

**ECOF II SV S.à r.l.**  
**Annual Accounts and Report of the réviseur d'entreprises agréé**  
**for the year ended December 31, 2022**

*5, Heienhaff*  
*L-1736 Senningerberg, Luxembourg*  
*R.C.S. Luxembourg B197003*  
*Share Capital: EUR 12,500 (USD: 13,582)*

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

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## **Independent auditor's report**

To the Shareholders of  
ECOF II SV S.à r.l.  
5, Heienhaff  
L-1736 Senningerberg

### **Opinion**

We have audited the financial statements of ECOF II SV S.à r.l. (the "Company"), which comprise the balance sheet as at 31 December 2022, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other matter**

The financial statements of the Company for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 22 April 2022.

## **Responsibilities of the Board of Managers**

The Board of Managers is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Managers determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Managers is 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 Board of Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.
- Conclude on the appropriateness of Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, or actions taken to eliminate threats or safeguards applied.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Michel Feider

Luxembourg, 31 March 2023

**Annual Accounts Helpdesk :**

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RCSL Nr. : B197003

Matricule : 2015 2424 885

eCDF entry date :

**BALANCE SHEET**


**Financial year from** <sup>01</sup> 01/01/2022 **to** <sup>02</sup> 31/12/2022 (in <sup>03</sup> USD )

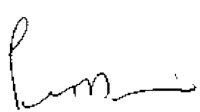
ECOF II SV S.à r.l.

5, Heienhaff  
 L-1736 Senningerberg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>			
I. Subscribed capital not called	1101 _____	101 _____	102 _____
II. Subscribed capital called but unpaid	1103 _____	103 _____	104 _____
	1105 _____	105 _____	106 _____
<b>B. Formation expenses</b>	1107 _____	107 _____	108 _____
<b>C. Fixed assets</b>			
I. Intangible assets	1109 _____ <b>Note 3</b>	109 <b>224.205.093,00</b>	110 <b>292.703.343,00</b>
1. Costs of development	1111 _____	111 _____	112 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1113 _____	113 _____	114 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1115 _____	115 _____	116 _____
b) created by the undertaking itself	1117 _____	117 _____	118 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1119 _____	119 _____	120 _____
4. Payments on account and intangible assets under development	1121 _____	121 _____	122 _____
II. Tangible assets	1123 _____	123 _____	124 _____
1. Land and buildings	1125 _____	125 _____	126 _____
2. Plant and machinery	1127 _____	127 _____	128 _____
	1129 _____	129 _____	130 _____

  
 Jens Hoellermann  
 31 March 2023

  
 Peter Dickinson  
 31 March 2023

RCSL Nr. : B197003

Matricule : 2015 2424 885

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
III. Financial assets	1135 <u>Note 3</u>	135 <u>224.205.093,00</u>	136 <u>292.703.343,00</u>
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 <u>Note 3</u>	145 <u>224.205.093,00</u>	146 <u>292.703.343,00</u>
6. Other loans	1147 _____	147 _____	148 _____
<b>D. Current assets</b>	1151 _____	151 <u>8.499.357,00</u>	152 <u>7.470.438,00</u>
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 <u>Note 4</u>	163 <u>3.695.743,00</u>	164 <u>4.986.402,00</u>
1. Trade debtors	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 <u>Note 4.1</u>	171 <u>13.392,00</u>	172 <u>14.231,00</u>
a) becoming due and payable within one year	1173 _____	173 _____	174 _____
b) becoming due and payable after more than one year	1175 _____	175 <u>13.392,00</u>	176 <u>14.231,00</u>
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 <u>Note 4.2</u>	183 <u>3.682.351,00</u>	184 <u>4.972.171,00</u>
a) becoming due and payable within one year	1185 _____	185 <u>3.682.351,00</u>	186 <u>4.972.171,00</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

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Matricule : 2015 2424 885

	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____ <u>Note 5</u>	197 _____ <u>4.803.614,00</u>	198 _____ <u>2.484.036,00</u>
<b>E. Prepayments</b>	1199 _____	199 _____	200 _____
<b>TOTAL (ASSETS)</b>		201 _____ <u>232.704.450,00</u>	202 _____ <u>300.173.781,00</u>



Jens Hoellermann



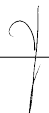
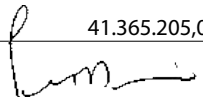
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**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 <u>Note 6</u>	301 <u>13.582,00</u>	302 <u>13.582,00</u>
I. Subscribed capital	1303 _____	303 <u>13.582,00</u>	304 <u>13.582,00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
1. Legal reserve	1311 _____	311 _____	312 _____
2. Reserve for own shares	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 _____	430 _____
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 _____	434 _____
V. Profit or loss brought forward	1319 _____	319 _____	320 _____
VI. Profit or loss for the financial year	1321 _____	321 <u>0,00</u>	322 _____
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 _____	331 _____	332 _____
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____	338 _____
<b>C. Creditors</b>	1435 <u>Note 7</u>	435 <u>232.690.868,00</u>	436 <u>300.160.199,00</u>
1. Debenture loans	1437 _____	437 _____	438 _____
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 _____	446 _____
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 <u>Note 7.1</u>	355 _____	356 <u>41.436.629,00</u>
a) becoming due and payable within one year	1357 _____	357 _____	358 <u>71.424,00</u>
b) becoming due and payable after more than one year	1359 _____	359 _____	360 <u>41.365.205,00</u>
			
		Jens Hoellermann	Peter Dickinson

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B197003

Matricule : 2015 2424 885

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ <b>Note 7.2</b>	379 _____ <b>232.572.751,00</b>	380 _____ <b>258.472.089,00</b>
a) becoming due and payable within one year	1381 _____	381 _____ <b>29.201.353,00</b>	382 _____ <b>20.773.698,00</b>
b) becoming due and payable after more than one year	1383 _____	383 _____ <b>203.371.398,00</b>	384 _____ <b>237.698.391,00</b>
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____ <b>Note 7.3</b>	451 _____ <b>118.117,00</b>	452 _____ <b>251.481,00</b>
a) Tax authorities	1393 _____	393 _____	394 _____
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 _____ <b>118.117,00</b>	398 _____ <b>251.481,00</b>
i) becoming due and payable within one year	1399 _____	399 _____ <b>118.117,00</b>	400 _____ <b>251.481,00</b>
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
<b>D. Deferred income</b>	1403 _____	403 _____	404 _____
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 _____ <b>232.704.450,00</b>	406 _____ <b>300.173.781,00</b>



Jens Hoellermann



Peter Dickinson

The notes in the annex form an integral part of the annual accounts

**Annual Accounts Helpdesk :**

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RCSL Nr. : B197003

Matricule : 2015 2424 885

eCDF entry date :

**PROFIT AND LOSS ACCOUNT**
**Financial year from** <sup>01</sup> 01/01/2022 **to** <sup>02</sup> 31/12/2022 (in <sup>03</sup> USD )

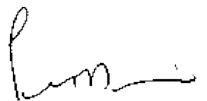
ECOF II SV S.à r.l.

5, Heienhaff  
 L-1736 Senningerberg

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703 _____	703 _____	704 _____
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705 _____	705 _____	706 _____
<b>4. Other operating income</b>	1713 _____	713 _____	714 _____
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____ <b>Note 8</b>	671 _____ -1.976.013,00	672 _____ -3.872.232,00
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ <b>Note 8</b>	603 _____ -1.976.013,00	604 _____ -3.872.232,00
<b>6. Staff costs</b>	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 _____	622 _____



Jens Hoellermann



Peter Dickinson

RCSL Nr. : B197003

Matricule : 2015 2424 885

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>			
a) derived from affiliated undertakings	1715 _____	715 _____	716 _____
b) other income from participating interests	1717 _____	717 _____	718 _____
	1719 _____	719 _____	720 _____
<b>10. Income from other investments and loans forming part of the fixed assets</b>			
a) derived from affiliated undertakings	1721 _____ <u>Note 9</u>	721 <u>25.015.013,00</u>	722 <u>29.192.472,00</u>
b) other income not included under a)	1723 _____	723 _____	724 _____
	1725 _____ <u>Note 9</u>	725 <u>25.015.013,00</u>	726 <u>29.192.472,00</u>
<b>11. Other interest receivable and similar income</b>			
a) derived from affiliated undertakings	1727 _____ <u>Note 10</u>	727 <u>32.477.263,00</u>	728 <u>8.457.914,00</u>
b) other interest and similar income	1729 _____ <u>Note 10.1</u>	729 <u>17.461.294,00</u>	730 _____
	1731 _____ <u>Note 10.2</u>	731 <u>15.015.969,00</u>	732 <u>8.457.914,00</u>
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>			
	1663 _____	663 _____	664 _____
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>			
	1665 _____ <u>Note 11</u>	665 <u>-28.388.257,00</u>	666 <u>2.997.352,00</u>
<b>14. Interest payable and similar expenses</b>			
a) concerning affiliated undertakings	1627 _____ <u>Note 12</u>	627 <u>-27.128.006,00</u>	628 <u>-36.775.506,00</u>
b) other interest and similar expenses	1629 _____ <u>Note 12.1</u>	629 <u>-21.953.617,00</u>	630 <u>-19.870.461,00</u>
	1631 _____ <u>Note 12.2</u>	631 <u>-5.174.389,00</u>	632 <u>-16.905.045,00</u>
<b>15. Tax on profit or loss</b>			
	1635 _____ <u>Note 13</u>	635 _____	636 _____
<b>16. Profit or loss after taxation</b>			
	1667 _____	667 <u>0,00</u>	668 <u>0,00</u>
<b>17. Other taxes not shown under items 1 to 16</b>			
	1637 _____ <u>Note 13</u>	637 _____	638 _____
<b>18. Profit or loss for the financial year</b>			
	1669 _____	669 <u>0,00</u>	670 <u>0,00</u>



Jens Hoellermann



Peter Dickinson

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 1. ORGANISATION

ECOF II SV S.à r.l. (hereafter the "Company") was incorporated on May 12, 2015 for an unlimited period. The Company is organised under the laws of Luxembourg as a private limited liability company (société à responsabilité limitée) and was granted the status of a securitisation company (société de titrisation) within the meaning of the law of March 22, 2004 on securitisation, as amended from time to time and that is governed by the laws of the Grand Duchy of Luxembourg, including the Luxembourg Law dated August 10, 1915 on commercial companies, (the "Commercial law"). The Company is registered under R.C.S. in Luxembourg, number B197003. The registered office of the Company is established at 5, Heienhaff, L-1736 Senningerberg, Luxembourg. The principal activity of the Company is to lend to Middle Market companies, primarily through senior secured loans, unitranche lending, second lien loans and mezzanine loans.

The Company's financial year starts on January 1 and ends on December 31 of each year, with the exception of the first period which ran from date of incorporation on May 12, 2015 to December 31, 2015.

The Company is a wholly-owned subsidiary of ECOF II ParentCo SV S.à r.l., a company incorporated under the Luxembourg Law of August 10, 1915 on commercial companies as amended, having its registered address at 5, Heienhaff, L-1736 Senningerberg, Luxembourg.

The Company has 100% of its loan notes listed on The International Stock Exchange ("TISE") since February 08, 2021.

As at December 31, 2022, the Company has no compartments (2021: none).

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. BASIS OF PREPARATION

The annual accounts have been prepared in accordance with the law of December 19, 2002. The annual accounts have been prepared on a going concern basis. In preparing the annual accounts, the principal accounting policies besides the ones laid down by the Law of December 19, 2002, have been determined and applied by the Board of Managers of the Company. The Company keeps its books in United States Dollar ("USD") and the balance sheet and the profit and loss account are expressed in the same currency.

The figures in the annual accounts have been rounded to the nearest whole number, unless otherwise stated.

The Company has applied historical cost convention, except for financial fixed assets to which the fair value approach has been applied.

**NOTES TO THE ANNUAL ACCOUNTS**  
**DECEMBER 31, 2022**

**2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.1. BASIS OF PREPARATION (CONTINUED)**

In preparing the annual accounts, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

**2.2. INVESTMENTS HELD AS FIXED ASSETS**

Investments held as fixed assets represent debt instruments. The investments are held as part of a trading portfolio. Accordingly, they are fair valued in accordance with Art. 64 bis (1) of the Law of 19 December 2002.

**2.3. INVESTMENT IN DEBT INSTRUMENTS**

Investments in debt instruments are initially measured at purchase price including the expenses incidental thereto. They are subsequently measured at fair value through profit or loss in accordance with article 64bis (1) of the law of 19 December 2002 in its current applicable form ("the law"). In accordance with Art. 72ter (3) (a) of the law, no allocation has been made to a non-distributable reserve in relation to the unrealised gains on investments held as fixed assets given that the investments are held as part of a trading portfolio. The fair value changes on those fair valued assets are disclosed in the profit and loss account. Payment in Kind (PIK) income for the period from the income due date until the reporting date shall be a component of investments held as fixed assets. Amounts accrued are in line with the terms of the respective agreements and are booked separately as other debtors, the investments are valued using a clean price basis.

**2.4. FAIR VALUE MEASUREMENT**

‘Fair value’ is the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm’s length transaction. The following hierarchy is used to estimate fair values:

i) The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm’s length basis. The quoted price is usually the current bid price.

(ii) When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the Company can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale), that price is adjusted.

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**NOTES TO THE ANNUAL ACCOUNTS**  
**DECEMBER 31, 2022**

**2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.4. FAIR VALUE MEASUREMENT (CONTINUED)**

(iii) If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

Fair value based on a valuation technique using observable market data will generally include evaluated pricing techniques using inputs such as quoted prices for similar instruments. Fair value based on a valuation technique that relies significantly on non-observable market data will include values not primarily derived from observable market data. Valuation techniques include comparison with similar instruments for which observable market prices exist and other valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on recent transactions that have been completed or market information obtained from deals that are under negotiation.

For debt investments the Company applies primary and secondary valuation models in line with International Private Equity and Venture Capital Valuation guidelines ("IPEV"). Valuation models include the EV/EBITDA multiples methodology, discounted cash-flows and income yield approach. For assets which experience marked increases in leverage since entry a required yield adjustment to the valuation has been considered. Due to the nature of the asset class, inputs into the debt instruments' valuation model take into consideration the costs incurred when the assets were acquired (purchase price) adjusted by a market overlay, which reflects any changes in the environment, performance of the asset relative to similar instruments, market appetite as well as other factors (e.g., level of interest rates) at the end of the financial reporting period. Fair values reflect the credit risk of the instrument and include adjustments which take into account the credit risk of the platform and the counterparty where appropriate.

**2.5. CASH AT BANK AND IN HAND**

Cash at bank and in hand is valued at its nominal value.

**2.6. DEBTORS**

Debtors are recorded at their nominal value. They are subject to value adjustments when their recoverability is either uncertain or compromised at the balance sheet date. These value adjustments cease to apply when the underlying reasons no longer exist.

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**NOTES TO THE ANNUAL ACCOUNTS**  
**DECEMBER 31, 2022**

**2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.7. AMOUNTS OWED TO AFFILIATED UNDERTAKINGS**

This caption consists mainly of loan notes in issue to the parent company (sole noteholder). Loan notes in issue are initially recorded at their nominal amount. Subsequent to initial recognition, the loan notes are measured at reimbursement value. These loan notes in issue represent the value of the net assets (assets less liabilities excluding the loan notes in issue) of the Company as at the balance sheet date. Movements in the carrying amount of the loan notes in issue may vary as a result of the performance of the underlying portfolio and the resulting value adjustments. In order to reflect the value adjustments to the loan notes in issue, a net gain or loss allocated to the sole noteholder is recorded in the profit and loss account. The amount of net loss allocated to the sole noteholder will be recorded in other interest receivable and similar income and the amount of net gain allocated to the sole noteholder will be recorded in other interest payable and similar expenses.

The loan notes and interest accrued constitute direct, unsecured and limited recourse obligations of the Company. The Company's ability to satisfy its payment obligations under the loan notes and its operating and administrative expenses are wholly dependent upon receipt by it in full of payments of amounts receivable under the corresponding underlying investments.

**2.8. AMOUNTS OWED TO CREDIT INSTITUTIONS**

Amounts owed to credit institutions are valued at their repayment value representing the drawn amount and the accrued interest at the year end.

**2.9. OTHER CREDITORS**

Other creditors represent fees accrued during the year and are recorded at their repayment value.

**2.10. VALUE ADJUSTMENTS**

Value adjustments are adjusted directly on related assets.

**2.11. PROVISIONS FOR LIABILITIES AND CHARGES**

Provisions for liabilities and charges are intended to cover losses or debts, the nature of which is clearly defined and which, at the balance sheet date are either likely to be incurred or certain to be incurred as to their amount or as to the date on which they will arise.

**2.12. FOREIGN CURRENCY TRANSLATION**

Transactions expressed in currencies other than USD are translated at the exchange rate effective at the time of the transaction.



# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.12. FOREIGN CURRENCY TRANSLATION (CONTINUED)

Investments held as fixed assets are translated at the exchange rate effective at the balance sheet date. Realised exchange gains are reflected in "Other interest receivable and similar income" while realised exchange losses are reflected in "Other interest and similar expenses" respectively in the profit and loss account. Unrealised gains and losses are reflected in "Value adjustments in respect of financial assets and investments held as current assets" in the profit and loss account.

Cash at bank and other monetary assets and liabilities are translated at the exchange rate effective at the balance sheet date. Realised exchange gains and losses are reflected in the profit and loss account.

#### 2.13. INTEREST INCOME AND ARRANGEMENT FEES

Interest income and arrangement fees are recognised in the profit and loss account on an accrual basis at the contractual rate of interest of the related financial asset.

Arrangement fees are one-off fees that are receivable by the Company in relation to the loan initiation process. Interest income is earned on the principal balance based on contractually agreed rates and interest periods.

#### 2.14. EXPENSES

Expenses are recognised in the profit and loss account in the year to which they relate.

### 3. FINANCIAL ASSETS

#### Investments held as fixed assets

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
<b>Acquisition cost - opening</b>	301,687,184	497,571,198
Additions for the year	666,382	952,200
Disposals for the year	(48,238,784)	(194,595,590)
Capitalised PIK	7,462,409	(2,240,624)
<b>Acquisition cost - closing balance</b>	<b>261,577,191</b>	<b>301,687,184</b>
<b>Accumulated fair value adjustments - opening balance</b>	(8,983,841)	(11,981,193)
Fair value adjustment for the year	(28,388,257)	2,997,352
<b>Accumulated fair value adjustments - closing balance</b>	<b>(37,372,098)</b>	<b>(8,983,841)</b>
<b>Fair value - opening balance</b>	<b>292,703,343</b>	<b>485,590,005</b>
<b>Fair value - closing balance</b>	<b>224,205,093</b>	<b>292,703,343</b>

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 3. FINANCIAL ASSETS (CONTINUED)

The fair value of the investments held as fixed assets is calculated in accordance with International Private Equity and Venture Capital Guidelines and is primarily based on market transactions in the loan market space.

As at December 31, 2022 , some of the fixed assets had the following unfunded commitments balances:

	December 31, 2022 USD	December 31, 2021 USD
<b>Borrower</b>		
Arkarius Bidco Limited	1,375,000	-
MTH Midco 2 Limited	697,304	-
Lawyers on demand	-	1,496,789
<b>Closing balance</b>	<b>2,072,304</b>	<b>1,496,789</b>

### 4. DEBTORS

#### 4.1. AMOUNTS OWED BY AFFILIATED UNDERTAKINGS

Amounts owed by affiliated undertakings consisted of the following:

	December 31, 2022 USD	December 31, 2021 USD
<i>b) becoming due and payable after more than one year</i>		
Amounts due from related parties	13,392	14,231
<b>Total</b>	<b>13,392</b>	<b>14,231</b>

#### 4.2. OTHER DEBTORS

Other debtors consisted of the following:

	December 31, 2022 USD	December 31, 2021 USD
<i>a) becoming due and payable within one year</i>		
Accrued interest	3,677,622	4,963,632
Accrued fees	4,729	-
Other debtors	-	8,539
<b>Total</b>	<b>3,682,351</b>	<b>4,972,171</b>

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 5. CASH AT BANK AND IN HAND

Cash at bank and in hand consisted of the following:

	December 31, 2022	December 31, 2021
	USD	USD
BNY Mellon	4,803,614	2,484,036
<b>Total</b>	<b>4,803,614</b>	<b>2,484,036</b>

### 6. CAPITAL AND RESERVES

The Company's share capital was set at the date of incorporation at EUR 12,500, which was equivalent to USD 13,582, represented by 12,500 shares with a par value of EUR 1 each. Under the terms and conditions provided by law, the Company's share capital may be increased or reduced by a resolution of the general meeting of shareholders, adopted in the manner required for an amendment of the articles of the Company. Under Luxembourg law, an amount equal to at least 5% of the profit for the financial year must be allocated to a legal reserve until such reserve equals 10% of the subscribed capital. This reserve is not available for dividend distribution.

All shares are held by ECOF II ParentCo SV S.à r.l..

No transfer to legal reserve is required for the year ended December 31, 2022 in light of the USD nil accumulated profit at year end (2021: USD nil). The Company did not repurchase any of its own shares during the year from incorporation to December 31, 2022 (2021: USD nil).

### 7. CREDITORS

#### 7.1. AMOUNTS OWED TO CREDIT INSTITUTIONS

	December 31, 2022	December 31, 2021
	USD	USD
<i>a) becoming due and payable within one year</i>		
Accrued interest	-	71,424
<i>b) becoming due and payable after more than one year</i>		
Amount drawn on leverage facility	-	41,365,205
<b>Total</b>	<b>-</b>	<b>41,436,629</b>

The Company entered into a note purchase agreement dated June 12, 2015 (amended August 5, 2016 and further amended and restated on August 1, 2017) for a multi-currency loan facility of EUR 330,000,000. The rate of interest to accrue in respect of the drawn balance is calculated based on the base rate (as determined for each relevant interest period) plus the applicable margin, which is 2.57% for all other currencies than USD during the revolving period, thereafter.

As at December 31, 2022, the amount drawn is USD nil (2021: USD 41,365,205).

The principal amount of the facility has fully been repaid on September 16, 2022, together with interest accrued.

## ECOF II SV S.à r.l.

Share Capital: EUR 12,500

### NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

#### 7. CREDITORS (CONTINUED)

##### 7.2. AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

	December 31, 2022	December 31, 2021
	USD	USD
<i>a) becoming due and payable within one year</i>		
Interest on loan notes issued to ECOF II ParentCo SV S.à r.l.	28,779,231	20,264,498
Investment advisory fees	422,122	509,200
<b>Total</b>	<b>29,201,353</b>	<b>20,773,698</b>
<i>b) becoming due and payable after more than one year</i>		
Loan notes issued to ECOF II ParentCo SV S.à r.l.	203,371,398	237,698,391
<b>Total</b>	<b>203,371,398</b>	<b>237,698,391</b>
<b>Total</b>	<b>232,572,751</b>	<b>258,472,089</b>

The total carrying value of the loan notes in issue as of December 31, 2022 amounted to USD 232,150,629 (2021: USD 257,962,889) which is attributable to ECOF II ParentCo SV S.à r.l.. The investment advisory fees payable represents the amount due in relation to fees.

As at December 31, 2022, the Company had Loan Notes in issue amounting to USD 203,371,398 (2021: USD 237,698,391) in accordance with the Loan Notes Issuance Programme (for the maximum amount up to USD 1,000,000,000) which has been subscribed solely by ECOF II ParentCo SV S.à r.l..

The notes are issued in denominations of USD 200,000 and are part of the Investor Notes Issuance programme that was approved by the Company on June 12, 2015. Interest is accrued at an amount equal to the positive income that is earned during the period and matures on February 29, 2030. Any present and future notes rank pari passu and rateably without any preference or priority among the notes.

The Company has 100% of its loan notes listed on The International Stock Exchange of the ("TISE") since February 08, 2021.

##### 7.3. OTHER CREDITORS

Other creditors becoming due and payable within one year consisted of the following:

	December 31, 2022	December 31, 2021
	USD	USD
Sundry expenses accruals	118,117	242,553
Professional fees	-	8,928
<b>Total</b>	<b>118,117</b>	<b>251,481</b>

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 8. OTHER EXTERNAL EXPENSES

Other external expenses consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Investment management fees	1,773,264	3,109,829
Administration fees	140,069	335,174
Audit fees	55,268	285,951
Tax fees	7,392	-
Bank charges	20	-
Non Cash Distribution	-	89,284
Legal fees	-	51,994
<b>Total</b>	<b>1,976,013</b>	<b>3,872,232</b>

### 9. INCOME FROM OTHER INVESTMENTS AND LOANS FORMING PART OF THE FIXED ASSETS

Income from other investments and loans forming part of the fixed assets consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Interest income	24,931,747	29,163,906
Arrangement fee income	83,266	28,566
<b>Total</b>	<b>25,015,013</b>	<b>29,192,472</b>

Arrangement fees are one-off fees that are receivable by the Company in relation to the loan initiation process. Interest income is earned on the principal balance based on contractually agreed rates and interest periods.

### 10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

#### 10.1. INTEREST RECEIVABLE AND SIMILAR INCOME CONCERNING AFFILIATED UNDERTAKINGS

Other Interest receivable and similar income concerning affiliated undertakings consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Net loss allocated to sole noteholder	17,461,294	-
<b>Total</b>	<b>17,461,294</b>	<b>-</b>

# ECOF II SV S.à r.l.

Share Capital: EUR 12,500

## NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

### 10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME (CONTINUED)

#### 10.2. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Other interest and similar income consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Foreign exchange gain on loan notes	14,442,130	3,135,126
Foreign exchange gain on leverage facility	564,082	3,362,064
Bank interest	9,758	27
Foreign exchange gain on cash accounts	-	1,960,697
<b>Total</b>	<b>15,015,969</b>	<b>8,457,914</b>

### 11. VALUE ADJUSTMENTS IN RESPECT OF FINANCIAL ASSETS AND INVESTMENTS HELD AS CURRENT ASSETS

Value adjustments in respect of financial assets and investments held as current assets consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Value adjustment on debt instruments*	(28,388,257)	2,997,352
<b>Total</b>	<b>(28,388,257)</b>	<b>2,997,352</b>

\*Refer to note 3 for the movement in financial assets.

### 12. INTEREST PAYABLE AND SIMILAR EXPENSES

#### 12.1. INTEREST PAYABLE AND SIMILAR EXPENSES CONCERNING AFFILIATED UNDERTAKINGS

Interest payable and similar expenses concerning affiliated undertakings consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Interest on loan notes	21,953,617	19,151,154
Net gain allocated to sole noteholder	-	719,307
<b>Total</b>	<b>21,953,617</b>	<b>19,870,461</b>

## ECOF II SV S.à r.l.

Share Capital: EUR 12,500

### NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

#### 12.2. OTHER INTEREST AND SIMILAR EXPENSES

Other interest and similar expenses consisted of the following:

	For the year ended December 31, 2022	For the year ended December 31, 2021
	USD	USD
Foreign exchange losses on investment	2,068,491	-
Foreign exchange losses on leverage facility	1,013,556	-
Foreign exchange losses on cash accounts	1,587,355	-
Financing costs	504,988	2,497,323
Realised loss on disposal of investment	-	14,407,722
<b>Total</b>	<b>5,174,389</b>	<b>16,905,045</b>

#### 13. TAXATION

The Company is subject to all taxes applicable to commercial companies in Luxembourg. Pursuant to the provisions of the Law of March 22, 2004, the commitments to remunerate investors and other creditors are fully deductible.

#### 14. STAFF

The Company did not employ any staff during the year (2021: none).

#### 15. RELATED PARTIES TRANSACTIONS

Jörg Oster resigned as manager of the Company and was replaced by Peter Dickinson on April 11, 2022. Peter Dickinson resigned as manager of the Company and was replaced by Jörg Oster on April 22, 2022. Jörg Oster is a manager of the Company and Peter Dickinson was a manager of the Company, they both are also directors at Apex Fund and Corporate Products S.A. (formerly Sanne Group (Luxembourg) S.A.). During the year, they held interest in Sanne Group PLC, which was the ultimate beneficial owner of Apex Fund and Corporate Products S.A. (formerly Sanne Group (Luxembourg) S.A.) until August 4, 2022, when it was announced that Apex Group Ltd had acquired 100% of the share capital of Sanne Group PLC. Apex Fund and Corporate Products S.A. (formerly Sanne Group (Luxembourg) S.A.) provides administration services to the Company. Total administrative fees in respect of the year ended December 31, 2022 amounted to USD 77,748 (2021: USD 79,408) of which USD nil (2021: USD 8,928) was payable at the end of the year.

## ECOF II SV S.à r.l.

Share Capital: EUR 12,500

### NOTES TO THE ANNUAL ACCOUNTS DECEMBER 31, 2022

#### 15. RELATED PARTIES TRANSACTIONS (CONTINUED)

As at December 31, 2022, the Company had the following intercompany amounts due from related parties:

Entity	Nature	Currency	Amount
ECOF II ParentCo SV S.à r.l.	Expenses	USD	13,392
<b>Total</b>			<b>13,392</b>

As at December 31, 2021, the Company had the following intercompany amounts due from related parties:

Entity	Nature	Currency	Amount
ECOF II ParentCo SV S.à r.l.	Expenses	USD	14,231
<b>Total</b>			<b>14,231</b>

As at the year end, the outstanding loan notes issued to ECOF II ParentCo SV S.à r.l. amounted to USD 203,371,398 (2021: USD 237,698,391). The interest accrued on the loan notes amounted to USD 28,779,231 as at December 31, 2022 (2021: USD 20,264,498). Refer to Note 6.2.

No advances and loans were granted to members of the management and supervisory bodies and no commitments were entered into on their behalf by way of guarantees of any kind.

#### 16. OFF - BALANCE SHEET COMMITMENTS

As at December 31, 2022, the amount of unfunded commitment from the investments held as fixed assets is USD 2,072,304 (2021: USD 1,496,789).

#### 17. EVENTS DURING THE YEAR

##### Change in Ownership and Control of the Investment Advisor

On November 01, 2022, Franklin Resources, Inc., a global investment management organisation operating as Franklin Templeton, announced the completion of its acquisition of BNY Alcentra Group Holdings, Inc. and its subsidiaries which includes the Investment Advisor of the Fund, Alcentra Limited.

In connection with the transaction, there is expected to be no change to the Investment Advisor's brand in Europe or the investment strategies of the Investment Advisor.



**NOTES TO THE ANNUAL ACCOUNTS**  
**DECEMBER 31, 2022**

**17. EVENTS DURING THE YEAR (CONTINUED)**

**Impact of war in Ukraine**

In February 2022, Russia's invasion of Ukraine triggered a sharp rise in volatility across financial markets. The conflict's full scale and duration of the conflict is uncertain, but it has had an immediate impact on energy and commodity prices. In parallel, 2022 has seen inflation increase across developed markets driven by supply-side factors, including shortages and the impact of the war in Ukraine on energy/commodities/cereal prices, and also demand-led factors such as tight labour markets fuelling salary increases.

The Company has no direct investments in Russian or Ukrainian companies but some underlying investments may have a portion of revenues derived from those regions, though generally the amount is minimal. The impact of inflation/commodity price rises has been limited to date as most portfolio companies expect to be able to transfer price increases to their customers. We continue to monitor the portfolio in this regard and are seeking regular updates from borrowers about the impacts they feel today and expect in the future, especially to the extent inflation is being reperculated into labour costs.

**18. SUBSEQUENT EVENTS**

No events have occurred subsequent to the year-end which would have material impact on the annual accounts for the year ended December 31, 2022.