or loss	3	735,709,702	376,132,982
Acquisition of financial assets at fair value through profit or loss	3	(288,439,657)	(280,002,567)
Collection of principal on other assets		2,142,857	15,952,381
Swap amounts paid		(59,261,206)	(57,521,019)
Payment received under swap agreements		-	2,702,257
Net cash generated from investing activities		537,311,361	255,599,818
Cash flows from financing activities			
Interest paid on financial liabilities at fair value through profit or loss	12	(74,176,153)	(57,334,189)
Interest paid on other liabilities		(23,423,213)	(14,795,000)
Payment of principal on other liabilities		(2,142,857)	(15,952,381)
Redemption of Notes payable	12	(735,879,344)	(371,140,217)
Acquisition of financial liabilities at fair value through profit or loss	12	288,439,658	280,002,568
Net cash used in financing activities		(547,181,909)	(236,740,237)
Net movement in cash and cash equivalents		(667,384)	10,566,550
Cash and cash equivalents at the beginning of the financial year		11,651,563	1,085,013
Cash and cash equivalents at the end of the financial year	10	10,984,178	11,651,563

(The notes on pages 22 to 50 form part of these audited financial statements)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

1. COMPANY INFORMATION

Iris SPV PLC (the "Company") was incorporated in Ireland with Company registration number 393439 on 10 November 2004. The registered office address of the Company is at 3rd Floor Block 5, Irish Life Centre, 1 Abbey Street Lower, Dublin 1, Ireland.

The principal activity of the Company is the issue of Limited Recourse Notes ("Notes") and Warrants in separate series under the terms of the Offering Circular dated 2 April 2004, last updated on 21 July 2023, under a €20,000,000,000 secured note programme, with Claris Limited, Claris 2 Limited, Claris III Limited (liquidated) and Claris IV Limited (liquidated), all of which are companies incorporated in Jersey, Channel Islands, and Iris II SPV DAC, a company incorporated in Ireland.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee, as adopted by the European Union and in accordance with the provisions of the Companies Act 2014. The significant accounting policies used are set out below.

The financial statements have been prepared under the historical cost convention except in relation to the revaluation of derivative financial instruments and financial assets and financial liabilities at fair value through profit or loss.

Going concern

The Company's debt funding has been provided by the Note/Warrant holders, whose recourse to the assets of the Company is limited to those aggregate net assets designated as Mortgaged Property (assets acquired and other agreements) for the particular series of Notes/Warrants held and who have no right to petition for insolvency proceedings against the Company in the event that the aggregate proceeds from the realisation of the Mortgaged Property are insufficient to repay the principal amount of the Notes/Warrants. From a Note/Warrant holder point of view, defaults on any one particular series should not impact any other series.

The conflict between The Ukraine and Russia had an impact on the interest transactions related to Series 75 up to the date of signing the Annual Financial Statements. Based on available information and the nature of the transaction, the Board has assessed that an impairment of the series 75 financial assets is necessary as at 30 June 2023, as detailed in note 22.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

New accounting standards, amendments to existing accounting standards and/or interpretations of existing accounting standards (separately or together, "new accounting requirements") adopted during the current year.

The following standards have been adopted by the Company for the first time for the financial period beginning on or after 1 July 2022.

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates - Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statemen
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

The Directors have assessed the impact, or potential impact, of all new accounting requirements. In the opinion of the Directors, there are no mandatory new accounting requirements applicable in the current year that had any actual or potential material effect on the reported performance, financial position, or disclosures of the Company. Consequently, no other mandatory new accounting requirements are listed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

New accounting standards, amendments to existing accounting standards and/or interpretations of existing accounting standards (separately or together, "new accounting requirements") adopted during the current year - (Continued)

Non-mandatory new accounting requirements not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 July 2023 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 Disclosures: Supplier Finance Arrangements
- Amendments to IAS 21 - Lack of exchangeability

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with IFRS requires management and Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the financial year. Actual results could differ from those estimates.

There were no significant areas of uncertainty or judgement in applying accounting policies except for the estimation of the fair values of the Company's financial instruments as set out below and in note 25 and the Expected Credit Loss ("ECL") calculated for Series 75. Due to the limited recourse nature of each series of Notes/Warrants issued, any differences between the estimated fair values and the realisable values of such financial instruments would be borne by the Note/Warrant holders and would have no net effect on the Company's overall financial position or results.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition loans and receivables are measured at fair value including transaction costs. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest rate method ("EIR"), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the Statement of Comprehensive Income. Any losses arising from impairment are recognised in the Statement of Comprehensive Income.

In the Directors' opinion, due to the limited recourse nature of the Notes/Warrants issued, the aggregate amortised cost of each separate series of Notes/Warrants is equal to the aggregate amortised cost of the loans and receivables relating to each separate series. From the perspective of the Company, any change in the amortised cost of the loans and receivables would be matched by an equal and opposite change in the amortised cost of the Notes/Warrants issued. Consequently, although the Note/Warrant holders are exposed to changes in the amortised cost of the loans and receivables, the Company itself is not exposed. Therefore, if any error were to occur in measuring the amortised cost of the loans and receivables, this would result in an equal and opposite error in measuring the Notes/Warrants, with no impact on the profit or loss for the financial year or on total shareholders’ equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Impairment of assets

As required by IFRS 9, all financial assets, except those carried at fair value through profit or loss, are subject to review for impairment at each reporting date. At initial recognition, an impairment allowance is required for ECL resulting from possible default events within the next 12 months. If an event were to occur that significantly increased the credit risk of the counterparty, an allowance for ECL would be required for possible defaults over the term of the financial instrument. Such a change in credit risk of the counterparty would also have an impact on the recognition of income on the financial asset.

As permitted under IFRS 9, for cash and cash equivalent, the Company has elected to utilise the practical expedient under which any necessary impairment allowance may be measured by estimating the twelve-month ECL.

There was an impairment during the current year, Please refer to Note 22 for further information on this.

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

Financial instruments are initially recognised at fair value and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred. Subsequent changes in the fair value of such financial instruments, aggregated with realised profits and losses on disposal/redemption thereof and amounts received and paid thereon are recognised in the Statement of Comprehensive Income in the year in which they arise.

In accordance with IFRS 9, the Company shall classify financial assets as subsequently measured at either amortised cost or fair value on the basis of both:

a) the Company's business model for managing the financial assets; and

b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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 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 that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Furthermore, a financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

All investment securities held by the Company, are designated as at fair value through profit or loss at initial recognition when they eliminate or significantly reduce an accounting mismatch, which would otherwise arise, in relation to derivative financial instruments and debt securities issued as explained below. These include financial assets that are not held for trading, such as collaterals purchased. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company's offering document.

The Company's Notes are designated at fair value through profit or loss, as permitted under IFRS 9, in order to eliminate the accounting mismatch that would otherwise occur in the Company's Statements of Financial Position and Statements of Comprehensive Income if the financial assets were to be measured at fair value through profit or loss whilst the Notes would otherwise be measured at amortised cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to the cash flows on that financial asset are cancelled, expired or are transferred substantially all risks and rewards of ownership to another party, or if the Company retains the contractual rights but enters into a contract under which the relevant cash flows must be duly paid under a 'pass-through arrangement'.

An entity transfers a financial asset if, it:
a) transfers the contractual rights to receive the cash flows of the financial asset; or
b) retains the contractual rights to receive cash flows of financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

A financial liability (or, where applicable, a part of a financial liability or part of a group of similar financial liabilities) is derecognised when the obligation is discharged or cancelled or expired.

Derivative financial instruments

The Company may use derivative financial instruments such as interest rate swaps ("IRS"), credit default swaps ("CDS"), equity linked swaps ("ELS") and cross currency swaps ("CCS") to economically hedge its risks associated primarily with interest rate movements and credit defaults. In such cases, both the hedged item and the derivative financial instrument are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. All derivatives are carried as an asset when fair value is positive, or as a liability when fair value is negative. Subsequent changes in the fair value of any derivative instrument and any realised gains and losses are recognised immediately in the Statement of Comprehensive Income.

Fair value estimation

All fair values used in the preparation of these financial statements have been provided to the Directors by Société Générale, the calculation agent, upon whom the Directors rely as an expert provider of such valuations. The actual realisable value of the Company's financial instruments may differ from such fair values.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Fair value estimation - (Continued)

The Company invests in and enters into a variety of financial instruments and derivative transactions (together "financial instruments"). Where these financial instruments are traded in an active market, the fair values are based upon quoted market prices. Where these financial instruments are not traded in an active market, the fair values are determined by using valuation techniques developed by Société Générale. The valuations are produced using a variety of methods and using assumptions that are based on market conditions existing at each Statement of Financial Position date, which may, or may not, be supported by prices from current market transactions or observable market data. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

Where valuation models are used, these are validated independently from the department responsible for such valuation models by suitably qualified and/or experienced experts from the Market Risk Department of Société Générale's Risk Division. The parameters used in valuation models, whether derived from observable market data or not, are checked by the Finance Division of Société Générale's Global Banking and Investor Solutions Department, in accordance with the methodologies defined by the Market Risk Department of Société Générale.

Some of the inputs and assumptions used in calculating the fair values were based on observable inputs. Where unobservable inputs were used in calculating the fair values, reasonable possible changes to such inputs could materially affect the calculations of the fair values. If independent third party prices had been available for the financial instruments, or if different methods and/or assumptions were used, the valuations might be different from those presented and those differences could be material. Therefore, the realisable value of the financial instruments may differ significantly from the fair value recorded. The possible outcomes of these uncertainties cannot be reliably determined at present.

The majority of the inputs and assumptions used in calculating the fair values were based on observable inputs. Where unobservable inputs were used in calculating the fair values, reasonably possible changes to such inputs should not materially affect the calculations of the fair values. If third party independent prices were available for the financial instruments, or if different methods and/or assumptions were used, the valuations might be different from those presented and those differences could be material.

In the Directors' opinion, due to the limited recourse nature of the Notes/Warrants issued, the aggregate fair value of each separate series of Notes/Warrants is equal to the aggregate fair value of the Mortgaged Property including derivatives where applicable relating to each separate series.

From the perspective of the Company, any change in the fair value of the Mortgaged Property would be matched by an equal and opposite change in the fair value of the Notes/Warrants. Consequently, although the Note holders are exposed to changes in the fair value of the relevant Mortgaged Property, the Company itself is not exposed. Therefore, if any error were to occur in measuring the fair value of the Mortgaged Property, this would result in an equal and opposite error in measuring the fair value of the Notes/Warrants, with no impact on the profit or loss for the financial year or on total shareholders' equity.

IFRS 13 "Fair Value Measurement" ("IFRS 13") defines a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly; and

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Fair value estimation - (Continued)

Level 3 - Inputs that are unobservable for the asset or liability.

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. However, the determination of what constitutes “observable” requires significant judgement by the Company's Directors. The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, 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 financial instrument and does not necessarily correspond to the Company's perceived risk inherent in such financial instrument.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. There were no offsetting financial instruments as at the current and prior financial year ends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of purchase.

Deferred income and amortisation of upfront swap amounts

With respect to certain series of Notes/Warrants issued, the swap counterparty pays an initial exchange amount into expense accounts (the "suspense accounts"), held in the Company's name, for the purpose of covering the permitted expenses of the Company relating to such series.

Any balances held in these accounts at the financial year end in excess of accrued permitted expenses have been deferred to the following accounting year to match this income against the corresponding expense. For the series that do not have expense accounts the Company holds upfront amounts in a current account to meet the permitted expenses of the Company. Any amounts held in these accounts at the financial year end relating to future permitted expenses have been deferred to the following accounting year to match this income against the corresponding expense.

Foreign currency translation

a) Functional currency and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, the Company's functional currency. The financial statements are presented in Euro ("€") which is the Company's functional and presentation currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Foreign currency translation - (Continued)

b) Transactions and balances
Foreign currency transactions are translated into the Euro using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Transaction fees receivable

The Company is entitled to receive a minimum Transaction Fee of not less than €100 for each separate series of Limited Recourse Notes/Warrants that it issues. These fees are recognised on an accrual basis immediately on the date a new series of such Limited Recourse Notes is issued by the Company. The Company is also entitled to receive an additional Transaction Fee of a minimum of €250 per annum.

Share capital

Ordinary shares are not redeemable and are classified as equity.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Dividend distributions

Dividend distributions to the Company’s shareholders are discretionary and are recognised as a liability in the Company’s financial statements in the financial year in which the dividends are approved by the Company’s Directors.

Interest income and interest expense

Interest income and interest expense is composed of investment income, note interest expense, loan interest income and loan interest expense and are accounted for on accrual basis using the effective interest method. The interest income and interest expense on the swaps are shown as part of net gain on financial instruments.

Taxation

The Company is an Irish resident Section 110 qualifying company and should be chargeable to corporation tax in Ireland at a rate of 25% (2022: 25%) of profits before tax.

Current income tax

The tax currently payable by the Company is based on taxable profit for the financial year as calculated in accordance with Irish tax laws.Taxable profit may differ from profit before tax because it excludes items of income or expense that are not taxable or deductible and items that have a timing difference. The Company’s liability for current tax is calculated using the tax rate that has been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Deferred tax - (Continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Segmental reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses. The Directors perform regular reviews of the operating results of the Company and make decisions using financial information at the entity level only. Accordingly, the Directors believe that the Company has only one reportable operating segment.

The Directors are responsible for ensuring that the Company carries out business activities in line with the transaction documents. They may delegate some or all of the day to day management of the business, including the decisions to purchase and sell securities, to other parties both internal and external to the Company. The decisions of such parties are reviewed on a regular basis to ensure compliance with the policies and legal responsibilities of the Directors. Therefore the Directors retain full responsibility as to the major allocation decisions of the Company.

Other liabilities

Other liabilities are loans payable which are non-derivative financial liabilities with fixed or determinable payments. The Company initially recognises other liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. On initial recognition other liabilities are measured at fair value including transaction costs. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR. Amortised cost is calculated by taking into account any discount or premium on issuance that are an integral part of the EIR. The EIR amortisation is included on the net gain on other liabilities in the Statement of comprehensive income.

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investment in Securities (held as collateral) consists of investments in:

	2023	2022
	€	€
Bonds	1,871,411,222	2,058,960,275
Deposits	-	157,519,728
Investment in fund units	1,931,685,385	2,264,745,196
Security lending	462,002,719	671,616,306
	4,265,099,326	5,152,841,505

The financial assets are held as collateral for each related series of Notes issued by the Company. The Company has invested the proceeds from the issue of each series of Notes/Warrants together with sums received from Société Générale, the Swap Counterparty, pursuant to the terms of the CDS, IRS, CCS and ELS, to purchase debt securities (the "Collateral"). Further details of the Collateral are set out in note 25. Further details of the CDS, IRS, CCS and ELS transactions entered into are set out in notes 5, 6, 7 and 8.

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

	2023	2022
Movement in Collateral:	€	€
Collateral at the start of the financial year	5,152,841,505	5,688,494,151
Acquisitions during the financial year	288,439,657	280,002,567
Proceeds from redemption/disposal of Collateral during the financial year	(735,709,702)	(376,132,982)
Net loss on financial assets at fair value through profit or loss	(440,472,135)	(439,522,231)
Collateral at the end of the financial year	4,265,099,326	5,152,841,505

	2023	2022
	€	€
Non-current	4,258,025,126	4,973,269,887
Current	7,074,200	179,571,618
	4,265,099,326	5,152,841,505

	2023	2022
	€	€
Interest income earned on investment securities	59,791,542	59,911,535

4. LOANS AND RECEIVABLES

	2023	2022
	€	€
Non-current	343,382,651	659,557,034

	2023	2022
	€	€
Interest income earned on loans and receivables	25,542,374	25,759,290

Further details of loans and receivables are set out in note 26.

On 21 December 2017 Series 75 was issued, relating to the issuance of €628,000,000 4% Limited Recourse Notes by the Company with maturity of 31 December 2027. On the same date, the Company as lender and Nord Stream AG as borrower, entered into a facility agreement of €324,000,000 and €304,000,000 respectively. This represents the underlying assets on Series 75. The transactions related to the issuance of the Series 75 note and the acquisition of the underlying assets were completed 'free of any cash flow' from the perspective of the Company as the issuance proceeds were used to settle the asset acquisition directly.

5. CREDIT DEFAULT SWAPS

	2023	2022
	€	€
Non-current assets	3,446,480	1,539,347
Non-current liabilities	17,859,603	22,433,328

5. CREDIT DEFAULT SWAPS - (CONTINUED)

Under the CDS the Company is obliged to make payments (or deliver equivalent assets) to the Swap Counterparty if a credit event occurs in relation to a reference entity resulting in a loss amount in excess of the relevant threshold amount (if applicable). The principal amount of the limited recourse Notes would also be reduced following such a credit event. In exchange for the credit protection provided by the Company, premiums are receivable by the Company. As at 30 June 2023, a CDS was in place for Series 78/2017, Series 80/2018, Series 84/2018, Series 93/2019, Series 95/2019, Series 96/2020 and Series 106/2020 (2022: Series 78/2017, Series 80/2018, Series 84/2018, Series 93/2019, Series 95/2019, Series 96/2020 and Series 106/2020).

6. INTEREST RATE SWAPS

	2023	2022
	€	€
Non-current assets	144,231,723	151,890,316
Non-current liabilities	240,639,281	306,188,720
Current assets	27,421	-
Current liabilities	40,814	-

IRS are transacted to economically hedge the risk associated with the potential mismatch between the amounts receivable from the Collateral, CDS (if applicable) and the Company's obligations under the limited recourse Notes/Warrants. Coupon income received from the investments is paid to the Swap Counterparty and in return, under the terms of the swap agreements, the Swap Counterparty will pay the Company the interest amount payable by the Company to the Note/Warrant holders. A final asset swap payment at redemption is payable under the terms of some of the swap agreements.

As at 30 June 2023, IRS are in place for Series 43/2014, Series 45/2014, Series 47/2014, Series 49/2015, Series 52/2015, Series 53/2015, Series 55/2015, Series 56/2015, Series 59/2016, Series 60/2016, Series 68/2016, Series 79/2018, Series 100/2020, Series 102/2020 and Series 106/2020 (2022: Series 43/2014, Series 45/2014, Series 47/2014, Series 49/2015, Series 52/2015, Series 53/2015, Series 55/2015, Series 56/2015, Series 59/2016, Series 60/2016, Series 68/2016, Series 79/2018, Series 100/2020, Series 102/2020 and Series 106/2020).

7. CROSS CURRENCY SWAPS

	2023	2022
	€	€
Non-current assets	6,272,152	6,626,877
Non-current liabilities	8,041,115	8,326,239

Cross-currency swaps are an over-the-counter (OTC) derivative in a form of an agreement between two parties to exchange interest payments and principal denominated in two different currencies. In a cross-currency swap, interest payments and principal in one currency are exchanged for principal and interest payments in a different currency. Interest payments are exchanged at fixed intervals during the life of the agreement. Cross-currency swaps are highly customizable and can include variable, fixed interest rates, or both.

As at 30 June 2023, CCS are in place for Series 81/2018 (2022: 81/2018).

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

8. EQUITY LINKED SWAPS

	2023	2022
	€	€
Non-current assets	74,273,616	41,571,840
Non-current liabilities	23,846,895	42,299,849

The Company has entered into an ELS transaction with the Swap Counterparty. Under the terms of the ELS, the Swap Counterparty agrees to pay the Company certain amounts depending on the performance of the underlying equity index and in return, the Company will pay any coupon income received from the investments to the Swap Counterparty. As at 30 June 2023, ELS were in place for Series 97/2020, Series 101/2020, Series 104/2020 and Series 105/2020 (2022: Series 97/2020, Series 101/2020, Series 103/2020, Series 104/2020 and Series 105/2020).

9. OTHER RECEIVABLES

	2023	2022
	€	€
Accrued interest receivable	12,560,000	-
Transaction fees receivable	5,109	7,566
Professional fees receivable	23,063	5,587
SG Fees receivable	31,686	-
	12,619,858	13,153

10. CASH AND CASH EQUIVALENTS

	2023	2022
	€	€
Deposit accounts	10,984,178	11,651,563

11. CALLED UP SHARE CAPITAL

	2023	2022
	€	€
AUTHORISED:		
40,000 ordinary shares of €1 each	40,000	40,000
ISSUED AND FULLY PAID:		
40,000 ordinary shares of €1 each	40,000	40,000

Ordinary shares entitle the holders to: receive notice of, and vote at, any general meeting of the Company; to ordinary dividends as may be declared by the Directors from time to time; and to participate in the winding up of the Company. All of the Company's issued share capital have been presented in equity.

12. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023	2022
	€	€
Notes/Warrants issued	4,202,923,007	4,975,221,752

The Company has entered into a programme for the issue of limited recourse obligations (the "Programme") whereby the Company may issue Notes, Warrants, or other limited recourse obligations, in separate series. Each such series is separately secured by a charge on assets acquired and other agreements entered into (the "Mortgaged Property") to fund the Company's payment obligations on each series. The maximum aggregate principal amount of all obligations issued pursuant to the Programme shall not exceed €20,000,000,000 or its equivalent in other currencies at the time of issue.

12. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

In the event that the net proceeds from the redemption of any of the investments secured as Collateral and Loans are insufficient to discharge the obligations of the Company to the Note/Warrant holders of that particular series, the recourse of holders of any series of Note/Warrant is limited to amounts receivable from the net proceeds of the Mortgaged Property and Loans applicable to that series. In such event, the holder of any Note/Warrant is not entitled to proceed directly against any other assets of the Company.

The Notes/Warrants issued were designated as "Financial liabilities at fair value through profit or loss" upon initial recognition. In the Directors' opinion, the amount of the change in the fair value of the Company's financial liabilities that is attributable to changes in relevant benchmark interest rates is not material and has therefore not been separately quantified.

On the maturity of the Notes/Warrants, the Company will pay to the Note/Warrant holders an amount equal to the redemption value of the Mortgaged Property and Loans. The commercial substance of each transaction is that the liability under the Notes/Warrants payable will always be exactly matched by the proceeds from the Mortgaged Property applicable to that series. Further details of the Notes/Warrants are set out in note 27.

Movement in financial liabilities at fair value through profit or loss:	2023	2022
	€	€
At the start of the financial year	4,975,221,752	5,349,523,483
Acquisition of financial liabilities at fair value through profit or loss	288,439,658	280,002,568
Redemption during the financial year	(735,879,344)	(371,140,217)
Fair value movement during the financial year	(324,859,059)	(283,164,082)
At the end of the financial year	4,202,923,007	4,975,221,752
Non-current	4,195,862,200	4,817,702,024
Current	7,060,807	157,519,728
	4,202,923,007	4,975,221,752

	2023	2022
	€	€
Interest expense on the Notes	74,176,153	57,334,189

13. OTHER LIABILITIES

	2023	2022
	€	€
Non-current	343,382,651	659,557,034

	2023	2022
Interest expense on the Notes	25,617,311	25,170,000

Further details of other liabilities are set out in note 28.

14. ACCRUALS AND OTHER PAYABLES

	2023	2022
	€	€
Professional fees	149,134	387,752
Other payables	1,142,877	131,604
Administration and statutory fees	1,500	1,471
Audit fee	97,170	110,301
Payable to Societe Generale	9,560,062	-
Accrued interest payable	12,569,098	10,375,000
Accrued tax	338	371
CSA Creditor	35,582	-
	23,555,761	11,006,499

All of the accruals and other payables are payable on demand and do not bear any interest.

15. DEFERRED INCOME

	2023	2022
	€	€
Deferred income - upfront swap amounts received	-	610,145

The deferred income is payable on demand and does not bear any interest.

16. OPERATING SEGMENTS

Geographical information

The Company's country of domicile is Ireland. All of the Company's revenues are generated from outside the Company's country of domicile. No further information concerning the country of origin of the Company's revenues is currently available and the cost to develop it would be excessive as such information would be of very little benefit to either the shareholders or the Note/Warrant holders. The Directors does not consider each underlying Series of Notes as a separate segment, rather they look at the structure as a whole. Based on that fact, the directors confirm that there is only one segment.

Non-current assets

The Company has no non-current assets other than financial instruments.

17. TAXATION

	2023	2022
	€	€
Analysis of charge in the financial year		
Irish corporation tax charge for the financial year on ordinary activities	69	102
Factors affecting current tax charge		
Profit for the financial year before taxation	278	407
Provision for corporation tax at 25% (2022: 25%)	(69)	(102)
Profit for the financial year after taxation	209	305

The Company is an Irish registered company and is structured to qualify as a securitisation company under Section 110 of the Taxes Consolidation Act, 1997. As such, the profits are chargeable to corporation tax under Case III Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I Schedule D.

Circumstances affecting future tax charges

The total taxation charge in future financial years will be affected by any future changes to the corporation taxation rates in force in Ireland.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

18. CONTROLLING PARTY

The Company is owned by nominees on behalf of Apex Group Trustee Services Limited as Trustee of the Iris Trust, which is a charitable trust constituted under the laws of Jersey, Channel Islands. Control may be exercised by several parties, including the Trustee of the Iris Trust and the Note holders. In addition, the Notes have been issued in bearer form. The share Trustee has appointed a Board of Directors to run the day to day activities of the Company. The Directors have considered the issue as to who is the ultimate controlling party. It has been determined that the control of the day to day activities of the Company rests with the Directors.

19. RELATED PARTIES

Société Générale S.A., as arranger on issuance of each new series pays the Company £100 transaction fee per new series and an additional £250 per annum. In addition, all permitted expenses associated with the issuance of all series by the Company are paid by the Arranger.

The Company has appointed Apex Group Capital Markets Ireland Limited ("AGCMIL") to provide certain administrative and secretarial services ("corporate services") in Ireland pursuant to a corporate service agreement (as novated). Under the terms of the agreement, AGCMIL is paid for the various administrative, corporate, and secretarial services incurred on behalf of the Company. Martina Regan (resigned on 31 July 2023), Stephen Hugh Innes (appointed on 28 October 2022 and resigned on 10 July 2023) and Sinead O'Connor (resigned on 28 October 2022) who are employees of the Apex Group. Sinead Total expenses related to AGCMIL were €91,990 for the financial year ended 30 June 2023 (2022: €29,240). Fees of €1,500 (2022: €22,205) were payable to AGCMIL in respect of its services for the financial year ended 30 June 2023. There were no separate remuneration paid to the Directors during the current and prior financial years. However, €3,000 (2022: €3,000) of the fee incurred for corporate services is deemed to be related to the directorship services.

On 4 August 2022 Apex Group Ltd acquired Sanne Group PLC. Subsequent to this date, each of Sinead O'Connor, Martina Regan and Stephan Innes should be regarded as interested in any transaction with any member of the Apex Group, comprising Apex Group Ltd and its subsidiaries and affiliates.

The Company has no employees (2022: Nil).

20. AUDITORS REMUNERATION

Remuneration for the work carried out by the statutory audit firm for the Company has been specified in the table below.

	2023	2022
	€	€
Statutory audit fee (net of VAT:)	79,000	58,500

There were no non-audit services provided by the statutory audit firm to the Company during the current and prior financial years.

Tax advisory services were provided by Mazars in the current and prior financial years. During the financial year, the Company paid for the tax advisory services amounting to €4,920 (2022: €7,488).

21. CREDIT EVENTS

During the year there were no credit events, however there was after year-end. This is disclosed in note 22 under subsequent events.

A impairment loss of 50% on series 75 has been written during the 2023 financial year to adress this event

22. SUBSEQUENT EVENTS

The following occurred after year end, however this is in the ordinary course of business:

- Series 79/2018 - On 05/10/2023 there was restructuration event
- Series 60/2016 - On 24/10/2023 there was a restructuration event
- Series 88/2018 - On 20/11/2023 there was a partial unwind of JPY 59,850,000,000
- Series 43/2014 - On 18/12/2023 fully matured
- Series 88/2018 - On 22/12/2023 total unwind
- Series 83/2018 - On 30/05/2024 there was a partial unwind of JPY 42,000,000,000
- Series 113/2024 - On 25/06/2024 this new series is to be issued.

Based on available information it has been assessed that series 75 financial asset as at 30 June 2023 should be impaired. Post 30 June 2023 closing date, the borrower has not paid the interests amount under the loan due on 30 December 2023 as per the documentation and, as a consequence, the coupon payment due under the Iris 75 notes on the same date was waived.

This situation does not have any material impact as of the closing date of the current audit: 30 June 2023.

As issuer of the note, IRIS SPV does not bear any risk in the potential loss that could be materialized under the loan, which in such case will be ultimately passed to the noteholders. The company and its directors keep on following closely the situation.

23. CAPITAL MANAGEMENT

The Company is not subject to externally imposed capital requirements. The Company was initially financed by €40,000 equity. Any subsequent transactions entered into by the Company are designed to enable the Company to pay its liabilities as they fall due. Each Note/Warrant issued is structured such that the Company's expenses are met either by the Note/Warrant holders (indirectly through HSBC transaction accounts), or are met by equal and opposite receipts under the relevant derivative transactions.

24. FINANCIAL INSTRUMENTS

Strategy in using financial instruments

As stated in the Directors' Report, the principal activity of the Company is limited to the issue of Limited Recourse Obligations in separate series. The proceeds from the issue of each series of Notes/Warrants are used to invest in financial transactions in order to enable the Company to meet its obligations under the Notes/Warrants. Therefore the role of financial assets and financial liabilities is central to the activities of the Company; the financial liabilities provided the funding to purchase the Company's financial assets. Financial assets and financial liabilities provide the majority of the assets and liabilities of the Company along with all of the income.

The Company had entered into 4 (2022: 5) classes of swap transactions. These swap transactions have economically hedged the interest rate risk, embedded currency risk and market price risk and have allowed the Company to sell credit protection over certain reference entities in exchange for an annual premium receivable. See notes 5, 6, 7 and 8 for further details.

The strategies used by the Company in achieving its objectives regarding the use of its financial assets and financial liabilities were set when the Company entered into the transactions. The Company has matched the properties of its financial liabilities to its financial assets which are both designated at fair value through profit or loss to avoid significant elements of risk generated by mismatches of investment performance against its obligations, together with any maturity or interest rate risk.

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Sensitivity analysis

In the Directors' opinion, there is no material difference between the aggregate fair value of the Mortgaged Property and the aggregate fair value of the Limited Recourse Obligations. From the perspective of the Company, any change in the fair value of the Mortgaged Property would be matched by an equal and opposite change in the fair value of the Limited Recourse Obligations. Consequently the Company is not exposed to market price risk, as any changes in the fair value of the Collateral would have no overall effect on profit or loss and/or equity. Also as disclosed below, in the Directors' opinion, there is no material interest rate risk to the Company, nor is there any currency risk to the Company.

IFRS 7 requires disclosure of "a sensitivity analysis for each type of market risk to which the entity is exposed at the reporting date, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date." As stated, whilst the financial instruments held by the Company are separately exposed to interest rate risk and market price risk, the Company itself is not exposed to market risk overall.

Critical accounting judgements and key sources of estimation

As described in note 2, the preparation of the financial statements requires management and the Directors to make estimates and assumptions that affect the reported amounts disclosed in the financial statements. Moreover, where these are significant, further disclosure is required.

In the opinion of the Directors, the critical accounting judgements and key sources of estimation uncertainty are derived from the Company's indirect exposure to the valuation of financial assets and financial liabilities that are currently valued using "Level 3" methodology (i.e. using valuation parameters that are not based on observable market data and therefore classified within Level 3 under the IFRS 13 fair value hierarchy). The principal uncertainties concern the valuation of various types of structured credit derivatives including Credit Default Swaps, Interest Rate Swaps, Equity Linked Swaps and Cross Currency Swaps.

The values of unobservable parameters result from hypotheses and/or correlations that are not based on either transaction prices observable on the same instrument on the valuation date, or observable market data available on such date. As mentioned in the sensitivity analysis disclosure, any change in the fair value of a financial asset and/or financial liabilities resulting from such unobservable parameters would be matched by an equivalent change in the fair value of the Notes/Warrants. Therefore any such changes have no overall effect on either the profit or loss or the financial position of the Company. Consequently, the Company bears no material risk in relation to any such estimation uncertainties.

Interest rate risk

Interest rate risk occurs when there is a mismatch between the interest rates of the Company's assets and liabilities.

The Company primarily finances its operations through the issue of Notes upon which interest is payable. Under the swap transactions amounts equal to the coupons received from the investments are paid to the Swap Counterparty. In turn the Swap Counterparty pays to the Company amounts sufficient to cover its obligations to pay the interest due on the Notes.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Interest rate risk - (Continued)

The interest rate profile of the Company's financial assets and financial liabilities is as follows:

	2023		2022	
Interest charging basis	**Weighted average**	**Amount**	**Weighted average**	**Amount**
Financial assets (net of derivatives)				
Fixed	3.87%	1,714,137,997	1.78%	3,092,965,182
Floating	3.71%	900,482,277	4.15%	277,068,408
Non-interest bearing	n/a	1,931,685,384	n/a	2,264,745,197
		4,546,305,658		5,634,778,786
Financial liabilities (Limited Recourse Notes/Warrants):		€		€
Fixed	3.87%	1,714,137,997	1.78%	3,092,965,182
Floating	3.71%	900,482,277	4.15%	277,068,408
Non-interest bearing	n/a	1,931,685,384	n/a	2,264,745,197
		4,546,305,658		5,634,778,786

Sensitivity analysis

In the case of most Series, the interest received on the underlying assets is passed to the Swap Counterparty in exchange for the required payments to the relevant Noteholders, therefore the Company does not bear any interest rate risk.

The sensitivity analysis below has been determined based on the Noteholder's exposure to interest rates for interest bearing assets and liabilities (included in the interest rate exposure tables above) at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting financial year in the case of instruments that have floating rates.

At 30 June 2023 the Company had exposure to floating rate notes as per the amounts indicated above.

If interest rates had been 1% higher and all other variables were held constant, the interest income would increase by approximate EUR 597,915 (2022: EUR 599,115) with a corresponding offset in movement in interest expense to the Noteholders and the Swap Counterparties.

There is no interest rate risk for fixed rate instruments as these instruments will render the same amount of interest throughout the years until maturity.

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Currency risk

Currency risk occurs when there is a mismatch between the currencies of the Company's assets and liabilities.

Where the Company has issued Notes/Warrants denominated in a currency different from the currency of the underlying investments/loans related to such series of Notes/Warrants, the Company has matched its foreign currency obligations by entering into swap agreements whereby the proceeds received from its underlying investments will always be exactly matched by the currency required to make payments due under the Notes/Warrants issued. A change in currency exchange rate as at the financial year end would result in a change in the fair value of the investment, the relevant swap transaction and the Notes. The changes in values are expected to have no net effect on the profit or loss or total equity of the Company. Consequently, the Directors believe that there is no material currency risk to the Company. Any currency risk is borne by the Note/Warrant holders.

	2023		2022	
	Financial Assets (net of derivatives)	Financial Liabilities	Financial Assets (net of derivatives)	Financial Liabilities
	€	€	€	€
Denominated in EUR	1,816,492,690	1,816,492,690	2,191,969,863	2,191,969,863
Denominated in USD	574,264,456	574,264,456	945,040,395	945,040,395
Denominated in JPY	1,977,098,626	1,977,098,626	2,315,460,491	2,315,460,491
Denominated in AUD	178,449,886	178,449,886	182,308,037	182,308,037
	4,546,305,658	4,546,305,658	5,634,778,786	5,634,778,786

Sensitivity analysis

The following table presents the impact on the Company’s income before income tax due to change in the fair value of its financial assets and liabilities, brought out by a reasonably possible change in the exchange rate, with all other variable held constant.

2023	Change in Foreign Exchange Rate	Effect on Fair Value of Financial Assets	Effect on Fair Value of Financial Liabilities
	%	€	€
USD	+1	5,742,645	5,742,645
	-1	(5,742,645)	(5,742,645)
JPY	+1	19,770,986	19,770,986
	-1	(19,770,986)	(19,770,986)
AUD	+1	1,784,499	1,784,499
	-1	(1,784,499)	(1,784,499)

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Currency risk - (Continued)

Sensitivity analysis - (Continued)

2022	Change in Foreign Exchange Rate	Effect on Fair Value of Financial Assets	Effect on Fair Value of Financial Liabilities
	%	€	€
USD	+1	9,450,404	9,450,404
	-1	(9,450,404)	(9,450,404)
JPY	+1	23,154,605	23,154,605
	-1	(23,154,605)	(23,154,605)
AUD	+1	1,823,080	1,823,080
	-1	(1,823,080)	(1,823,080)

Credit risk

The principal credit risks are: (i) the risk of Credit Events within the Reference Portfolio; and (ii) the risk of a failure of a Collateral counterparty to meet its obligations under the terms of the Collateral agreement. Credit Events within the Reference Portfolio may occur if one or more reference entities or reference obligations, as applicable, either fail to make payments on the scheduled payment dates, or enter into bankruptcy proceedings. In such event, a Credit Event may be declared by the Swap Counterparty.

If the aggregate loss amounts resulting from such Credit Events were to exceed the relevant threshold amount, if applicable, this may result in a payment to the Swap Counterparty and final maturity/redemption of the Notes/Warrants at below nominal value. As the obligations under the Notes/Warrants are limited to amounts received from the Collateral, the Directors believe that the Company has no net exposure to any non-performing financial agreements or credit risk and any credit risk is borne by the Note/Warrant holders.

The concentration of credit risks are disclosed in the Offering Circular Supplement relating to each series of Notes/Warrants.

Maximum exposure to credit risk

The Company’s maximum exposure to credit risk in the event that counterparties fail to perform their obligations as at 30 June 2023 and 30 June 2022 in relation to each class of recognised financial assets is set out below:

	30 June 2023	30 June 2022
	€	€
Investment securities	4,265,099,326	5,152,841,505
Derivative financial asset	228,251,392	201,628,380
Cash in bank	10,984,178	11,651,563
Loans and receivables	343,382,651	659,557,034
Other receivables	12,619,858	13,153
	4,860,337,405	6,025,691,635

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Credit risk - (Continued)

Maximum exposure to credit risk - (Continued)

In the Directors' opinion, the credit risk of a default at the level of the cash and cash equivalents was low since initial recognition and has assessed the ongoing condition of the borrower of the series 75 loan has resulted in a significant increase in credit risk associated with receivables. This heightened risk is attributable to the current financial situation and operational challenges faced by the borrower, as disclosed in Note 22.

The majority of the cash balances of the Company are held with HSBC Bank plc and BNY (2022: HSBC Bank plc and BNY). As at 30 June 2023, HSBC Bank plc has a credit rating of AA- (2022: A+) and BNY has a credit rating of AA (2022: AA) both from Standard & Poor's.

Credit quality of financial assets

The credit quality of investment securities that are past due nor impaired can be assessed to external credit ratings from rating agency. At the reporting date, the rating analysis of the investment securities was as follows:

	30 June 2023	30 June 2022
Credit rating	€	€
AA	-	1,711,760,750
AA-	1,528,868,066	46,047,077
A+	207,482,762	196,228,980
A	8,072,479	691,080,674
A-	552,703,593	157,519,727
BBB+	36,287,042	66,504,351
BBB	-	18,954,751
Unrated	1,931,685,384	2,264,745,195
	4,265,099,326	5,152,841,505

Concentration risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Company may be exposed at any given time to any one counterparty, industry region, country or asset class. As a result it may therefore be exposed to a degree of concentration risk. However the Directors consider that the Company is, in general, very diversified and that concentration risk is therefore not significant. Concentration risk is ultimately borne by the Note/Warrant holders.

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Concentration risk - (Continued)

At the reporting date, the Company's financial assets at fair value through profit or loss were concentrated in the following geographical locations:

	30 June 2023	30 June 2022
Country of origin	%	%
France	35.89%	32.80%
Japan	49.57%	47.76%
United Kingdom	0.19%	0.17%
Guernsey	0.00%	0.00%
Australia	1.01%	0.89%
United States of America	1.26%	1.12%
Singapore	0.42%	0.38%
Belgium	0.83%	0.79%
Qatar	0.00%	3.06%
Korea	10.83%	13.03%
	100%	100%

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 approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation. All substantial risks and rewards associated with the Company's financial assets and financial liabilities are ultimately borne by the Note/Warrant holders.

IFRS 7 requires disclosure of gross undiscounted cash flows payable on the Company's financial liabilities at maturity. However, where the amount payable at maturity is dependent upon the performance of the relevant Mortgaged Property, it is not possible to accurately estimate such cash flows. Instead, in the opinion of the Directors, the liquidity risk of the Company is best assessed by comparing the fair values of the Company's financial liabilities to the fair values of the Company's financial assets as at the Statement of Financial Position date, as disclosed in the maturity analysis below.

Accrued amounts receivable and payable on the Company's financial instruments are recognised within the fair values of the relevant financial instruments and have not been presented separately in the maturity analysis below. For each Series, the aggregate of any such accrued amounts receivable is at all times equal and opposite to the aggregate of any such accrued amounts payable. Therefore, in the opinion of the Directors, the non-disclosure of separate amounts for accrued amounts receivable and accrued amounts payable is not material to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Liquidity risk - (Continued)

The maturity profile of the Company's financial assets and liabilities is as follows:

	2023 Financial Assets (net of derivatives)	2023 Financial Liabilities	2022 Financial Assets (net of derivatives)	2022 Financial Liabilities
	€	€	€	€
Within one year	7,060,807	7,060,807	157,519,728	157,519,728
In more than one year but not more than two years	178,449,886	178,449,886	7,277,464	7,277,464
In more than two years but not more than three years	477,384,597	477,384,597	182,308,037	182,308,037
In more than three years but not more than four years	6,303,516	6,303,516	694,950,857	694,950,857
In more than four years but not more than five years	883,747,064	883,747,064	18,597,923	18,597,923
In more than five years	2,963,977,137	2,963,977,137	4,574,124,777	4,574,124,777
	4,516,923,007	4,516,923,007	5,634,778,786	5,634,778,786

Analysis of financial instruments by remaining contractual maturities

The table below shows the financial assets and financial liabilities' liquidity information which includes coupon cash flows categorized based on the based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date the assets will be realized and the liability will be settled.

30 June 2023	Carrying amount	Gross contractual cash flows incl. interest	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Financial liabilities							
Financial liabilities at FVTPL	4,202,923,007	4,587,541,554	-	-	56,882,484	1,413,746,444	3,116,912,626
Loans and payables	343,382,651	481,542,651	-	-	25,120,000	427,040,000	29,382,651
Derivative liabilities	290,427,708	290,427,709	-	-	40,814	110,160,154	180,226,741
Accruals and other payables	23,555,761	23,555,761	-	-	23,555,761	-	-
Deferred income	-	-	-	-	-	-	-
	4,860,289,127	5,383,067,676	-	-	105,599,059	1,950,946,598	3,326,522,018

30 June 2022	Carrying amount	Gross contractual cash flows incl. interest	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Financial liabilities							
Financial liabilities at FVTPL	3,321,541,768	4,975,221,752	-	80,106,985	77,412,743	895,012,871	3,922,689,153
Loans and payables	659,557,034	797,717,034	-	-	25,120,000	741,040,000	31,557,034
Derivative liabilities	337,676,296	379,248,136	-	-	-	125,614,398	253,633,738
Accruals and other payables	11,006,499	11,006,499	-	-	11,006,499	-	-
Deferred income	610,145	610,145	-	-	610,145	-	-
	4,330,391,742	6,163,803,566	-	80,106,985	114,149,387	1,761,667,269	4,207,879,925

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Financial assets and financial liabilities by fair value hierarchy

The fair values of the Company's significant financial assets and financial liabilities, except for cash and cash equivalents and short-term receivables and payables, the carrying values of which are a reasonable estimation of fair values due to their short term nature, are as set out below.

30 June 2023	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets				
Financial assets at FVTPL	2,326,339,741	1,931,685,385	7,074,200	4,265,099,326
Loans and receivables	-	29,382,651	314,000,000	343,382,651
Credit default swaps	-	-	3,446,480	3,446,480
Interest rate swaps	-	8,470,335	135,788,809	144,259,144
Cross currency swaps	-	-	6,272,152	6,272,152
Equity linked swaps	-	-	74,273,616	74,273,616
	2,326,339,741	1,969,538,371	540,855,257	4,836,733,369

30 June 2023	Level 1 €	Level 2 €	Level 3 €	Total €
Financial liabilities				
Financial liabilities at FVTPL	2,264,176,816	1,931,685,384	7,060,807	4,202,923,007
Other liabilities	-	29,382,651	314,000,000	343,382,651
Credit default swaps	-	-	17,859,603	17,859,603
Interest rate swaps	-	11,797,513	228,882,582	240,680,095
Equity linked swaps	-	-	23,846,896	23,846,896
Cross currency swaps	-	-	8,041,115	8,041,115
	2,264,176,816	1,972,865,548	599,691,003	4,836,733,367

30 June 2022	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets				
Financial assets at FVTPL	2,880,792,510	2,264,745,195	7,303,800	5,152,841,505
Loans and receivables	-	31,557,034	628,000,000	659,557,034
Credit default swaps	-	-	1,539,347	1,539,347
Interest rate swaps	-	9,932,740	141,957,576	151,890,316
Equity linked swaps	-	-	41,571,840	41,571,840
Cross currency swaps	-	-	6,626,877	6,626,877
	2,880,792,510	2,306,234,969	826,999,440	6,014,026,919

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Financial assets and financial liabilities by fair value hierarchy - (Continued)

30 June 2022	Level 1 €	Level 2 €	Level 3 €	Total €
Financial liabilities				
Financial liabilities at FVTPL	2,703,199,092	2,264,745,196	7,277,464	4,975,221,752
Other liabilities	-	31,557,034	628,000,000	659,557,034
Credit default swaps	-	-	22,433,328	22,433,328
Interest rate swaps	-	14,215,457	291,973,263	306,188,720
Equity linked swaps	-	-	42,299,849	42,299,849
Cross currency swaps	-	-	8,326,239	8,326,239
	2,703,199,092	2,310,517,687	1,000,310,143	6,014,026,922

Level 1 financial assets are listed securities which are valued using unadjusted quoted prices from an active market.

Level 2 financial instruments are valued using a Société Générale Marked to Model which uses standard observable inputs from the market including interest rate spreads and interest rate spread volatility, equity and index prices and equity and index prices volatility, CDS spreads and CDS spreads volatility, and foreign exchange spot rates and foreign exchange spot rate volatility. The valuation models used to price these products are the prices generally used by Société Générale to value equity, interest rate and cross currency derivatives for vanilla and semi-exotic products. Prior to its use, this valuation model was validated by independent experts of the Market Risk Department among the Group Risk Management of Société Générale. There were no transfers made between the levels during the financial year.

Financial instruments	Valuation technique	Significant unobservable inputs	Sensitivity
2023			
Equity linked swaps, Credit default swaps, Interest rate swaps and Cross currency swaps at fair value through profit or loss and Financial assets and Financial liabilities at fair value through profit or loss.	Different valuation models used (see further details on the next page)	- Correl Quanto (Swaps) '- Price not available on public resources (Bonds)	Shifts and effect shown below: - CMS EUR 20Y - CMS EUR 2Y shift of 0.05 will result in change in valuation of approximately EUR 24,134 - CMS EUR 20Y - CMS EUR 10Y shift of 0.05 will result in change in valuation of approximately EUR (622,296) - CMS USD 30Y - CMS USD 2Y shift of 0.05 will result in change in valuation of approximately EUR (51,917) - CMS USD 30Y - CMS USD 10Y shift of 0.05 will result in change in valuation of approximately EUR (65,384) - reasonably possible shift in correlation between USD interest rate and USD to EUR Forex will not result in material adjustment to the fair values

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Financial assets and financial liabilities by fair value hierarchy - (Continued)

The following table provides the valuation of Level 3 financial instruments on the Statement of Financial Position and the relationship of unobservable inputs to the fair value:

Financial instruments	Valuation technique	Significant unobservable inputs	Sensitivity
2022			
Equity linked swaps, Credit default swaps, Interest rate swaps and Cross currency swaps at fair value through profit or loss and Financial assets and Financial liabilities at fair value through profit or loss.	Different valuation models used (see further details on the next page)	- Correl Quanto (Swaps) '- Price not available on public resources (Bonds)	Shifts and effect shown below: - CMS EUR 10Y - CMS EUR 2Y shift of 0.05 will result in change in valuation of approximately EUR (81,377.20) - CMS EUR 20Y - CMS EUR 2Y shift of 0.05 will result in change in valuation of approximately EUR 28,565.64 - CMS EUR 20Y - CMS EUR 10Y shift of 0.05 will result in change in valuation of approximately EUR (522,073.01) - CMS USD 30Y - CMS USD 2Y shift of 0.05 will result in change in valuation of approximately EUR (198,664.80) - reasonably possible shift in correlation between USD interest rate and USD to EUR Forex will not result in material adjustment to the fair values

The financial liabilities at fair value through profit or loss are classified as level 3 within the fair value hierarchy as, for each series, its fair value is derived from the total of the fair value of the financial assets at fair value through profit or loss and derivative financial instruments in that series.

The derivative financial instruments, mainly because of their many features, are not subject to a direct quotation on the markets. For these instruments, the fair value is determined by Société Générale Corporate Investment Banking using valuation techniques commonly used by market participants to assess financial instruments such as discounted future cash flows for swaps and using valuation parameters for which the estimate value is based on market conditions existing at the end of the financial year.

Where valuation models are used, these are validated independently from the department responsible for such valuation models by suitably qualified and/or experienced experts from the Market Risk Department of Société Générale's Risk Division. The parameters used in valuation models, whether derived from observable market data or not, are checked by the Market Risk Department, in accordance with the methodologies defined by the Market Risk Department of Société Générale.

The Company policy is to recognise transfers into and out of the fair value hierarchy levels at the date of the event of change in circumstances. There were no movements between levels during the financial year or in the prior financial year.

24. FINANCIAL INSTRUMENTS - (CONTINUED)

Financial assets and financial liabilities by fair value hierarchy - (Continued)

The movements in level 3 financial instruments for the financial year ended 30 June 2023 and 30 June 2022 were as follows. Financial asset positions and liability positions in level 3 have been netted off and are shown on the following page.

30 June 2023	**Derivative financial instruments (net)**	**Financial instruments at FVTPL (assets)**	**Financial instruments at FVTPL (liabilities)**
	€	€	€
Opening balance	(173,337,039)	7,303,800	(7,277,464)
Total gains/(losses) included in the Statement of Comprehensive Income	114,487,901	(229,600)	216,657
Closing balance	(58,849,138)	7,074,200	(7,060,807)

30 June 2022	**Derivative financial instruments (net)**	**Financial instruments at FVTPL (assets)**	**Financial instruments at FVTPL (liabilities)**
	€	€	€
Opening balance	(333,686,922)	7,646,100	(7,604,822)
Purchase, sales, issuance and redemptions	(2,702,257)	-	-
Net transfers (from)/to level 3	-	-	-
Total gains/(losses) included in the Statement of Comprehensive Income	163,052,140	(342,300)	327,358
Closing balance	(173,337,039)	7,303,800	(7,277,464)

Total gains/(losses) recorded in profit and loss for recurring fair value measurements at fair value through profit or loss categorised within level 3 of the fair value hierarchy are presented in the Statement of Comprehensive Income in the line items; derivative financial instruments at fair value through profit or loss and financial liabilities at fair value through profit or loss.

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments held at the financial year end

Related Note Issue	Nominal	Maturity/Early Redemption Date	Cur	Investment details	Listing	Coupon	Fair value at 2023	Fair value at 2022
Series 43/2014	7,000,000	18/12/2023	EUR	Crédit Municipal de Paris		3.250%	7,074,200	7,303,800
Series 45/2014	5,000,000,000	20/03/2039	JPY	Government of Japan		2.300%	39,005,059	44,209,319
Series 47/2014	21,140,000,000	20/09/2024	JPY	Government of Japan		0.500%	140,211,628	148,179,903
Series 49/2015	500,000,000	20/12/2034	JPY	Government of Japan		1.200%	3,418,453	3,839,758
Series 52/2015	57,840,000	25/10/2038	EUR	Republic of France		4.000%	65,159,073	69,164,901
Series 52/2015	17,660,000	25/10/2038	EUR	OAT lent to Société Générale		4.000%	19,894,696	26,117,464
Series 53/2015	54,000,000	25/10/2038	EUR	Republic of France		4.000%	60,833,160	68,148,976
Series 55/2015	75,000,000	27/10/2027	EUR	Republic of France		2.750%	60,527,963	81,538,870
Series 56/2015	55,500,000	25/10/2038	EUR	Republic of France		4.000%	62,522,970	70,042,004
Series 59/2016	10,000,000	24/09/2025	USD	Westpac Banking Corporation		2.650%	8,188,772	8,643,826
Series 60/2016	55,301,000	25/10/2038	EUR	Republic of France		4.000%	62,298,789	66,045,192
Series 60/2016	31,699,000	27/10/2038	EUR	OAT lent to Société Générale		4.000%	35,710,191	43,750,381
Series 68/2016	20,000,000	29/04/2026	USD	Westpac Banking Corporation		4.550%	17,515,848	18,701,625
Series 78/2017	20,000,000	03/12/2029	USD	Verizon Communications Inc Notes		4.016%	17,206,737	18,619,659
Series 79/2018	41,000,000	25/05/2031	EUR	Republic of France		1.500%	37,255,264	40,099,618
Series 80/2018	20,000,000	29/09/2027	USD	Verizon Communications Inc Notes		4.329%	17,889,251	19,299,793
Series 81/2018	9,150,000	19/02/2027	USD	Standard Chartered Plc		4.300%	8,072,479	8,621,959
Series 83/2018	83,250,000,000	10/12/2038	JPY	SG Haussmann Progression 1 Fund		Zero	511,651,661	571,057,122
Series 84/2018	20,000,000	25/01/2028	USD	Westpac Banking Corporation		3.400%	17,515,848	18,701,625
Series 85/2018	81,250,000,000	10/12/2038	JPY	SG Haussmann Progression 2 Fund		Zero	501,065,793	559,347,181
Series 86/2018 (redeemed early)	56,850,000,000	10/12/2038	JPY	SG Haussmann Progression 3 Fund		Zero	-	391,852,904
Series 87/2018	86,000,000,000	10/12/2038	JPY	SG Haussmannn Progression 4 Fund		Zero	529,647,492	307,755,052
Series 88/2018	63,000,000,000	10/12/2038	JPY	SG Haussmann Progression 5 Fund		Zero	389,320,438	434,732,938
Series 93/2019	20,000,000	28/08/2028	USD	Singtel Group Treasury Pte. Ltd		3.875%	17,773,422	19,464,368
Series 95/2019	20,000,000	23/01/2029	USD	Anheuser-Bush InBev Worlwide Inc.		4.750%	18,646,052	19,962,940
Series 96/2020	20,000,000	21/09/2028	USD	Electricité de France SA		4.500%	17,640,990	18,954,751
Series 97/2020	33,988,000	25/03/2033	EUR	French Government Bond		1.500%	23,528,363	27,428,977
Series 97/2020	50,000,000	25/03/2033	EUR	Belgium Government Bond		1.700%	35,402,000	40,759,130
Series 100/2020	50,000,000	25/04/2035	EUR	Republic of France		4.750%	50,802,850	64,979,952
Series 101/2020	104,634,000	25/04/2035	EUR	French Government OAT		4.750%	122,741,437	133,186,809
Series 101/2020	20,366,000	25/04/2035	EUR	OAT lent to Société Générale		4.750%	23,890,438	29,263,072
Series 102/2020	163,228,000	27/04/2035	EUR	French Government OAT		4.750%	191,475,422	207,876,065
Series 102/2020	36,772,000	27/04/2035	EUR	French Government OAT		4.750%	43,135,578	52,043,743
Series 103/2020	223,100,000	25/10/2027	EUR	French Government OAT		2.750%	236,664,480	242,550,958
Series 104/2020	223,200,000	25/10/2027	EUR	French Government OAT		2.750%	226,773,870	242,659,677
Series 104/2020		25/10/2027	EUR	OAT lent to Iris		2.750%		-
Series 105/2020	100,000,000	25/05/2031	EUR	French Government OAT		1.500%	90,866,500	97,803,945
Series 106/2020	80,000,000	25/04/2029	EUR	French Government OAT		5.500%	91,769,440	100,997,216
Series 109/2020 (Matured)	81,454,700	19/09/2022	USD	QIB Term Deposit		1.700%	-	80,106,985
Series 111/2021	500,000,000	22/06/2026	USD	Citibank (Korea)		0.270%	462,002,718	671,616,306
Series 112/2021 (Matured)	79,766,000	28/11/2022	USD	Dukhan Bank		1.5% - 1.55%	-	77,412,742
							€ 4,265,099,326	€ 5,152,841,505

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)

The Company entered into a Securities Lending Agreement (“SLA”) with Société Générale, (the "Borrower") in respect of a number of Series. Under the terms of the SLA, the Borrower has the option to exercise its Securities Lending Option pursuant to the Securities Lending Confirmation and require the delivery of the principal amount of the original collateral securities to the Borrower on the Delivery date. The Borrower simultaneously delivers the Collateral to the Company on the same date in accordance with the SLA which also confirms that the aggregate market value of such collateral will not be less than the market value of the loaned securities multiplied by the applicable margin.

During 30 June 2023, the Borrower has exercised its Securities Lending Option (2022: none).

26. LOANS AND RECEIVABLES

Related Loan Issue	Nominal	Maturity Date	Cur	Description	Listing	Coupon	Amortised cost at 2023	2022
Series 38/2012	29,345,114	12/07/2038	EUR	FCT Compartment		Variable	29,382,651	31,557,034
Series 75/2017	628,000,000	31/12/2027	EUR	Loan facility agreement		4.000%	314,000,000	628,000,000
							€ 343,382,651	€ 659,557,034

The company recognized an impairment loss of €314,000,000 related to series 75, as detailed in the note 22 above.

27. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Issue No	Issue Date	Maturity/ Early Redemption Date	Cur	Nominal Amount	Listing	Coupon	Fair value at 2023	2022
Series 43/2014	08/01/2014	18/12/2023	EUR	7,000,000	Vienna	Variable	7,060,807	7,277,463
Series 45/2014	23/05/2014	20/03/2039	JPY	5,000,000,000	Ireland	Variable	35,910,819	40,238,783
Series 47/2014	26/11/2014	20/09/2024	AUD	233,000,000	Ireland	Zero	178,449,886	182,308,037
Series 49/2015	13/02/2015	20/12/2034	JPY	500,000,000	Ireland	Variable subject to limit	3,198,906	3,553,914
Series 52/2015	27/04/2015	25/10/2038	EUR	75,500,000	Ireland	Variable	68,259,920	73,866,648
Series 53/2015	25/06/2015	25/10/2038	EUR	54,000,000	Ireland	1.67%	48,751,768	52,463,207
Series 55/2015	16/07/2015	27/10/2027	EUR	75,000,000	Ireland	2.30%	65,253,916	72,872,842
Series 56/2015	28/08/2015	25/10/2038	EUR	55,500,000	Ireland	1.72%	50,216,740	53,947,352
Series 59/2016	01/03/2016	24/09/2025	USD	10,000,000	Ireland	Variable	8,067,163	7,541,886
Series 60/2016	04/05/2016	25/10/2038	EUR	87,000,000	Ireland	Variable	68,961,241	74,488,217
Series 68/2016	11/07/2016	17/04/2026	USD	20,000,000	Ireland	Variable	15,381,879	15,792,666
Series 78/2017	26/07/2017	03/12/2029	USD	20,000,000	Ireland	fixed with step up	11,715,545	11,675,326
Series 79/2018	09/02/2018	25/05/2031	EUR	41,000,000	Ireland	1.07%	36,849,482	41,771,115
Series 80/2018	12/02/2018	29/09/2027	USD	20,000,000	Ireland	fixed with step up	14,950,509	15,443,629
Series 81/2018	15/02/2018	19/02/2027	JPY	1,000,000,000	Ireland	0.90%	6,303,516	6,922,597
Series 83/2018	14/03/2018	10/12/2038	JPY	83,250,000,000	Vienna	n/a	511,651,661	571,057,122
Series 84/2018	09/04/2018	25/01/2028	USD	20,000,000	Ireland	Variable	15,822,465	16,602,631
Series 85/2018	20/08/2018	10/12/2038	JPY	81,250,000,000	Vienna	n/a	501,065,793	559,347,181
Series 86/2018 (redeemed early)	27/08/2018	10/12/2038	JPY	56850000000	Vienna	n/a	-	391,852,904
Series 87/2018	03/09/2018	10/12/2038	JPY	86,000,000,000	Vienna	n/a	529,647,493	307,755,052
Series 88/2018	12/12/2018	10/12/2038	JPY	63,000,000,000	Vienna	n/a	389,320,438	434,732,938
Series 93/2019	28/05/2019	28/08/2028	USD	20,000,000	Ireland	Variable	15,547,817	16,594,520
Series 95/2019	19/08/2019	23/01/2029	USD	20,000,000	Ireland	Variable	15,499,852	15,962,031
Series 96/2020	25/03/2020	21/09/2028	USD	20,000,000	Ireland	Variable	15,276,508	16,291,671
Series 97/2020	06/05/2020	25/03/2033	EUR	100,000,000	Vienna	Variable	109,022,956	104,058,045
Series 100/2020	29/06/2020	25/04/2035	EUR	50,000,000	Ireland	2.46%	48,874,136	53,334,102
Series 101/2020	29/06/2020	25/04/2035	EUR	125,000,000	Ireland	2.31%	122,784,979	132,964,671
Series 102/2020	29/06/2020	25/04/2035	EUR	200,000,000	Ireland	2.035%	195,922,899	211,655,931
Series 103/2020	22/06/2020	25/10/2027	EUR	223,100,000	Vienna	n/a	236,664,480	234,525,634
Series 104/2020	29/06/2020	25/10/2027	EUR	223,200,000	Ireland	Zero	237,055,695	237,870,362
Series 105/2020	29/06/2020	25/05/2031	EUR	100,000,000	Ireland	1.50%	104,765,699	103,505,848
Series 106/2020	29/06/2020	25/04/2029	EUR	80,000,000	Ireland	Fixed rate 1.30%	72,665,321	77,811,393
Series 109/2021 (matured)	15/03/2021	19/09/2022	USD	82,000,000	Ireland	Variable	-	80,106,985
Series 111/2021	22/06/2021	22/06/2026	USD	500,000,000	Ireland	0.27%	462,002,718	671,616,306
Series 112/2021 (matured)	17/09/2021	28/11/2022	USD	80,000,000	Ireland	Variable	-	77,412,743
							€ 4,202,923,007	€ 4,975,221,752

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

28. OTHER LIABILITIES

Issue No	Issue Date	Maturity Date	Cur	Nominal Amount	Listing	Coupon	Amortised cost at 2023	Amortised cost at 2022
Series 38/2012 *	31/10/2012	12/07/2038	EUR	31,557,034	Ireland	Variable	29,382,651	31,557,034
Series 75/2017	21/12/2017	31/12/2027	EUR	628,000,000	n/a	4.00%	314,000,000	628,000,000
							€ 343,382,651	€ 659,557,034

* For Series 38, there is maximum capital commitment of EUR 500,000,000.

The company recognized an impairment loss of €314,000,000 related to series 75. Refer to note 26 for more information

29. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements of the Company were approved and authorised for issue by the Board of Directors on 28 June 2024.