TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

REGISTERED NUMBER: 535698

FINANCIAL STATEMENTS
For the year ended December 31, 2019

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*Other information does not form part of the financial statements.

COMPANY INFORMATION

BOARD OF DIRECTORS	Anke Moran Alan Geraghty * Roger McGreal * * *Non-executive Director*
REGISTERED ADDRESS	Fourth Floor, 3 George's Dock, IFSC, Dublin 1, Ireland.
INVESTMENT MANAGER	(Prior to 7 January 2020) Attestor Capital LLP 7 Seymour Street, London, W1H 7JW, England. (7 January 2020 to Present) Attestor Limited 7 Seymour Street London. W1H 7JW England.
ADMINISTRATOR	Citco Fund Services (Cayman Islands) Limited 89 Nexus Way, Second Floor, Camana Bay, PO Box 31105, Grand Cayman, KY1-1205, Cayman Islands.
SUB-ADMINISTRATOR	Citco Fund Services (Ireland) Limited Custom House Plaza, Block 6, International Financial Services Centre, Dublin 1, Ireland.
CUSTODIAN	Wilmington Trust National Association Suite 2R, 166 Mercer Street, New York, NY 10012, United States of America.

COMPANY INFORMATION (Continued)

NOTE TRUSTEE AND SECURITY TRUSTEE	Wilmington Trust (London) Limited Third Floor, 1 King's Arms Yard, London, EC2R 7AF, England.
SHARE TRUSTEE	Ocorian Corporate Trustees (Ireland) Limited Unit 3, 52-55 Sir John Rogerson's Quay, Dublin 2, Ireland
PAYING AGENT	Wilmington Trust (London) Limited Third Floor, 1 King's Arms Yard, London, EC2R 7AF, England.
LEGAL ADVISORS *(In Ireland)*	A&L Goodbody International Financial Services Centre, North Wall Quay, Dublin 1, Ireland.
(In England)	Shearman & Sterling (London) LLP 9 Appold Street, London, EC2A 2AP, England.
AUDITOR	Ernst & Young Chartered Accountants, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.
SECRETARY	Wilmington Trust SP Services (Dublin) Limited Fourth Floor, 3 George's Dock, IFSC, Dublin 1, Ireland.

DIRECTORS' REPORT
For the year ended December 31, 2019

The Directors present their Directors' report herewith the audited financial statements of Trinity Investments Designated Activity Company (the "Company") for the year ended December 31, 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The investment objective of the Company is to achieve capital growth without undue risk to principal by generally investing primarily in distressed debt, credit, special opportunities and other opportunistic investments with a European focus.

Attestor Capital LLP (the "Investment Manager"), a Limited Liability Partnership incorporated in England and Wales, is the investment manager of the Company. The Investment Manager is responsible for identifying investment opportunities and monitoring the performance of the assets of the Company.

RESULTS AND DIVIDENDS

The results for the year are shown in the Statement of Comprehensive Income on page 15. The Company did not pay a dividend in 2019 (2018: Nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's investment approach may include investing in the following categories of investment opportunities:

- Bankruptcies, liquidations and other complex situations;
- Restructuring situations;
- Distressed debt issued by non-financial corporates;
- Distressed debt issued by financial services companies; and
- Special situations and/or other opportunistic investments.

Investments in the above listed categories involve specific risks. For example (and without limitation), the Company's investments may be non-interest bearing, unsecured, and/or subordinated to the rights of other claimants. The Company is also exposed to market and liquidity risks. Further details of the risks facing the Company are included in Note 5 to the financial statements.

FUTURE DEVELOPMENTS

The Directors will continue to seek new opportunities for the Company and will continue to oversee the management of its current portfolio of assets.

DIRECTORS AND SECRETARY APPOINTMENTS

The current Directors are as stated on page 2 and unless otherwise indicated served throughout the entire year up to the date of approval of these financial statements.

DIRECTORS' REPORT (Continued)
For the year ended December 31, 2019

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES

The Directors and Secretary of the Company who held office as at December 31, 2019 had no direct or beneficial interest in the shares, share options or deferred shares or debentures of the Company or any other Group company at the beginning or end of the financial year, with the exception of Anke Moran who held shares in Attestor Value Fund Limited. (In 2018, this was with the exception of Pierre Bour, who was previously a Director in 2018 and simultaneously held shares in Attestor Value Fund Limited).

TRANSACTIONS INVOLVING DIRECTORS

There were no transactions involving Directors during the year ended December 31, 2019 (31 December 2018: none).

GOING CONCERN

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

POLITICAL DONATIONS

The Company made no political donations during the year ended December 31, 2019 (31 December 2018: none).

IMPORTANT EVENTS SINCE THE YEAR END

As at the date the financial statements were available to be issued, there were issued loan notes of USD20,822,752 (2018: USD258,757,243) and redemption of loan notes of USDNil (2018: USD26,156,205).

On 7 January, 2020, Attestor Capital LLP was replaced by Attestor Limited as Investment Manager.

The Company has a contingency to fund a bond subscription for USD5,984,488 that lapsed on February 28, 2020. Discussions are currently being held with regard to an extension of the contingency period.

With the recent development of the COVID-19 pandemic the Investment Manager continues to monitor the recent market volatility, paying close attention to global developments and credit risk and are ready to act appropriately as required.

There are no other subsequent events that require adjustment to or disclosure in the financial statements.

AUDIT COMMITTEE

The Company did not have an audit committee in place during the year ended December 31, 2019, since the Board has in place policies and procedures to ensure the Board complies with its responsibilities relating to financial reporting, risk assessment and internal control as detailed on the following pages.

DIRECTORS' REPORT (Continued)
For the year ended December 31, 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and with those parts of the Companies Acts 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 state of affairs of the Company and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS as adopted by EU and in accordance with the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which 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 applicable accounting standards and that the financial statements and the Director's report comply with the provisions of the Companies Acts 2014. 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.

BOOKS OF ACCOUNT

The Directors are responsible for ensuring that adequate accounting records as outlined in Section 281 to 285 of the Companies Act 2014 are kept by the Company. The Directors have appointed the Administrator to ensure compliance with those requirements. The books of account and accounting records of the Company are maintained at the office of the Sub-Administrator.

COMPLIANCE STATEMENT

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014. The Directors confirm that:

1) A compliance policy document has been drawn up that sets out policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations

2) Appropriate arrangements or structures are in place that are, in our opinion, designed to secure material compliance with the Company's relevant obligations, and

3) During the financial year, the arrangements or structures referred to in (2) have been reviewed.

DIRECTORS' REPORT (Continued)
For the year ended December 31, 2019

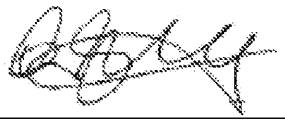
DISCLOSURE OF INFORMATION TO AUDITOR

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps that he is obliged to take as a Director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

In accordance with Section 383 (2) of the Companies Act 2014, the auditor, Ernst & Young, Chartered Accountants, will continue in office.

On behalf of the Directors:



Alan Geraghty
Director



Roger McGreal
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

Opinion

We have audited the financial statements of Trinity Investments Designated Activity Company ('the Company') for the year ended 31 December 2019, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

Key audit matters

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

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Valuation of hard to value investments ($1,245M, (2018: $976M)) Refer to Accounting policies note 2(e) – Financial instruments (page 22-23); and note 3 – Fair value measurement (page 29) As at the year-end, the Company held certain hard to value positions. These positions have been included as Level 3 securities within Note 3 to the financial statements. The valuation techniques applied in valuing positions recorded at a fair value of US$1,245 million (2018: US$976 million) as at year-end involved the use of valuation models developed by Attestor Capital LLP (the "Investment Manager") and external valuation agents appointed by the Investment Manager; recent transaction values; single broker quotes and/or cost as a proxy for fair value. In valuing these positions, management utilised inputs and techniques that were not readily observable.	We focused our audit procedures on the assessment of fair value techniques and assumptions adopted by the Company and their expert in deriving the year end valuations of these positions. We performed the following procedures: • We assessed the Company's processes over the valuation of such positions by performing a walkthrough of the valuation process. • Where applicable, we obtained the Company's individual valuation models (including those valued at cost as a proxy for fair value) and the latest independent valuation report from the Company's valuation expert • We assessed the appropriateness of the valuation models and methodologies utilised together with the key assumptions used across both management's internal valuation analysis and the independent expert's valuation reports by comparing to market parameters, building alternative models, or other similar procedures.	Our planned audit procedures were completed without material exception.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Due to the higher estimation uncertainty associated with valuing these positions, the audit team assessed the inherent risk as higher and deemed valuation of same to be a significant audit risk.	Where single broker quotes or recent transaction values were utilised, we obtained the broker quote independently of management and performed additional testing procedures to assess the reasonability of the values utilised by the Company by obtaining and checking corroborative information provided including, but not limited to, prices of comparable securities and/or recent trades for these position types.	
Existence of positions held outside a financial custodian/counterparty network ($1,625M, (2018: $1,881M)) Refer to Accounting policies note 2(e) – Financial instruments (page 22-23); and note 3 – Fair value measurement (page 29) As at the year-end, the Company held positions that were both held outside of a recognised custodian or recognised financial counterparty. The value of these positions was US$1,625million (2018: US$1,881 million). Due to these positions being held outside of a standard custody network the audit team assessed the inherent risk associated with existence of such to be higher.	We performed the following procedures: Independently obtained confirmation from relevant brokers, administrators and liquidators including claims portals/websites managed by the underlying administrator in insolvency. Obtained supporting documentation and evidence from management and performed additional audit procedures to corroborate this information. The type of additional information obtained and inspected by EY included, but was not limited to, copies of trade confirmations/agreements, the purchases and sales listing and corresponding bank statements for transactions in such positions, and underlying agreements from Counterparties from whom the Company purchased investments from.	Our planned audit procedures were completed without material exception.

Our application of materiality

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

Materiality

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

We determined materiality for the Company to be US$54 million (2018: US$51.2 million), which is 2% (2018: 2%) of the market value of Profit Participating Notes (PPNs) issued. We believe that the market value of the PPNs provides us with the most appropriate basis for materiality having considered the expectation of users of these financial statements and the overall business environment.

Performance materiality

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

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2018: 75%) of our planning materiality, namely US$40.5m (2018: US$38.4m). We have set performance materiality at this percentage based on our knowledge of the entity and the industry, the effectiveness of the control environment, our assessment of the risks associated with the engagement.

Reporting threshold

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

We agreed with the Board of the Directors that we would report to them all uncorrected audit differences in excess of US$2.7m (2018: US$2.5m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. Our reporting threshold amount is designated at an amount below which misstatements would not be accumulated because we expect that the accumulation of such amounts clearly would not have a material effect on the financial statements.

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

An overview of the scope of our audit report

Tailoring the scope

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

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 or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- in our opinion, the information given in the directors' report is consistent with the financial statements; and

- in our opinion, the directors' report has been prepared in accordance with 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 and the statement of financial position is in agreement with the accounting records.

Matters on which we are required to report by exception

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY INVESTMENTS DESIGNATED ACTIVITY COMPANY

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA'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.

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

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

Vincent Bergin
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

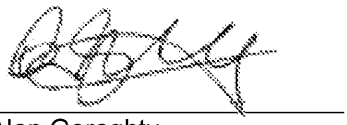
Dublin

27 March 2020

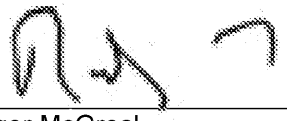
STATEMENT OF FINANCIAL POSITION
As at December 31, 2019

	Note	*2019 USD*	*2018 USD*
Non-current assets			
Financial assets at fair value through profit or loss	2(e),3	396,484,706	270,239,207
Current assets			
Cash and cash equivalents	2(h),5	175,664,676	48,695,525
Financial assets at fair value through profit or loss	2(e),3,4	2,193,304,235	2,272,033,808
Interest receivable	2(j)	32,597,562	3,760,216
Amounts due from brokers	2(n),7	4,665,330	–
Other assets		1,677,408	1,146,321
Total assets		2,804,393,917	2,595,875,077
Non-current liabilities			
Profit participating notes at fair value through profit or loss	2(o),3	(2,701,511,237)	(2,561,314,036)
Current liabilities			
Financial liabilities at fair value through profit or loss	2(e),3,4	–	(355,038)
Amounts due to brokers	2(n),7	(76,251,345)	(27,703,304)
Investment management fees payable	10	(4,510,064)	(4,276,007)
Legal fees payable		(263,529)	(928,235)
Audit fees payable		(147,818)	(43,325)
Tax fees payable		(213,681)	(157,167)
Other payables		(21,481,371)	(1,085,343)
Total liabilities		(2,804,379,045)	(2,595,862,455)
Net assets		14,872	12,622
Equity			
Share capital	9	1,372	1,372
Retained earnings, beginning		11,250	9,000
Net increase in shareholders' equity resulting from operations		2,250	2,250
Total equity		14,872	12,622

Approved by the Directors on March 24, 2020



Alan Geraghty
Director



Roger McGreal
Director

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

STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2019

	Note	*2019 USD*	*2018 USD*
Income			
Dividend income	2(k)	5,110,489	21,293,547
Interest income	2(j)	42,305,215	12,136,109
Net foreign exchange gains/(losses)		2,050,037	(1,875,043)
Net gain/(loss) on financial assets at fair value through profit or loss	8	139,912,348	(14,227,418)
Other income		6,024,869	514,378
Periodic (loss)/return amount on profit participating notes	2(o)	(130,070,132)	52,439,015
Total income		65,332,826	70,280,588
Operating expenses			
Interest expense	2(j)	(249,208)	(412,180)
Investment management fees	10	(55,102,597)	(54,799,863)
Custody fees		(329,335)	(490,305)
Administration fees		(116,637)	(137,991)
Audit fees	10	(176,689)	(121,889)
Legal fees		(3,713,235)*	(8,575,045)
Bank and broker expenses		(363,866)	(3,120,858)
Other expenses	2(l)	(5,278,259)**	(2,619,457)
Total operating expenses		(65,329,826)	(70,277,588)
Operating profit before tax		3,000	3,000
Tax on profit on ordinary activities	2(m),11	(750)	(750)
Profit after tax		2,250	2,250
Net increase in shareholders' equity resulting from operations		2,250	2,250

* Approximately 45.03% is attributable to 2 complex long duration litigations (Confidential Litigation Claim I and Confidential Litigation Claim II) and 1 Special Investment.

** This includes approximately USD3,051,000 in professional expenses and USD1,600,000 in VAT, Stamp Duty and trading expenses.

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

STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2019

	Share Capital USD	*Retained Earnings USD*	*Total Equity USD*
Balance as at January 1, 2018	1,372	9,000	10,372
Net increase in shareholders' equity resulting from operations	–	2,250	2,250
Balance as at December 31, 2018	1,372	11,250	12,622
Net increase in shareholders' equity resulting from operations	–	2,250	2,250
Balance as at December 31, 2019	1,372	13,500	14,872

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

STATEMENT OF CASH FLOWS
For the year ended December 31, 2019

	Note	*2019 USD*	*2018 USD*
Cash flows from operating activities:			
Operating profit before tax		3,000	3,000
Adjustments to reconcile profit for the year to net cash provided by/(used in) operating activities:			
Financial assets at fair value through profit or loss*	2(e),3,4	(47,515,926)	1,767,151
Amounts due from brokers	2(n),7	(4,665,330)	53,806,198
Interest receivable	2(j)	(28,837,346)	(479,661)
Other assets		(531,087)	(1,133,376)
Tax paid on profit	2(m),11	(750)	(750)
Periodic return/(loss) amount on profit participating notes	2(o),3	130,070,132	(52,439,015)
Financial liabilities at fair value through profit or loss	2(e),3,4	(355,038)	(1,735,141)
Investment management fees payable	10	234,057	(28,923,149)
Legal fees payable		(664,706)	(207,520)
Audit fees payable		104,493	(37,143)
Other payables		20,396,028	241,495
Tax fees payable		56,514	109,690
Amounts due to brokers	2(n),7	48,548,041	(27,347,986)
Net cash provided by/(used in) operating activities		116,842,082	(56,376,207)
Cash flows from financing activities*:			
Issuance of profit participating notes	2(o)	706,704,016	1,140,455,872
Redemption of profit participating notes	2(o)	(696,576,947)	(1,161,104,585)
Net cash provided by/(used in) financing activities		10,127,069	(20,648,713)
Net change in cash and cash equivalents		126,969,151	(77,024,920)
Beginning cash and cash equivalents balance		48,695,525	125,720,445
Ending cash and cash equivalents balance		175,664,676	48,695,525
Supplementary cash flow information			
Cash flows from operating activities include:			
Dividend received	2(k)	5,110,489	21,293,547
Interest received	2(j)	13,467,869	11,656,448
Interest paid	2(j)	(249,208)	(412,180)
In-kind transfers in (Note 1)		–	123,217,819
In-kind transfers out (Note 1)		(75,954,377)	(47,486,237)
Tax paid	2(m),11	(750)	(750)

* The values above are inclusive of in-kind transfers.

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

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

1. ORGANISATION

Trinity Investments Designated Activity Company (the "Company"), is a limited liability company incorporated in Ireland under part 1b of the Companies Acts 2014 as a company limited by shares on November 22, 2013 with registration number 535698. The Company is a special purpose company with limited liability and qualifies for the regime contained in section 110 of the Irish Taxes Consolidation Act 1997 ("TCA"). This provides that a qualifying company will be liable to corporation tax at the rate of 25% less deductions under case III of schedule D in respect of taxable profits. The Company has one direct employee.

The investment objective of the Company is to seek to achieve capital growth without undue risk to principal. The Company aims to achieve this objective by using an opportunistic 'value investment' approach primarily focused on distressed debt, credit, special opportunities and other opportunistic investments.

The Company will utilise Irish domiciled section 110 Companies; Hestia Investments Designated Activity Company, Cumberland Investments Designated Activity Company, Mare Finance Investment Holdings Designated Activity Company, Blasket Investments Designated Activity Company and Thalia Investments Designated Activity Company (the "Companies") to make investments on the Company's behalf. The Company invests in these Companies through the issuance of profit participating notes ("PPNs") these notes are listed on Euronext Dublin, "the Main Market". The PPNs in relation to Hestia Investments Designated Activity Company and Mare Finance Investments Holdings Designated Activity Company will mature in 2045. The PPNs in relation to Cumberland Investments Designated Activity Company will mature in 2046. The PPNs in relation to Blasket Investments Designated Activity Company will mature in 2048. The PPNs in relation to Thalia Investments Designated Activity Company will mature in 2049. As part of the financing of the Companies, during the year the Company transferred investment securities with a fair value of USD75,954,377 (2018: USD47,486,237) at arm's length to the Companies, in consideration for the issuance of PPNs.

The Company acts as a special purpose vehicle to make investments on behalf of Attestor Value Master Fund LP (the "Master Fund"). The Master Fund invests in the Company through the issuance of PPNs which will mature in 2043. As part of the financing of the Company, during the year the Company received investment securities with a fair value of USDNil (2018: USD123,217,819) at arm's length, in consideration for the issuance of PPNs.

As part of its investment program, the Master Fund may from time to time acquire an asset (or a number of related assets) that the Investment Manager and the Directors believe are either illiquid or lack a readily assessable fair value or should be held until the resolution of a special event or circumstance, in which case the Investment Manager and the Directors jointly may designate such asset or assets as "Special Investments" at the time such asset or assets are acquired.

The Company and the Companies operate as an integral part of the Company's investment strategy whereby the Company is the sole investor in the Companies through the issuance of PPNs. Movements in the fair value of the Companies' portfolio and corresponding movements in the fair value of the Companies may expose the Company to a gain or loss. Set out below is key information on the Companies.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

1. ORGANISATION (Continued)

Companies' name	*2019 Principal place of business*	*2019 PPN ownership interest*	*2018 Principal place of business*	*2018 PPN ownership interest*
Hestia Investments Designated Activity Company	Ireland	100 %	Ireland	100 %
Cumberland Investments Designated Activity Company	Ireland	100 %	Ireland	100 %
Mare Finance Investment Holdings Designated Activity Company	Ireland	100 %	Ireland	100 %
Blasket Investments Designated Activity Company	Ireland	100 %	–	–
Thalia Investments Designated Activity Company	Ireland	100%	–	–

The Company does not have any legal commitments to provide the Companies with financial or other support. There are no restrictions on the Companies regarding payment of dividends, loan repayments or transfer of funds.

The Company has determined that it meets the definition of an investment entity under IFRS 10, 'Consolidated financial statements'. As a result, the Company has not consolidated the results of the Companies and the investments into these Companies are accounted for at fair value through profit or loss.

The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

a) The Company has obtained funds for the purpose of providing investors with investment management services;
b) The Company's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income; and
c) The performance of investments made through the Company are measured and evaluated on a fair value basis.

Attestor Capital LLP (the "Investment Manager") is the Investment Manager of the Company. Citco Fund Services (Cayman Islands) Limited (the "Administrator") is the Administrator to the Company and Citco Fund Services (Ireland) Limited (the "Sub-Administrator") is the Sub-Administrator to the Company. Wilmington Trust National Association (the "Custodian") is the Custodian of the Company and Wilmington Trust (London) Limited (the "Trustee") is the Trustee of the Company.

The registered office of the Company is Fourth Floor, 3 George's Dock, IFSC, Dublin 1, Ireland.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented in these financial statements, unless otherwise stated.

(a) Statement of compliance

The Company's financial statements have been prepared in accordance with the Irish Companies Acts 2014 and International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

(b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss that have been measured at fair value (see Note 2(e)).

The financial statements are presented in United States Dollars ("USD"). The Investment Manager considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

The preparation of the Company's financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts recognised in the financial statements. More detail is provided under income taxes, going concern and in Note 3 to the financial statements, "Fair Value Measurement". Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(c) New and amended standards and interpretations

(i) Standards and amendments to existing standards effective January 1, 2019

IFRIC 23 Uncertainty over income tax treatments
IFRIC 23 'Uncertainty over income tax treatments' was published in June 2017. It is effective for annual periods beginning on or after 1 January 2019. It addresses:

(i) whether an entity considers uncertain tax treatments separately;
(ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities;
(iii) how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
(iv) how an entity considers changes in fact and circumstances.

Guidance contained in the IFRIC with respect to measurement of a tax uncertainty includes:

(i) If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, the entity shall determine the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) New and amended standards and interpretations (continued)

(i) Standards and amendments to existing standards effective January 1, 2019 (continued)

IFRIC 23 Uncertainty over income tax treatments (continued)

(ii) If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. An entity shall reflect the effect of uncertainty for each uncertain tax treatment by using either of the following methods, depending on which method the entity expects to better predict the resolution of the uncertainty:

(a) the most likely amount – the single most likely amount in a range of possible outcomes. The most likely amount may better predict the resolution of the uncertainty if the possible outcomes are binary or are concentrated on one value.
(b) the expected value – the sum of the probability-weighted amounts in a range of possible outcomes. The expected value may better predict the resolution of the uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value.

The adoption and interpretation of these standards has not had a material impact on the financial statements, given the nature of the Company's business with revenue predominantly from interest and movements in fair value. There are no other standards effective as at January 1, 2019 that are relevant or have a material impact on the Company.

(ii) New standards, amendments and interpretations effective after January 1, 2019, or issued but not yet effective and which have not been early adopted

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2019, or issued but not yet effective and earlier application is permitted; however, the Company has not early applied new or amended standards in preparing these financial statements.

(d) Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements are prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments

(i) Classification

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of such financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Company's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Company's business objective. Consequently, all investments are measured at fair value through profit or loss.

As such, the Company classifies all of its investment portfolio and related liabilities as financial assets or liabilities at fair value through profit or loss.

The Company's policy requires the Investment Manager and the Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

The category of financial assets and financial liabilities at fair value through profit or loss is comprised of:

Financial instruments designated at fair value through profit or loss
These financial assets and liabilities are designated upon initial recognition and their performance evaluated on a fair value basis. These include bank debt, equity, claims, bonds, subordinated notes, real estate strategy, private placements, options, special investments and PPNs.

(ii) Initial measurement

Financial instruments categorised at fair value through profit or loss are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

(iii) Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of financial instruments are accounted for on a trade date basis. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out method.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments (continued)

(iii) Subsequent measurement (continued)

The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty at the Statement of Financial Position date without any deduction for estimated future selling costs. The fair value of financial instruments in case of non-exchange traded instruments are binding dealer price quotations, at the Statement of Financial Position date, without any deductions for estimated future selling costs.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income. The fair valuation of financial assets is further detailed in Note 3 to the financial statements, "Fair Value Measurement".

(iv) Derecognition

A financial asset is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and the Company has transferred substantially all of the risks and rewards of the asset or neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

(v) Impairment

With respect to assets held through financial assets at amortised cost, the Company assesses on a forward looking basis the ECL associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For these financial assets, the Company applies the simplified approach permitted by IFRS 9, which requires ECL to be recognised from initial recognition of the receivables, see Note 5 for further details.

(f) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The Investment Manager considers USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Company issues its PPNs in USD and accordingly, it has been determined that the functional currency of the Company is USD.

(g) Foreign currency transactions

Monetary assets and liabilities and financial instruments denominated in currencies other than USD are translated into USD at the closing rates of exchange at each year end. Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses on financial instruments are included in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Cash and cash equivalents

Cash comprises of cash in hand, demand deposits and custodian cash balances. Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value, and are held for the purpose of meeting short term cash commitments and other purposes.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Refer to Note 6 "Offsetting Financial Assets and Liabilities" to see the impact of netting on the Statement of Financial Position.

(j) Interest income and interest expense

Interest income and interest expense are recognised in the Statement of Comprehensive Income for all interest bearing financial instruments on an accruals basis using the nominal interest rate.

(k) Dividend income

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

(l) Other income and expenses

Other income and expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

(m) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised through profit or loss, in other comprehensive income or directly in equity, consistent with the accounting for the item to which it is related.

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date.

Deferred tax is provided for temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Income taxes (continued)

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

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities. The Company is a Qualifying Company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such, the profits of the Company are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

Uncertainties exist with respect to the interpretation of complex tax regulations on foreign withholding tax. Given the wide range of international investments, differences arising between the actual investment income and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it invests. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective investment's domicile.

(n) Amounts due from/to brokers

Amounts due from/to brokers include cash for trades awaiting settlement and cash amounts held with the Master Fund's prime brokers and other counterparties.

Amounts due from/to brokers also represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. The due from brokers balance is considered to be unrestricted cash.

(o) Profit participating notes

The Company may issue PPNs up to a maximum commitment nominal balance of USD2,500,000,000 which will mature in 2043. The PPNs in issue were listed on the Main Market effective March 22, 2014. During the year ended December 31, 2019, the Company has received net cash of USD10,127,069 (2018: USD(20,648,713)) and in kind securities transferred in with a fair value of USDNil (2018: USD123,217,819) in consideration for issuing PPNs. The Company transferred investment securities with a fair value of USD75,954,377 (2018: USD47,486,237) at arm's length to the Companies, in consideration for the issuance of PPNs. The PPNs are represented by individual physical certificates in bearer form and serially numbered and in denominations of an amounts no less than the USD200,000 or integral multiples thereof, without coupons attached. The fair value of PPNs approximates with the fair value of the assets of the Company less any liabilities (excluding PPNs) and equity of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Profit participating notes (continued)

The periodic (loss)/return amount on each PPN in respect of any period will be the proportion of an amount equal to all income and gains earned by, or accruing to, the Company from or in respect of the assets and liabilities or related arrangements of the Company less any losses suffered by the Company for the year less the sum of (i) all operating expenses and costs (other than the accrued interest of the Company in that period) and (ii) any losses carried forward as determined by the Investment Manager, and (iii) the taxable profits (before interest) of the Company arising from the assets and liabilities of the Company.

The periodic return amount will accrue on the PPNs and will be calculated in respect of each financial year or in respect of such shorter periods as determined by the Company will become due and payable on June 15 of each year or on such other date as determined by the Company having given not less than 5 business days' notice.

The PPNs are designated as financial liabilities at fair value through profit or loss. A liability may be designated at fair value through profit or loss when it eliminates or significantly reduces a measurement or recognition inconsistency, "an accounting mismatch" that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on a different basis. Where an accounting mismatch would otherwise exist, financial liabilities are measured at fair value through profit or loss.

In the event of default, such that the Company fails to pay the required amount on the maturity date or the periodic return payment on the due date and such failure continues for a given year, this will give rise to the asset backed securities becoming payable immediately. No event of default had occurred at year end and up to the date of authorising the financial statements.

The Noteholders have the right to early redeem PPNs before the final maturity date by providing an exercise notice to the paying agent. There is a pre-notice redemption period as set out in the term sheet of each series of the PPNs. The PPNs are classified as financial liabilities as they do not meet the conditions to be classified as equity. The PPNs have been classified as non-current liabilities as the Noteholders will not exercise the option to early redeem in the next 12 months giving the Company has an unconditional right to defer the settlement of the liability for at least 12 months.

On February 15, 2019, the Company subscribed for USD77,000,000 Class B Asset-Backed Securities due 2046 issued by Cumberland Investments DAC.

As the Company is a limited recourse company, the return of the periodic return amounts and the principal is contingent on the realisable value of the assets. The Company has not posted collateral in respect of the PPNs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Profit participating notes (continued)

For the year ended December 31, 2019 and December 31, 2018, the PPNs issued and the attributed periodic return were as follows:

	USD
Profit participating notes as at January 1, 2019	(2,561,314,036)
Profit participating notes issued	(706,704,016)
Profit participating notes redeemed	696,576,947
Periodic return amount	(130,070,132)
Profit participating notes as at December 31, 2019	(2,701,511,237)

	USD
Profit participating notes as at January 1, 2018	(2,634,401,764)
Profit participating notes issued	(1,140,455,872)
Profit participating notes redeemed	1,161,104,585
Periodic return amount	52,439,015
Profit participating notes as at December 31, 2018	(2,561,314,036)

As at December 31, 2019, the nominal value of the PPNs issued amounted to USD1,465,606,977 (2018: USD1,459,750,008).

3. FAIR VALUE MEASUREMENT

Fair value measurement establishes a hierarchical disclosure framework which prioritises and ranks the level of market price observability used to measure investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed into one of the following categories:

Level 1 - Quoted prices (unadjusted) are available in active markets for identical investments from market data sources as at the reporting date.

Level 2 - Inputs, other than quoted prices sourced using independent valuation statements and broker runs included in Level 1, that are observable for the asset or liability, either directly (as prices) or, indirectly (observed from prices).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

Level 2 inputs include the following:

- Over-the-counter ("OTC") prices of instruments traded actively via various brokers. Average prices from multiple independent counterparty quotations ('broker runs'/'broker valuation statements') (examples include defaulted bonds, high-yield bonds, bank debt, accepted claims).

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgement and/or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement, and considers factors specific to the investment. Changes in the observability of valuation inputs may result in a levelling reclassification for certain financial assets or liabilities.

The policy and procedures to determine the fair value of the financial assets of the Company are set out in its Valuation Policy. The Valuation Policy has been approved by the Board of the Directors and updated at least annually at Board Meetings.

All of the Company's Level 3 financial assets are traded OTC or through private deal arrangements and prices are not available using standard data services. Some instruments are instead valued using single broker quotes which have in turn been assessed, where possible for reasonableness by comparison of the mark against recent liquidator reports, recent relevant market transactions and the valuations of listed peers whilst applying an adjustment for a liquidity discount. A number of financial instruments are valued at cost and these values have been assessed for reasonableness where possible through using waterfall models, back testing and comparison against recent transactions. Other instruments are priced independently by third party valuation agents who have been appointed to perform periodic valuation reviews on either a quarterly or semi-annual basis.

A small number of instruments are priced using proprietary valuation models which are developed from standard industry models that are tailored to the specific asset. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices, rates or estimates based on assumptions. Observable inputs include current rates of interest, underlying property valuations, loan values, legacy book and funding values, tax rates and cost of capital. Unobservable inputs include assumptions regarding expected run off rates and distribution levels, expected future default rates, principal prepayment rates, judgements/view on expected recoveries and recovery timelines in litigation/restructuring related positions, probability/risk weighted assessments of potential outcomes, competing claims within restructuring linked investments and market liquidity discounts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

Input from the Investment Management Portfolio Managers is usually required for the selection of the most appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and the selection of appropriate discount rates. The Investment Manager from time to time also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary.

The models are calibrated regularly by updating observable and unobservable inputs used. The models are also tested for validity using prices from any observable current market transactions in the similar instrument or based on any available observable market data.

The following table summarises the valuation of the Company's investments by the above fair value hierarchy levels as at December 31, 2019.

2019	*Level 1 USD*	*Level 2 USD*	*Level 3 USD*	*Total USD*
Financial assets				
Financial assets, at fair value through profit or loss				
Bonds	–	142,684,196	131,073,719	273,757,915
Bank debt	–	87,636,010	267,781,459	355,417,469
Equity	102,062,045	89,658,675	175,474,238	367,194,958
Special investment	–	–	142,503,943	142,503,943
Claims	–	526,428,818	112,203,687	638,632,505
Subordinated notes	–	–	5,777,084	5,777,084
Options	–	–	405,187	405,187
Real estate strategy	–	–	407,462,206	407,462,206
Private placement	–	–	2,152,968	2,152,968
Investments in Profit participating notes	–	–	396,484,706	396,484,706
Total financial assets, at fair value through profit or loss	102,062,045	846,407,699	1,641,319,197	2,589,788,941
Financial liabilities				
Financial liabilities, at fair value through profit or loss				
Profit participating notes	–	–	(2,701,511,237)	(2,701,511,237)
Total financial liabilities, at fair value through profit or loss	–	–	(2,701,511,237)	(2,701,511,237)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

The following table summarises the valuation of the Company's investments by the above fair value hierarchy levels as at December 31, 2018.

2018	*Level 1 USD*	*Level 2 USD*	*Level 3 USD*	*Total USD*
Financial assets				
Financial assets, at fair value through profit or loss				
Bonds	–	213,541,130	151,887,962	365,429,092
Bank debt	–	277,887,166	166,146,001	444,033,167
Equity	152,499,365	–	137,127,139	289,626,504
Special investment	–	–	307,647,257	307,647,257
Claims	–	313,036,769	128,975,468	442,012,237
Subordinated notes	–	–	8,853,266	8,853,266
Options	–	–	53,900	53,900
Real estate strategy	–	–	314,646,347	314,646,347
Private placement	–	–	99,732,038	99,732,038
Investments in profit participating notes	–	–	270,239,207	270,239,207
Total financial assets, at fair value through profit or loss	152,499,365	804,465,065	1,585,308,585	2,542,273,015
Financial liabilities				
Financial liabilities, at fair value through profit or loss				
Profit participating notes	–	–	(2,561,314,036)	(2,561,314,036)
Forward foreign currency contract	–	(355,038)	–	(355,038)
Total financial liabilities, at fair value through profit or loss	–	(355,038)	(2,561,314,036)	(2,561,669,074)

Level 2 financial assets including claims, equity, bank debt and bonds were valued based on quoted prices in markets that are not as active as those set out for Level 1 type instruments.

As at December 31, 2019, USD1,641,319,197 (2018: USD1,585,308,585) of the Company's financial assets were categorised as Level 3 investments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

The change in investments measured at fair value for which Level 3 inputs have been used to determine fair value are as follows:

2019 Level 3 Summary	*Bonds* USD	*Subordinated notes* USD	*Options* USD	*Bank debt* USD	*Equity* USD	*Claims* USD	*Real estate strategy* USD	*Private placements* USD	*Special investment* USD	*Investments in profit participating notes* USD	*Total* USD
Financial assets											
Opening fair value	151,887,962	8,853,266	53,900	166,146,001	137,127,139	128,975,468	314,646,347	99,732,038	307,647,257	270,239,207	1,585,308,585
Transfer in	19,578,800	–	–	16,974,044	–	–	–	–	–	–	36,552,844
Transfer out	–	–	–	–	(89,419,534)	(94,868,141)	–	–	–	–	(184,287,675)
Purchases	2,311,963	–	–	153,039,632	84,184,922	494,363,352	320,762,534	–	466,228,221	577,660,885	2,098,551,509
Sales/payments	(32,040,958)	–	–	(64,932,992)	(4,619,228)	(411,065,314)	(268,357,891)	(73,681,536)	(544,372,658)	(513,406,085)	(1,912,476,662)
Realised gains/(losses)	22,962,860	–	–	17,664,648	(2,567)	693,909	(16,841,519)	2,882,253	32,983,822	67,791,472	128,134,878
Unrealised gains/(losses)	(33,626,908)	(3,076,182)	351,287	(21,109,874)	48,203,506	(5,895,587)	57,252,735	(26,779,787)	(119,982,699)	(5,800,773)	(110,464,282)
Closing fair value	131,073,719	5,777,084	405,187	267,781,459	175,474,238	112,203,687	407,462,206	2,152,968	142,503,943	396,484,706	1,641,319,197

2019 Level 3 Summary	*Profit participating note* USD	*Total* USD
Financial liabilities		
Opening fair value	(2,561,314,036)	(2,561,314,036)
Transfer in	–	–
Transfer out	–	–
Issuance	(706,704,016)	(706,704,016)
Redemptions	696,576,947	696,576,947
Realised gains/(losses)	(130,070,132)	(130,070,132)
Unrealised gains/(losses)	–	–
Closing fair value	(2,701,511,237)	(2,701,511,237)

Total realised and unrealised gains and losses on Level 3 positions are reported in the Statement of Comprehensive Income. For the year ended December 31, 2019, the change in unrealised loss on the Level 3 positions held at the year end was USD(66,759,870) (2018: USD204,760,320) which is included in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

2018 Level 3 Summary	*Bonds* USD	*Subordinated notes* USD	*Options* USD	*Bank debt* USD	*Equity* USD	*Claims* USD	*Real estate strategy* USD	*Private placements* USD	*Special investment* USD	*Investments in profit participating notes* USD	*Total* USD
Financial assets											
Opening fair value	129,786,909	13,178,270	714,298	238,374,192	833,664	22,818,176	272,751,201	315,182,630	187,745,184	314,365,025	1,495,749,549
Transfer in	69,182,934	–	–	–	151,355,200	109,484,443	–	–	–	–	330,022,577
Transfer out	(18,727,800)	–	–	–	–	–	–	(180,571,649)	–	–	(199,299,449)
Purchases	3,183,753	–	–	64,546,086	25,823,369	445,806,390	985,350,632	–	601,477,470	109,934,598	2,236,122,298
Sales/payments	(31,071,331)	–	–	(158,529,954)	–	(435,310,590)	(979,397,399)	(29,100,753)	(505,538,655)	(166,752,250)	(2,305,700,932)
Realised gains/(losses)	(12,040,988)	–	–	7,252,916	42,738,371	2,628,004	(48,048,481)	–	–	–	(7,740,178)
Unrealised gains/(losses)	11,574,485	(4,325,004)	(660,398)	14,502,761	(83,623,465)	(16,450,955)	83,990,394	(5,778,190)	23,963,258	12,691,834	35,884,720
Closing fair value	151,887,962	8,853,266	53,900	166,146,001	137,127,139	128,975,468	314,646,347	99,732,038	307,647,257	270,239,207	1,585,308,585

2018 Level 3 Summary	*Profit participating note* USD	*Total* USD
Financial liabilities		
Opening fair value	(2,634,401,764)	(2,634,401,764)
Issuance	(1,140,455,872)	(1,140,455,872)
Redemptions	1,161,104,585	1,161,104,585
Unrealised gains/(losses)	52,439,015	52,439,015
Closing fair value	(2,561,314,036)	(2,561,314,036)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

Transfers in and out of Level 3 are related to the availability and the observability of significant inputs. Transfers from Level 2 to Level 3 during the year ended December 31, 2019 relate to availability of broker quotes. All transfers during 2019 and 2018 were calculated based on the balances as at the beginning of the year.

Total realised and unrealised gains and losses on Level 3 positions are reported in the Statement of Comprehensive Income. For the year ended December 31, 2019, the change in unrealised loss on the Level 3 positions held at the year end was USD(78,658,472) (2018: USD204,760,320) which is included in the Statement of Comprehensive Income.

The Investment Manager assesses the levelling of financial instruments on an annual basis.

The valuation technique and significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at December 31, 2019 and December 31, 2018 are as shown in the below and overleaf.

The change in valuation disclosed shows the direction an increase or decrease in the respective input variables would have on the valuation result.

2019

Description	*Fair value USD*	*Valuation technique*	*Unobservable inputs*	*Weighted average input*	*Reasonable possible shift +/- (absolute value)*	*Change in valuation (in thousands) USD*
Bank debt	96,137,341	Discounted cash flow model	Discount rate	NA	5%	4,807/(4,807)
Bonds	72,690,908	Probability weighted expected return model	Litigation outcome	NA	5%	3,635/(3,635)
Claims	16,197,204	Discounted cash flow model	Discount rate	N/A	5%	810/(810)
Equity	33,702,780	Market comparables approach	Valuation	NA	6%	2,022/(2,022)
	18,624,281	Market comparables approach	Discount rate	NA	2%	372/(372)
Private equity	105,411,602	Discounted cash flow model	DLOM	7%	10-12%	12,335/(10,093)
Real estate strategy	397,625,219	Discounted cash flow model	Discount rate	5-9%	14%	58,360/(58,265)
	12,353,961	Discounted cash flow model	Discount rate	NA	5%	618/(698)
Special investment	142,503,942	Discounted cash flow model	Discount rate	NA	5%	7,125/(7,125)

The table above does not include Level 3 securities that were valued directly by brokers, stale marked or based upon cost. As at December 31, 2019, the value of these securities was USD746,071,989.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

2018

Description	*Fair value USD*	*Valuation technique*	*Unobservable inputs*	*Weighted average input*	*Reasonable possible shift +/- (absolute value)*	*Change in valuation (in thousands) USD*
Bank debt	87,336,848	Discounted cash flow model	Discount rate	NA	5%	4,367/(4,367)
Bonds	102,606,477	Probability weighted expected return model	Litigation outcome	NA	5%	5,130/(5,130)
Equity	127,465,391	Market comparables approach	Discount rate	NA	2%	1,887/(1,887)
Private equity	97,478,055	Discounted cash flow model	DLOM	8%	0.50%	5,923/(7,228)
Real estate strategy	279,104,673	Discounted cash flow model	Discount rate	5-9%	1%	27,499/(37,355)
	35,541,675	Discounted cash flow model	Discount rate	NA	5%	1,777/(1,777)
Special investment	311,173,836	Discounted cash flow model	Discount rate	NA	5%	15,559/(15,559)

The table above does not include Level 3 securities that were valued directly by brokers, stale marked or based upon cost. As at December 31, 2018, the value of these securities was USD274,362,424.

The financial instruments not measured at fair value through profit or loss are short-term financial assets and liabilities whose carrying amounts approximate fair value, because of their short-term nature and, for the financial assets, high credit quality of counterparties.

Hestia Investments Designated Activity Company ("Hestia") may issue PPNs to the Company up to a maximum commitment balance of USD500,000,000 which will mature in 2045. During the year ended December 31, 2019, the Company has funded USD(22,149,743) (2018: USD(25,250,567)) of the commitment balance. As at December 31, 2019, the fair value of the PPNs funded in Hestia was USD53,265,521 (2018: USD67,727,198).

Cumberland Investments Designated Activity Company ("Cumberland") may issue PPNs to the Company up to a maximum commitment balance of USD350,000,000, composed of USD250,000,000 Class A PPNs and USD100,000,000 Class B PPNs, which will mature in 2046. During the year ended December 31, 2019, the Company has funded USD14,638,364 (2018: USD(34,749,495)) of the commitment balance. As at December 31, 2019, the fair value of the PPNs funded in Cumberland was USD96,917,790 (2018: USD88,504,624).

Mare Finance Investment Holdings Designated Activity Company ("Mare") may issue PPNs to the Company up to a maximum commitment balance of USD250,000,000 which will mature in 2045. During the year ended December 31, 2019, the Company has funded USD(4,041,739) (2018: USD3,182,411) of the commitment balance. As at December 31, 2019, the fair value of the PPNs funded in Mare was USD105,277,486 (2018: USD114,007,385).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

3. FAIR VALUE MEASUREMENT (Continued)

Blasket Finance Investment Designated Activity Company ("Blasket") may issue PPNs to the Company up to a maximum commitment balance of USD250,000,000 which will mature in 2048. During the year ended December 31, 2019, the Company has funded USD(38,301) (2018: USD1,147) of the commitment balance. As at December 31, 2019, the fair value of the PPNs funded in Blasket was USD49,108,469 (2018: USDNil).

Thalia Investments DAC ("Thalia") may issue PPNs to the Company up to a maximum commitment balance of USD250,000,000 which will mature in 2049. During the year ended December 31, 2019, the Company has funded USD91,915,438 (2018: USDNil) of the commitment balance. As at December 31, 2019, the fair value of the PPNs funded in Thalia was USD91,915,438 (2018: USDNil).

All PPNs issued by Hestia, Cumberland, Mare, Blasket and Thalia are represented by individual physical certificates in bearer form and serially numbered and in denominations of an amount no less than USD200,000 or integral multiples thereof, without coupons attached.

The unrealised gain/(loss) on each PPNs in respect of any period will be the proportion of an amount equal to all income and gains earned by, or accruing to, the Companies from or in respect of the assets and liabilities or related arrangements of the Companies less any losses suffered by the Companies for the year less the sum of (i) all operating expenses and costs (other than the unrealised gain/(loss) of the Companies in that period) and (ii) any losses carried forward as determined by the Investment Manager, and (iii) the taxable profits (before interest) of the Companies arising from the assets and liabilities of the Companies.

Unrealised gain/(loss) will accrue on the PPNs and will be calculated in respect of each financial year or in respect of such shorter periods as determined by the Companies will become due and payable on June 15 of each year or on such other date as determined by the Companies having given not less than 5 business days' notice.

Profit participating note
The Company has issued PPNs to the Master Fund. The impact of these notes is that the Company is profit neutral in respect of its investment activities. Since the Master Fund receives all profits made by the Company and absorbs any losses made by it, the fair value of the loan notes approximates with the fair value of the assets of the Company less any liabilities (excluding PPNs) and equity of the Company.

4. DERIVATIVE CONTRACTS

Typically, derivative contracts serve as a component of the Company's investment strategy and are utilised primarily to structure the portfolio or individual investments to economically match the investment objective of the Company. The derivative contracts that the Company holds are forwards and options contracts.

The Company records its forward contracts and option contracts on a fair value basis. Fair values are determined by using quoted market prices or independent valuation agents.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

4. DERIVATIVE CONTRACTS (Continued)

As at December 31, 2019 and December 31, 2018, the following derivative contracts were included in the Company's Statement of Financial Position at fair value through profit or loss. The notional amounts are the amount of a derivative's underlying assets, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end, however are not indicative of either market risk or credit risk.

2019	***Fair value assets USD***	***Notional amount USD***
Derivatives		
Debt options	405,187	1,906,380
Total	405,187	1,906,380

2018	***Fair value assets USD***	***Notional amount USD***
Derivatives		
Debt options	53,900	1,949,560
Forward foreign currency contracts	(355,038)	98,148,945
Total	(301,138)	100,098,505

Forward contracts
Forward contracts are contractual agreements to buy or sell a specific financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the OTC market.

The Company has not applied hedge accounting under IFRS 9.

The Company has credit exposure to the counterparties of forward contracts. Forward contracts are settled gross and, therefore, considered to bear a liquidity risk. Forward contracts also result in market risk exposures.

Options contracts
Options are derivative financial instruments that give the buyer, in exchange for a premium payment, the right, but not the obligation, to either purchase from (call option) or sell to (put option) the writer a specified underlying instrument at a specified price on or before a specified date. The Company enters into option contracts to meet requirements of its risk management and trading activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

To achieve the Company's investment objective, the Investment Manager on behalf of the Company seeks to identify and select appropriate investment strategies in line with its investment objective.

The Company is exposed to market risk (which includes currency risk, interest rate risk and other price risks), credit risk and liquidity risk arising from the financial instruments it holds. The Company has established investment guidelines per its offering documentation that set out its overall business strategies, tolerance for risk and general risk management. The Company uses derivatives and other financial instruments for investment purposes and in connection with its risk management activities.

As at December 31, 2019 and December 31, 2018, the Company's financial assets comprised of the following:

- Claims, bank debt, bonds, subordinated notes, equity, private placement, real estate strategy, options, special investments and PPNs held long.
- Cash, liquid resources and short term debtors arising directly from its investment activities.

The Company may buy, sell or hold financial assets in order to seek and take advantage of changes in market prices or rates.

(a) Other price risks

The Company is exposed to price risk on the investments held by the Company for which prices in the future are uncertain.

As at December 31, 2019, the percentage of the Company's portfolio positions comprised of claims 22.77% (2018: 17.03%), bonds 9.76% (2018: 14.08%), bank debt 12.67% (2018: 17.11%), subordinated notes 0.21% (2018: 0.34%), options 0.01% (2018: Nil%), equity 13.09% (2018: 8.79%), real estate strategy 14.53% (2018: 12.12%), private placement 0.08% (2018: 6.21%), PPNs 14.14% (2018: 10.41%), and other assets 12.73% (2018: 13.92%). The remainder of the portfolio was mainly in cash.

All investments present a risk of loss of capital. The maximum loss of capital on fixed income securities, subordinated notes, private placement and real estate strategy, are limited to the fair value of those positions.

The Company invests part of its assets in the Companies via the issuance of PPNs. The Companies may be exposed to price risk on equity securities, debt securities, claims and derivatives. These risks arise from investments held by the Companies for which prices in the future are uncertain. The Investment Manager of the Companies manages the recovery value of their portfolio assets through careful portfolio construction, active monitoring and management of positions and strategies and opportunistic hedging of market correlated positions such as bonds. The significant price risk exposures of the Companies are presented in Note 5 of the Companies' financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(a) Other price risks (continued)

The price risk of claims and insolvent (defaulted) bonds depends on numerous factors including but not limited to the general market environment, supply/demand for these claims, the liquidation jurisdiction and the make-up of the underlying assets and liabilities of each claim. The combination of these factors often creates a different recovery profile for each liquidation claim which may affect price risk. Each of the claims held within the portfolio as at December 31, 2019 and December 31, 2018 has associated timing risk as there is uncertainty around when distributions will be made.

As at December 31, 2019 and December 31, 2018, the expected recovery of claims and defaulted bonds held within the portfolio and the catalysts required to achieve such recoveries had relatively little direct market correlation. If the market falls significantly however, the marketability of such claims as opposed to their recoverability may be negatively impacted.

The following table contains an analysis of the Company's financial positions risk by geographical distribution:

	2019 % of financial positions at fair value	*2018 % of financial positions at fair value*
Europe	93.13 %	93.72 %
North America	2.57 %	1.59 %
South America	2.96 %	4.68 %
Asia/Other	1.34 %	0.01 %
Total	100.00 %	100.00 %

The Company has reviewed the movement in the financial assets exposed to equity price risk during the year, and has determined that a rise or fall of 5% in such financial assets, with all other variables held constant, would result in the portfolio increasing or decreasing by approximately USD18,359,748 (2018: USD11,409,085).

(b) Currency risk

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

The Company holds monetary assets denominated in currencies other than USD, its functional currency. It is therefore exposed to currency risk, as the value of such assets may fluctuate due to changes in exchange rates. The Company aims to substantively hedge against the currency risk created by non-base currency assets, using amongst other strategies, a rolling monthly forward contract program usually based off the fair value of the non-USD assets at each month-end.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(b) Currency risk (continued)

The Company is exposed to currency risk arising from its exposure to the Companies. The Company holds monetary assets denominated in currencies other than USD, its functional currency. It is therefore exposed to currency risk, as the value of such assets may fluctuate due to changes in exchange rates. The significant currency risk exposures of the Companies are presented in Note 5 of the Companies' financial statements.

Currency risk is monitored continuously and actively managed by the Investment Manager.

The Company's total net exposure to fluctuations in all currency exchange rates as at December 31, 2019 was as follows:

2019	*EUR* *USD*	*GBP* *USD*	*CHF* *USD*	*JPY* *USD*	*USD* *USD*	*Total* *USD*
Assets						
Cash and cash equivalents	94,141,046	68,712,607	72,741	–	12,738,282	175,664,676
Financial assets at fair value through profit or loss	1,763,800,191	198,406,291	17,862,612	854,577	608,865,270	2,589,788,941
Interest receivable	30,087,367	2,510,195	–	–	–	32,597,562
Other assets	1,677,408	–	–	–	–	1,677,408
Amounts due from brokers	4,665,330	–	–	–	–	4,665,330
Total assets	1,894,371,342	269,629,093	17,935,353	854,577	621,603,552	2,804,393,917
Liabilities						
Profit participating notes at fair value through profit or loss	–	–	–	–	(2,701,511,237)	(2,701,511,237)
Amounts due to brokers	(35,095)	(76,216,250)	–	–	–	(76,251,345)
Investment management fees payable	–	–	–	–	(4,510,064)	(4,510,064)
Legal fees payable	–	–	–	–	(263,529)	(263,529)
Audit fees payable	(134,568)	–	–	–	(13,250)	(147,818)
Tax fees payable	(213,681)	–	–	–	–	(213,681)
Other payables	(46,838)	–	–	–	(21,434,533)	(21,481,371)
Total liabilities	(430,182)	(76,216,250)	–	–	(2,727,732,613)	(2,804,379,045)
Net currency exposure	1,893,941,160	193,412,843	17,935,353	854,577	(2,106,129,061)	14,872

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(b) Currency risk (continued)

The Company's total net exposure to fluctuations in all currency exchange rates as at December 31, 2018 was as follows:

2018	*EUR* *USD*	*GBP* *USD*	*CHF* *USD*	*ISK* *USD*	*BRL* *USD*	*JPY* *USD*	*SEK* *USD*	*USD* *USD*	*Total* *USD*
Assets									
Cash and cash equivalents	11,089,623	26,599,067	697,318	197,013	–	–	172,718	9,939,786	48,695,525
Financial assets at fair value through profit or loss	1,826,643,279	111,334,054	6,832,820	86,209,334	618,640	371,233	2,924,023	507,339,632	2,542,273,015
Interest receivable	3,760,216	–	–	–	–	–	–	–	3,760,216
Other assets	1,139,440	–	–	–	–	–	–	6,881	1,146,321
Total assets	1,842,632,558	137,933,121	7,530,138	86,406,347	618,640	371,233	3,096,741	517,286,299	2,595,875,077
Liabilities									
Profit participating notes at fair value through profit or loss	–	–	–	–	–	–	–	(2,561,314,036)	(2,561,314,036)
Financial liabilities at fair value through profit or loss	–	–	–	–	–	–	–	(355,038)	(355,038)
Amounts due to brokers	(16,489,554)	–	–	–	–	–	–	(11,213,750)	(27,703,304)
Investment management fees payable	–	–	–	–	–	–	–	(4,276,007)	(4,276,007)
Legal fees payable	–	–	–	–	–	–	–	(928,235)	(928,235)
Audit fees payable	(43,325)	–	–	–	–	–	–	–	(43,325)
Tax fees payable	(157,167)	–	–	–	–	–	–	–	(157,167)
Other payables	(34,779)	–	–	–	–	–	–	(1,050,564)	(1,085,343)
Total liabilities	(16,724,825)	–	–	–	–	–	–	(2,579,137,630)	(2,595,862,455)
Net currency exposure	1,825,907,733	137,933,121	7,530,138	86,406,347	618,640	371,233	3,096,741	(2,061,851,331)	12,622

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(b) Currency risk (continued)

Below is a complete list of all the closing exchange rates against the USD for all relevant currencies at year end.

Exchange rates expressed against the USD used in valuation as at December 31, 2019 and December 31, 2018

	2019	*2018*
EUR	0.8917	0.8720
GBP	0.7544	0.7839
CHF	0.9676	0.9825
ISK	121.1800	116.1500
BRL	4.0198	3.8814
JPY	108.6100	109.6050
SEK	9.3659	8.8560

As at December 31, 2019 and December 31, 2018, had the USD appreciated by 5% in relation to all currencies without hedging in place and with all other variables held constant, net assets would have decreased by the amounts shown below.

2019				*EUR USD*	*GBP USD*	*CHF USD*	*JPY USD*	*Total USD*
Appreciation of USD by 5% Movement in net assets				94,697,058	9,670,642	896,768	42,729	105,307,197

2018	*EUR USD*	*GBP USD*	*CHF USD*	*ISK USD*	*BRL USD*	*JPY USD*	*SEK USD*	*Total USD*
Appreciation of USD by 5% Movement in net assets	91,295,387	6,896,656	376,507	4,320,317	30,932	18,562	154,837	103,093,198

A 5% depreciation of the USD against the above currencies as at December 31, 2019 and December 31, 2018 would have had the equal but opposite effect on the currencies.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of interest bearing financial assets and liabilities will fluctuate because of changes in interest rates. The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The Investment Manager does not consider interest rate risk to be a significant risk for this portfolio including for positions which are valued using discounted cash flow techniques. As at December 31, 2019, the Company's portfolio was exposed to 2.99% (2018: 3.60%) floating rate instruments, 20.48% (2018: 2.97%) fixed rate instruments and 76.52% (2018: 93.43%) non-interest bearing instruments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (continued)

In the case of maturities of less than one year and given the current low interest environment, a decrease in interest rates is unlikely to impact on the value of the portfolio. If interest rates increase significantly, there is a risk that the value of the portfolio will decline due to relative value adjustments.

Of the securities with maturities of one to five years and over five years set out in the table below, USD56,644,008 (2018: USD71,228,055) pertains to securities with a floating rate of interest and amount to 2.18% (2018: 2.80%) of the Company's financial positions held. On this basis, the Company does not have significant interest rate risk. A change in interest rates will have little effect on the income of the Company in the case of floating rate instruments.

The Company invests part of its assets in the Companies via the issuance of PPNs. The Companies are exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The significant interest rate risk exposures of the Companies are presented in Note 5 of the Companies' financial statements.

For risk management purposes the Company may, utilise a variety of financial instruments such as interest rate swaps as and when it is deemed appropriate, to protect against possible changes in the fair value of the Company's investment portfolio resulting from changes in interest rates.

The table below summarises the Company's exposure to interest rate risks as at December 31, 2019. It includes the Company's assets and liabilities at fair values, categorised by the maturity dates.

2019	*Less than 3 months USD*	*3 months - 1 year USD*	*1 - 5 years USD*	*Over 5 years USD*	*Non-interest bearing USD*	*Total USD*
Assets						
Cash and cash equivalents	175,664,676	–	–	–	–	175,664,676
Financial assets at fair value through profit or loss	11,076,923	9,837,018	–	587,040,867	1,981,834,133	2,589,788,941
Interest receivable	–	–	–	–	32,597,562	32,597,562
Amounts due from brokers	–	–	–	–	4,665,330	4,665,330
Other assets	–	–	–	–	1,677,408	1,677,408
Total assets	186,741,599	9,837,018	–	587,040,867	2,020,774,433	2,804,393,917
Liabilities						
Profit participating notes at fair value through profit or loss	–	–	–	–	(2,701,511,237)	(2,701,511,237)
Amounts due to brokers	–	–	–	–	(76,251,345)	(76,251,345)
Investment management fees payable	–	–	–	–	(4,510,064)	(4,510,064)
Legal fees payable	–	–	–	–	(263,529)	(263,529)
Audit fees payable	–	–	–	–	(147,818)	(147,818)
Tax fees payable	–	–	–	–	(213,681)	(213,681)
Other payables	–	–	–	–	(21,481,371)	(21,481,371)
Total liabilities	–	–	–	–	(2,804,379,045)	(2,804,379,045)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (continued)

The table below summarises the Company's exposure to interest rate risks as at December 31, 2018. It includes the Company's assets and liabilities at fair values, categorised by the maturity dates.

2018	*Less than 3 months USD*	*3 months - 1 year USD*	*1 - 5 years USD*	*Over 5 years USD*	*Non-interest bearing USD*	*Total USD*
Assets						
Cash and cash equivalents	48,695,525	–	–	–	–	48,695,525
Financial assets at fair value through profit or loss	315,010,116	181,498,354	209,523,598	420,827,615	1,415,413,332	2,542,273,015
Interest receivable	–	–	–	–	3,760,216	3,760,216
Other assets	–	–	–	–	1,146,321	1,146,321
Total assets	363,705,641	181,498,354	209,523,598	420,827,615	1,420,319,869	2,595,875,077
Liabilities						
Profit participating notes at fair value through profit or loss	–	–	–	–	(2,561,314,036)	(2,561,314,036)
Financial liabilities at fair value through profit or loss	–	–	–	–	(355,038)	(355,038)
Amounts due to brokers	–	–	–	–	(27,703,304)	(27,703,304)
Investment management fees payable	–	–	–	–	(4,276,007)	(4,276,007)
Legal fees payable	–	–	–	–	(928,235)	(928,235)
Audit fees payable	–	–	–	–	(43,325)	(43,325)
Tax fees payable	–	–	–	–	(157,167)	(157,167)
Other payables	–	–	–	–	(1,085,343)	(1,085,343)
Total liabilities	–	–	–	–	(2,595,862,455)	(2,595,862,455)

The table above illustrates the percentage of the portfolio comprising non-interest bearing securities including non-performing and defaulted instruments and claims as at December 31, 2019 and December 31, 2018.

The Investment Manager has determined that a fluctuation in interest rates of 50 basis points is reasonably possible, considering the economic environment in which the Company operates. The impact of such an increase or reduction has been estimated by calculating the fair value changes of the securities with a fixed interest rate. As at December 31, 2019, should the fixed interest rates have increased or decreased by 50 basis points assuming that all other variables, in particular foreign currency rates, remain constant, the (decrease)/increase in the Company's financial positions held for the year would be approximately USD2,651,984 (2018: USD378,016) 0.1% (2018: 2.18%) of the Company's financial positions held).

(d) Credit risk

Credit risk is the risk that an issuer or counterparty to a financial asset may cause a financial loss for the Company by failing to discharge an obligation.

The Company measures credit risk and ECL using probability of default, exposure at default and loss given default.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Credit risk (continued)

At December 31, 2019 and December 31, 2018, the Company's financial assets measured at amortised cost include cash and cash equivalents, due from brokers and other receivables which are held with counterparties with a credit rating of BBB+ or higher and are due to be settled within 1 week. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company. For the year ended December 31, 2019 and December 31, 2018, no impairment has been recognised as there was no objective evidence of impairment for financial assets classified as financial assets measured at amortised cost.

The Company is exposed to credit risk in three ways:

(i) Credit risk arising from its exposure to the underlying creditor or issuer of loans or bonds held within the portfolio – if the creditor or issuer defaults or repayments are impaired, the Company faces a potential loss.

The Investment Manager seeks to minimise this element of credit risk via initial detailed analysis of each underlying creditor or issuer prior to its investment and thereafter with a continuation of that analysis throughout the lifecycle of the investment whilst held in the portfolio.

(ii) Credit risk arising from its exposure to counterparties both on amounts due from and assets held with such counterparties. As at December 31, 2019 and December 31, 2018, the Company primarily faced the following types of counterparties:

a. Custodian: Wilmington Trust National Association holds the Company's cash and Wilmington Trust National Association has appointed State Street Corporation as sub-custodian to hold the portfolio securities (such as bonds and equity).

b. Broker dealers: where the Company holds loans and claims via sub-participation arrangements and also direct assets.

c. Other: mainly counterparties from whom the Company has directly purchased claims and assets and corporate borrowers where the Company is providing money to counterparties by purchasing loans in the secondary market or restructuring the capital structure.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Credit risk (continued)

(iii) Credit risk arising from its exposure to the Companies through the Company's investment of part of its assets in the Companies via the issuance of PPNs. The Companies operates as an integral part of the Company's strategy, the PPNs performance is linked to the performance of the underlying portfolio held by the Companies. The investment management strategy for the Companies is consistent with that of the Company.

The Companies' underlying portfolio is exposed to credit risk in two ways:

1. Credit risk arising from its exposure to the creditor or issuer of loans or bonds held by the Companies. In case of default of the creditor or issuer of loans or bonds, the Companies may face a potential loss. The Investment Manager minimises the risk by performing due diligence of underlying issuer or creditor and thereafter continuously performing the analysis throughout the lifecycle of investment.

2. Credit risk arising from its exposure to both amount due from and assets held with counterparties. The Investment Manager aims to manage the counterparties by carefully selection of counterparties and aim's to hold assets directly if possible.

The significant credit risk exposures of the Companies are presented in Note 5 of the Companies' financial statements.

Counterparty risk can be further analysed depending on whether the method of purchase employed is an assignment or a participation. After careful consideration of other relevant factors such as tax, legal and strategy, the Company seeks to hold loans and claims directly where able to do so.

If characteristics of the transaction require the Company to hold assets via sub-participation, the Investment Manager aims to structure the sub-participation documents in a manner which seeks to enhance the Company's control and title over the assets.

The Investment Manager aims to manage counterparty risk via careful selection of counterparties, holding assets directly if possible and structuring the documentation in a tailored manner, giving consideration to the characteristics of each deal.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Credit risk (continued)

The Investment Manager monitors the Company's credit position on a regular basis including regular monitoring of the credit risk exposure of the claims held by the Company and the maximum exposure to credit risk. The main concentrations of credit risk at year end were as follows:

	2019 USD	*2018 USD*
Financial assets at fair value through profit or loss	1,025,660,090	1,079,701,466
Cash and cash equivalents	175,664,676	48,695,525
Interest receivable	32,597,562	3,760,216
Amounts due from brokers	4,665,330	–
Other assets	1,677,408	1,146,321
Total credit risk exposure	1,240,265,066	1,133,303,528

The following tables show the breakdown of the amounts held with the custodians and non custody assets as at December 31, 2019 and December 31, 2018:

2019

	Credit rating S & P	*Cash at custodian*	*Financial assets at fair value through profit or loss at custodian*	*Interest receivable*	*Other assets*	*Amounts due from broker*
Wilmington Trust	A	175,664,676	–	–	–	4,665,330
State Street	AA-	–	293,788,171	–	–	–
Bank of New York Mellon	AA-	–	242,826	–	–	–
Deutsche Bank AG	BBB+	–	52,122,856	–	–	–
Fossar	Not rated	–	–	–	–	–
Non custody assets		–	733,547,613	32,597,562	1,677,407	–
		175,664,676	1,079,701,466	32,597,562	1,677,407	4,665,330

2018

	Credit rating S & P	*Cash at custodian*	*Financial assets at fair value through profit or loss at custodian*	*Interest receivable*	*Other assets*
Wilmington Trust	A	48,695,525	–	–	1,146,321
State Street	AA-	–	293,788,171	–	–
Bank of New York Mellon	AA-	–	242,826	–	–
Deutsche Bank AG	BBB+	–	52,122,856	–	–
Fossar	Not rated	–	–	–	–
Non custody assets		–	733,547,613	3,760,216	–
		48,695,525	1,079,701,466	3,760,216	1,146,321

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Credit risk (continued)

The following tables summarise the total credit risk exposure of the fixed income securities held, which includes bonds, bank debt and investment in profit participating notes, at year end by rating agency category.

2019	***Amount USD***	***% of financial positions held***
Credit rating		
B	3,098,864	0.12 %
CCC/D	1,348,029	0.05 %
Not Rated	1,021,213,197	39.28 %

2018	***Amount USD***	***% of financial positions held***
Credit rating		
CCC/D	2,466,201	0.10 %
Not Rated	1,077,289,168	42.37 %

The following table contains an analysis of the Company's concentration of credit risk exposure of fixed income securities by geographical distribution:

	2019 % of financial positions at fair value	***2018 % of financial positions at fair value***
Europe	34.60 %	36.86 %
North America	1.95 %	1.49 %
South America	2.97 %	4.12 %
Asia/Other	0.08 %	– %
Total	39.60 %	42.47 %

(e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of a possibility that the Company could be required to pay its liabilities earlier than expected.

The Company may, from time to time hold a large concentration of certain investments which may in turn reduce liquidity and under certain circumstances it may take longer to liquidate these positions.

As at December 31, 2019, 96.06% (2018: 96.42%) of the portfolio was held in OTC positions.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(e) Liquidity risk (continued)

During the reporting year, the majority of claims held in the portfolio were accepted claims which traded regularly OTC.

As with marketability, (detailed in section (a) of the note) the liquidity of such claims as opposed to their recoverability may be negatively impacted if the market falls significantly.

The Company invests part of its assets in the Companies via the issuance of PPNs. In accordance with the Companies' policy, the Investment Manager monitors the Companies' liquidity on a regular basis and manages this risk by matching assets and liabilities where possible and monitoring its asset/cash position relative to its future funding obligations. The significant liquidity risk exposures of the Companies are presented in Note 5 of the Companies' financial statements.

The Company has the right to request payment from the Companies, through the PPNs if required. With respect to PPNs, the principal amount which is ultimately repayable will depend on the performance of the underlying portfolio of the Companies and the Company can withdraw fund based upon PPN commitment by Master Fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(e) Liquidity risk (continued)

The below tables analyse the Company's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the maturity date. This maturity analysis is based on undiscounted contractual cash flows.

2019	*Less than 1 month USD*	*3 months - 1 year USD*	*1 - 5 years USD*	*Over 5 years USD*	*Total USD*
Liabilities					
Profit participating notes at fair value through profit or loss	–	–	–	(2,701,511,237)	(2,701,511,237)
Amounts due to brokers	(76,251,345)	–	–	–	(76,251,345)
Investment management fees payable	(4,510,064)	–	–	–	(4,510,064)
Legal fees payable	(263,529)	–	–	–	(263,529)
Audit fees payable	(147,818)	–	–	–	(147,818)
Tax fees payables	(213,681)	–	–	–	(213,681)
Other payables	(21,481,371)	–	–	–	(21,481,371)
Total liabilities	(102,867,808)	–	–	(2,701,511,237)	(2,804,379,045)

2018	*Less than 1 month USD*	*3 months - 1 year USD*	*1 - 5 years USD*	*Over 5 years USD*	*Total USD*
Liabilities					
Profit participating notes at fair value through profit or loss	–	–	–	(2,561,314,036)	(2,561,314,036)
Financial liabilities at fair value through profit or loss	–	(355,038)	–	–	(355,038)
Amounts due to brokers	(27,703,304)	–	–	–	(27,703,304)
Investment management fees payable	(4,276,007)	–	–	–	(4,276,007)
Legal fees payable	(928,235)	–	–	–	(928,235)
Audit fees payable	(43,325)	–	–	–	(43,325)
Tax fees payables	(157,167)	–	–	–	(157,167)
Other payables	(1,085,343)	–	–	–	(1,085,343)
Total liabilities	(34,193,381)	(355,038)	–	(2,561,314,036)	(2,595,862,455)

In accordance with the Company's policy, the Investment Manager has established processes and controls to monitor the Company's liquidity on a regular basis.

With respect to PPNs, the principal amount ultimately repayable will depend on the performance of the underlying portfolio of the Company. The PPNs are all internally issued and subject to amendment to reflect longer maturity dates closer to date of maturity.

6. OFFSETTING FINANCIAL ASSETS AND LIABILITIES

As at December 31, 2019 and December 31, 2018, the Company did not hold any financial assets or liabilities subject to counterparty netting or collateral requirements. Financial assets and liabilities are shown in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

7. AMOUNTS DUE FROM/TO BROKER

Amounts due from/to brokers comprise amounts receivable or payable for securities transactions that have not settled as at December 31, 2019 and December 31, 2018.

	2019 USD	*2018 USD*
Amounts due from brokers		
Amounts due from brokers	4,665,330	–
	4,665,330	–
Amounts due to brokers		
Amounts due to brokers	(76,251,345)	(27,703,304)
	(76,251,345)	(27,703,304)

8. NET LOSS/GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019 USD	*2018 USD*
Net realised gain/(loss) on investments		
Realised gain on investments	317,532,162	156,620,203
Realised loss on investments	(124,469,285)	(112,573,954)
Net realised gain on investments	193,062,877	44,046,249
Net change in unrealised appreciation/ (depreciation) on investments		
Net change in unrealised appreciation on investments	410,620,753	499,699,679
Net change in unrealised depreciation on investments	(463,771,282)	(557,973,346)
Net change in unrealised depreciation on investments	(53,150,529)	(58,273,667)
Net gain/(loss) on financial assets at fair value through profit or loss	139,912,348	(14,227,418)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

9. SHAREHOLDERS' CAPITAL

The authorised share capital of the Company is €1,000 divided into 1,000 shares of €1.00 each, 1,000 of which are issued and fully paid up. All of the shares are legally held by Ocorian Corporate Trustees (Ireland) Limited (the Share Trustee) under the terms of a declaration of trust (the Share Trust Agreement) dated April 26, 2018 under which the Share Trustee holds the benefit of the shares on trust for charitable purposes. On April 26, 2018, Ocorian Corporate Trustees (Ireland) Limited replaced Wilmington Trust SP Services (Dublin) Limited as the Share Trustee of the Company, after receipt of all of shares held by Wilmington Trust SP Services (Dublin) Limited. The Share Trustee has no beneficial interest in and derives no benefit from its holding of the shares. There has been no material change in the capitalisation of the Issuer since November 22, 2013, being the date of its incorporation.

10. FEES, ALLOCATIONS AND EXPENSES

Investment Management Fee
The Company pays an Investment Management Fee monthly in arrears, to the Investment Manager for its services pursuant to the terms of the Investment Management Agreement (the "Investment Management Fee") in an amount equal, in any period, to the same proportion of the "Management Fee" payable by the Master Fund to the Investment Manager. Investment management fees for the year totalled USD55,102,597 (2018: USD54,799,863) of which USD4,510,064 (2018: USD4,276,007) was payable at year end.

The Companies also pay a monthly asset-based management fee to the Investment Manager for its services pursuant to the terms of the Management Agreement between the Companies and the Investment Manager. This is deducted from the Company's monthly management fee calculations to prevent management fees being incurred twice on assets held in the Companies' portfolio.

Employee expenses
The Company has one direct employee (2018: one direct employee). Employee expenses of the Company for the year totalled USD111,206 (2018: USD62,962).

Auditor Remuneration	***2019 USD***	***2018 USD***
Audit of Company financial statements	176,689	121,889
	176,689	121,889

11. TAXATION

The Company will continue to be actively taxed at 25% in accordance with Section 110 of the Taxes Consolidation Act, 1997. As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

11. TAXATION (Continued)

The tax assessed for the year is higher than the standard rate of corporation tax in the Republic of Ireland (12.5%).

	2019 USD	*2018 USD*
Current tax expense	(750)	(750)

Factors affecting tax charge for the year
Corporation tax has been calculated based on the result for the year and the resulting taxation charge is as follows:

	2019 USD	*2018 USD*
Profit before taxation	3,000	3,000
Current tax charge at standard rate of 25%	(750)	(750)
Current tax charge	(750)	(750)

Deferred tax
Any temporary difference arising on the assets will be offset by a corresponding difference in the liabilities. Therefore, the Company does not have deferred tax assets and deferred tax liabilities in 2019 and 2018.

12. RELATED PARTIES

The Investment Manager received an Investment Management Fee in respect of its service to the Company as disclosed in Note 10. The Investment Manager is also the Investment Manager to the Attestor Value Master Fund LP (the "Master Fund") who currently owns all of the outstanding PPN's of the Company. The Company received investment securities with a fair value of USDNil (2018: USD123,217,819) at arm's length, in consideration for the issuance of PPN's. As part of the financing of the Companies, the Company transferred securities with a fair value of USD75,954,377 (2018: USD47,486,237) at arm's length, in consideration for the issuance of PPN's in those Companies. The in-kind transfers are reflected on the Statement of Cash Flows under supplementary cash flow information.

Two Directors of the Company, Alan Geraghty and Roger McGreal were appointed through Wilmington Trust and an annual fee is paid to Wilmington Trust for corporate services including the provision of Directors. Anke Moran is an employee of Attestor Capital Ireland Limited and does not receive a fee from the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

12. RELATED PARTIES (Continued)

The Company has determined that it meets the definition of an investment entity under IFRS 10, 'Consolidated financial statements'. As a result, the Company has not consolidated the results of its subsidiaries. These investments are accounted for at fair value through profit or loss. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist: a) The Company has obtained funds for the purpose of providing investors with investment management services. b) The Company's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income. c) The performance of investments made through the Company are measured and evaluated on a fair value basis. As a result, the Company has not consolidated the results of the below companies which are classified as investments that are accounted for at fair value through profit and loss.

Hestia Investments Designated Activity Company, Cumberland Investments Designated Activity Company Mare Finance Investment Holdings Designated Activity Company, Blasket Investments Designated Activity Company and Thalia Investments Designated Activity Company are used to make investments on behalf of the Company. Refer to Note 1 for further details of the relationship between the Companies and the Company.

	Country of incorporation	*Nature of business*	*% of Nominal capital 2019*	*% of Nominal capital 2018*
Subsidiary Companies				
Trinity Vastgoed Holding B.V.	Netherlands	Investment company	100.00%	100.00%
Blue Acquisition Co Ltd	Ireland	Investment company	100.00%	100.00%
River S.p.A	Italy	Investment company	100.00%	100.00%
River Due S.R.L	Italy	Investment company	100.00%	100.00%
River Tre S.p.A	Italy	Investment company	91.00%	100.00%
River Quattro S.R.L	Italy	Investment company	100.00%	100.00%
HRC RE S.R.L	Italy	Investment company	97.00%	97.00%
Associate Company				
Satere Beteiligungsverwaltungs GmbH	Austria	Investment company	45.00%	45.00%

During 2019, the Company paid USD65,591,523 (2018: USD12,358,810) to Trinity Vastgoed Holding B.V. through a loan issuance and USD28,110,653 (2018: USD2,867,000) as a share premium contribution. As at December 31, 2019 the Company had a payable of USD45,386,405 to Trinity Vastgoed Holding B.V and a receivable of USD28,448,879 from Trinity Vastgoed Holding B.V.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2019

13. MANAGED CAPITAL BASE

The Company views the PPNs issued as its capital. The Company maintains an actively managed capital base to cover risks inherent in the business and may seek financial support as deemed necessary by issuance of further PPNs. The Company manages its capital and makes changes to it in light of changes to economic conditions and risk characteristics of its activities. In order for the Company to maintain or adjust its capital structure, the Company may seek financial support as deemed necessary. There have been no changes to the capital structure of the Company during the year.

14. CONTINGENCIES

As at December 31, 2019, the Company had entered into a backstop funding agreement with a maximum funding commitment of USDNil (2018: USD29,098,735).

Additionally, as part of the subscription process for a new, funded bond issuance, the Company has committed to further subscribe to a second tranche to the value of EUR5,202,409. Given this commitment is subject to a number of conditions, the likelihood of funding, though not deemed remote, is considered improbable and meets the definition of a contingent liability under IAS37.

There were no other significant contingent liabilities at the Statement of Financial Position date.

15. SUBSEQUENT EVENTS

In connection with the preparation of the accompanying financial statements as at December 31, 2019, management has evaluated the impact of all subsequent events on the Company through March 24, 2020, the date the financial statements were available to be issued. As at the date the financial statements were available to be issued, there were issued loan notes of USD95,952,067 (2018: USD258,757,243) and redemption of loan notes of USD88,476,608 (2018: USD26,156,205).

On 7 January, 2020, Attestor Capital LLP was replaced by Attestor Limited as Investment Manager.

The Company has a contingency to fund a bond subscription for USD5,984,488 that lapsed on February 28, 2020. Discussions are currently being held with regard to an extension of the contingency period.

With the recent development of the COVID-19 pandemic the Investment Manager continues to monitor the recent market volatility, paying close attention to global developments and credit risk and are ready to act appropriately as required.

There were no other material events after the reporting year.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and signed by the Board of Directors on, March 24, 2020.