



ANNUAL REPORT

The Currency Exchange Fund N.V.
The Netherlands

Year ended 31 December 2025

Version: 2.1
Date: 13 April 2026



Contents

GENERAL INFORMATION	3
LETTER FROM THE SUPERVISORY BOARD.....	4
REPORT FROM THE MANAGING BOARD.....	6
RESULTS 2025	6
RECENT DEVELOPMENTS.....	15
ONGOING CHALLENGES	16
RISK MANAGEMENT	17
IN CONTROL STATEMENT	18
GOING CONCERN STATEMENT	19
OUTLOOK 2026.....	20
BUSINESS OVERVIEW	21
DEVELOPMENT IMPACT AND SFDR DISCLOSURE	23
GOVERNANCE AND OWNERSHIP	24
REMUNERATION POLICY	26
SUPERVISORY BOARD.....	28
INVESTORS.....	30
STATEMENT OF THE DEPOSITARY.....	31
FINANCIAL STATEMENTS	32
Statement of financial position	32
Statement of comprehensive income	33
Statement of cash flows	34
Statement of changes in net assets attributable to holders of redeemable shares Class A	35
Notes to the Financial Statements	36
OTHER INFORMATION.....	74
Profit appropriation.....	74
INDEPENDENT AUDITOR'S REPORT	75
APPENDIX I MEMBERS OF THE SUPERVISORY BOARD	76
APPENDIX II MEMBERS OF THE VALUATION COMMITTEE	78
APPENDIX III MEMBERS OF THE MANAGING BOARD.....	79

GENERAL INFORMATION

<i>Supervisory Board</i>	<i>Managing Board and Fund Manager</i>
Mr. Marcus Fedder (Chair) Ms. Sarah Russell (Vice-Chair) Mrs. Bola Adesola Mr. Tim Armbruster Mr. Jingdong Hua	TCX Investment Management Company B.V. Mauritskade 63 1092 AD Amsterdam The Netherlands
<i>Depository</i>	<i>Custodians and Banks</i>
Bank of New York Mellon S.A./N.V. Tribes SOM2 Building Claude Debussylaan 7 1082 MC Amsterdam The Netherlands	Bank of New York Mellon S.A./N.V. Citibank NA
<i>Administrator</i>	<i>Operational Auditor</i>
DLM Finance B.V. Mauritskade 64 1092 AD Amsterdam The Netherlands	DM Financial Netherlands B.V. Arentsburghlaan 3 2275 TT Voorburg The Netherlands
<i>External Independent Auditor</i>	
PricewaterhouseCoopers Accountants N.V. Thomas R. Malthusstraat 5 1066 JR Amsterdam The Netherlands	
<i>Legal and tax advisors</i>	<i>General Information</i>
Jones Day Concertgebouwplein 20, 1071LN Amsterdam The Netherlands Simmons & Simmons LLP Claude Debussylaan 247 1082MC Amsterdam The Netherlands	<u>Office Address</u> Mauritskade 63 1092 AD Amsterdam The Netherlands <u>Amsterdam Chamber of Commerce Registration</u> 3427 7912 <u>Legal Entity Identifier (LEI)</u> 724500UH3K0LTQ8QUS25 <u>www.tcxfund.com</u> <u>info@tcxfund.com</u>



LETTER FROM THE SUPERVISORY BOARD

2025 was a record year for TCX in terms of impact and financial results despite significant headwinds facing the world of development finance. Geopolitical tensions, trade disputes, and elevated sovereign debt levels across many developing economies are keeping financial markets volatile and borrowers under pressure. At the same time, Official Development Assistance is declining in several major donor countries, adding further strain on the financing available to frontier and emerging markets. In this context, the importance of scalable, market-based solutions that protect borrowers from currency risk and mobilize private capital has continued to grow. TCX's solution remains as relevant as ever.

Against this backdrop, the team delivered a landmark year. The Fund's hedging volume reached USD 2.84 billion — the highest in its 18-year history — a 3% increase over its 2024 levels, across 54 currencies in 572 transactions, with particularly notable growth in Asia (+78%) and Europe/Central Asia (+22%). Some 51% of hedged volumes went to the least developed and lower-middle income countries. The microfinance and SME finance sectors remained the main beneficiaries of TCX's hedging activities, though the share of public and sovereign sector borrowers continued to grow — an important development, as reducing currency risk exposure in sovereign external debt portfolios contributes directly to debt sustainability. TCX also sold USD 1.76 billion in currency risk to private investors, offsetting 62% of its hedging volume, and demonstrating its continued ability to mobilize private capital into frontier currencies. The Fund ended the year with a profit of USD 305 million and a Capital Ratio of 27.6% of Risk Weighted Assets, with both Moody's and S&P reconfirming their ratings in July 2025 (Aa3 and single-A with stable outlooks, respectively).

2025 was also a landmark year for TCX's partnership with the European Commission. The execution of the EFSD+ Pricing Component Plus in July 2025 and the activation of EUR 150 million in unfunded capital under the EFSD+ Capacity Facility in December 2025 brought the Commission's total financial support to TCX to EUR 561 million. In December 2025, TCX and KfW signed a Technical Assistance grant agreement under the same EFSD+ framework to launch a Local Currency Academy — a new initiative that will provide public and private sector borrowers across several low-income and lower-middle-income countries with independent advice, practical frameworks, analytical tools, and hands-on support to understand, access, and apply local currency risk mitigation instruments. The Academy addresses one of the most persistent structural barriers to local currency financing: the limited capacity of borrowers to adequately manage FX risk.

In September 2025, the African Development Bank's Board of Directors approved a USD 25 million equity investment in TCX. This deepens TCX's relationship with one of the continent's most important development finance institutions, strengthens the Fund's capital base, and reflects AfDB's confidence in TCX's track record across 31 African countries. Jointly with the AfDB, TCX will focus on fragile states, infrastructure, energy access, and public sector borrowers — precisely the segments where currency risk protection is the most needed.

On the governance side, 2025 brought significant transitions within the TCX Investment Management Managing Board. Mr. Brice Ropion, who served as Chief Finance & Operations Officer for 15 years, retired in October 2025. His contribution to building TCX's operational infrastructure has been foundational, and the Supervisory Board is deeply grateful for his dedication. In November 2025, Mr. Othman Boukrami stepped down as Chief Investment Officer after 16 years of exceptional service to the development of TCX's investment and trading capabilities. His legacy is embedded in the Fund's track record and growth, both in terms of volume as well as influence. Mid-year, Ms. Petra Visser completed her assignment as interim CRO. Mr. Kor Bosscher assumed the role of Chief Finance & Operations Officer in September 2025 and Ms. Yulia Pashchenko joined as Chief Risk Officer in October 2025. We welcome both and appreciate their already strong contributions. Last, not least, Nikolaus Siegfried's term as Chair of the Valuation Committee ended at the end of the year. We are most grateful for his dedicated service. He was succeeded as Chair by Louis Sabadino.



With 2025 marking the final year of TCX's 2022–2026 strategy, the Supervisory Board is closely engaged with management in preparing the ground for the next strategic cycle. The years since 2022 have seen TCX substantially scale its impact, complete the internalization of risk management, further strengthen the internal organization, deepen its partnership with the European Commission, welcome new investors including AfDB, and launch the Local Currency Academy. As the availability of concessional finance tightens globally, the demand for what TCX offers will only grow. We are confident the Fund enters the next cycle in its strongest position yet.

We wish to thank the Fund Manager, the Valuation Committee, and TCX's partners — including DLM Finance and OG Research — for their outstanding work and support in 2025. We also extend our sincere gratitude to TCX's investors for their continued trust in the Fund and its mission.

Amsterdam, 13 April 2026

The Supervisory Board of The Currency Exchange Fund N.V.

Mr. Marcus Fedder, Chair
Ms. Sarah Russell, Vice-chair
Mrs. Bola Adesola
Mr. Tim Armbruster
Mr. Jingdong Hua

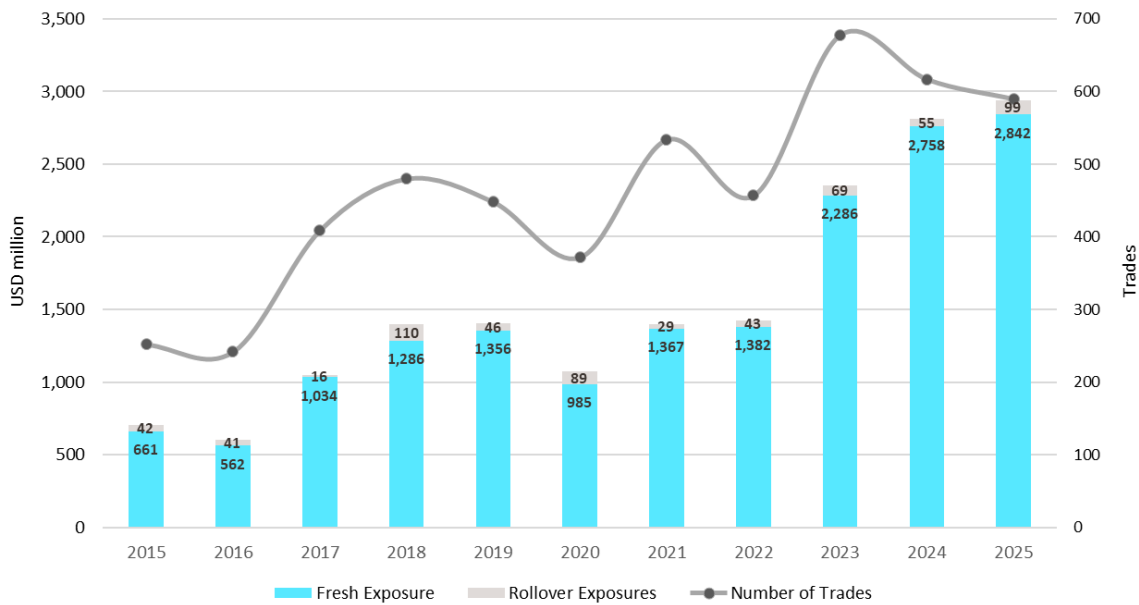
REPORT FROM THE MANAGING BOARD

RESULTS 2025

Primary portfolio

Reflecting the highest ever Primary production and Hedging volumes in TCX’s history, Primary production reached USD 2.84 billion in 2025, a 3% increase compared to USD 2.76 billion in 2024. This indicates a pricing environment that better matched client expectations, positive business climate for Emerging Markets, and increased sales efforts, coupled with sizeable offsetting opportunities in the most demanded currencies and a solid capital ratio, which made room for higher primary volumes.

Primary portfolio: production volumes



This Primary production was spread across 54 currencies in 572 transactions. Activity in Asia increased markedly (+78%), consistent with the Fund’s diversification objective. However, given the relatively low absolute volumes, year-on-year percentage movements can be magnified.

Primary portfolio: production volumes by region (USD million)			
Region	2025	2024	Change in %
Europe / Central Asia	1,397	1,142	22%
Latin America	429	658	-35%
Sub-Saharan Africa	426	420	1%
Asia	407	229	78%
Middle East North Africa	183	309	-41%

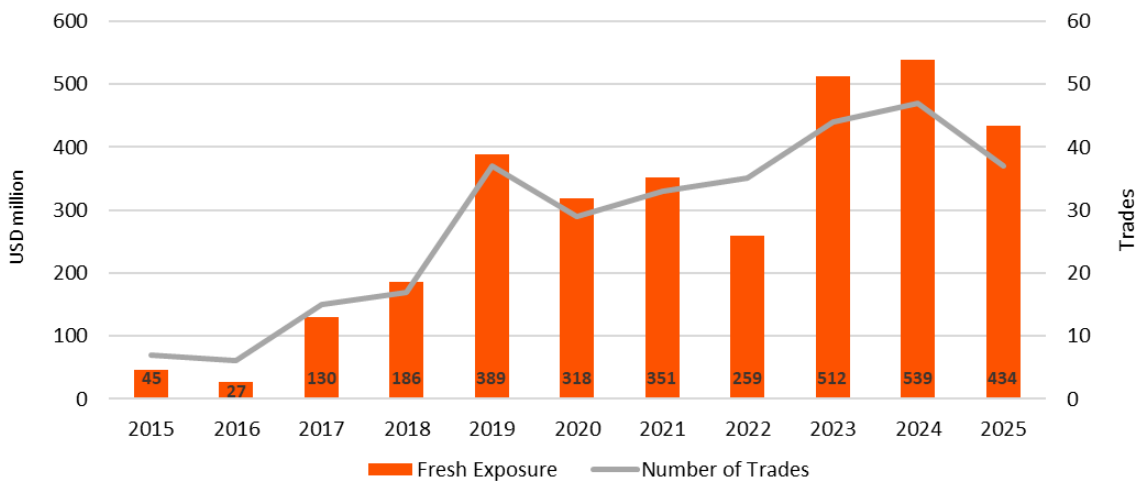


Hedging portfolio

In line with previous years, 62% of Primary production was hedged, amounting to USD 1.76 billion (2024: 62% and USD 1.70 billion respectively). This reflects the efforts to offset the inflow of Primary transactions, in order to avoid concentrated positions and keep the Capital Ratio at comfortable levels.

The Hedging portfolio includes USD 434 million related to local currency bond issuances by TCX's highly-rated investors and other parties, a 19% decrease relative to USD 539 million in 2024. These transactions - which TCX actively stimulates to deepen the local capital markets, reduce concentrations, release capital, and increase the capacity for closing fresh Primary transaction - were spread across 12 currencies in 37 transactions (2024: 18 currencies and 47 transactions).

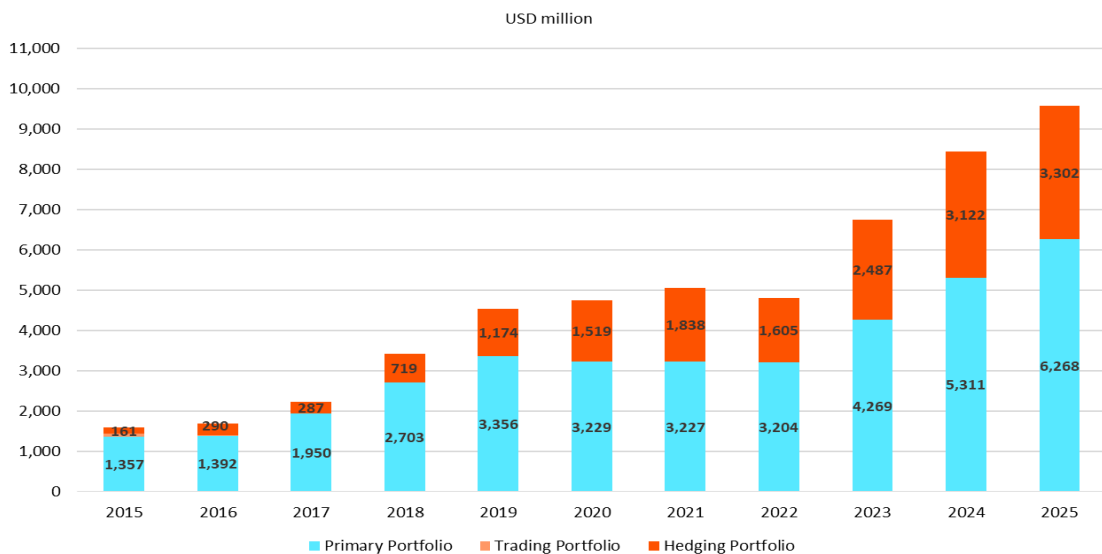
LCY bonds: production volumes



Portfolio size: gross outstandings

The Fund's gross derivatives outstandings (total of its long and short positions) increased 13% to USD 9.57 billion in 2025, compared to USD 8.43 billion at year-end 2024.

Derivatives portfolio: gross outstandings

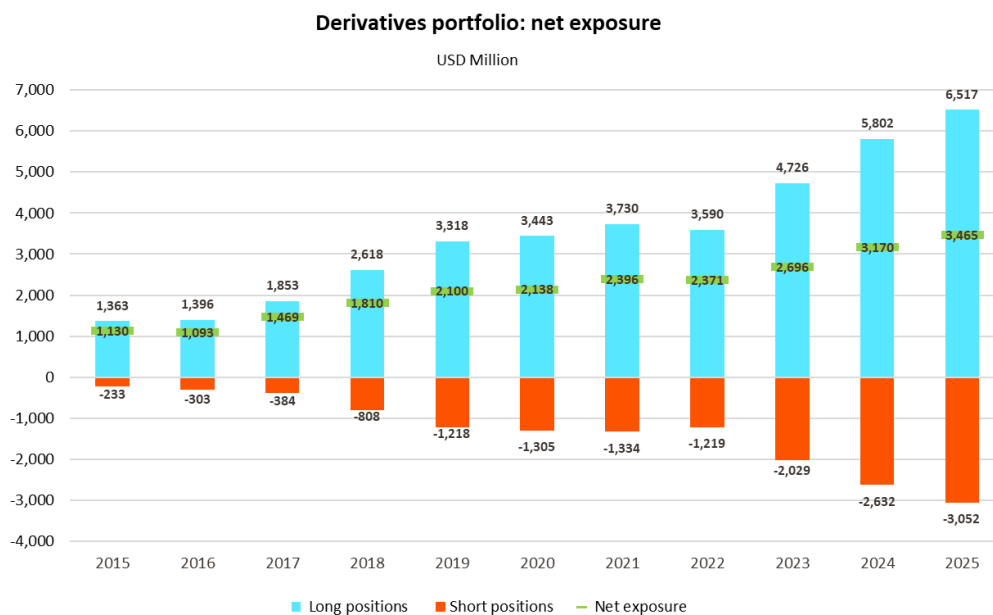


Excluding the EUR:USD Hedging portfolio, whose main purpose is to manage part of the EUR risks that arise on approximately a quarter of the Primary transactions, the gross outstandings increased 18% to USD 9.24 billion, compared to USD 7.84 billion in 2024. This local currency portfolio was spread across 1,933 trades in 58 local currencies (2024: 1,822 trades and 52 currencies). It includes USD 6.27 billion in Primary Investments (USD 5.31 billion in 2024) and USD 2.97 billion in Hedging Investments, or 47% of the Primary book outstandings (2024: USD 2.53 billion and 48% respectively).¹

Investment type (USD million)	Derivatives portfolio							
	Long Positions		Short Positions		Gross outstandings (Long+Short)		Net Exposure (Long-Short)	
	2025	2024	2025	2024	2025	2024	2025	2024
Primary book	6,192	5,267	76	44	6,268	5,311	6,117	5,223
Trading book	0	0	0	0	0	0	0	0
Hedging book (LCY:USD)	2	38	2,971	2,488	2,973	2,526	-2,969	-2,450
Total LCY portfolio	6,194	5,305	3,046	2,532	9,241	7,837	3,148	2,773
Hedging book (EUR:USD)	323	497	6	99	329	596	317	398
Total TCX portfolio	6,517	5,802	3,052	2,632	9,570	8,434	3,465	3,170

Portfolio size: net exposures

TCX's net derivatives exposure (its long positions minus its short positions) increased 9% year-on-year, reaching USD 3.46 billion at the end of 2025 (2024: USD 3.17 billion). This increase was driven by a 12% increase in the notional size of the long book, and a 16% increase in the notional size of the short book.

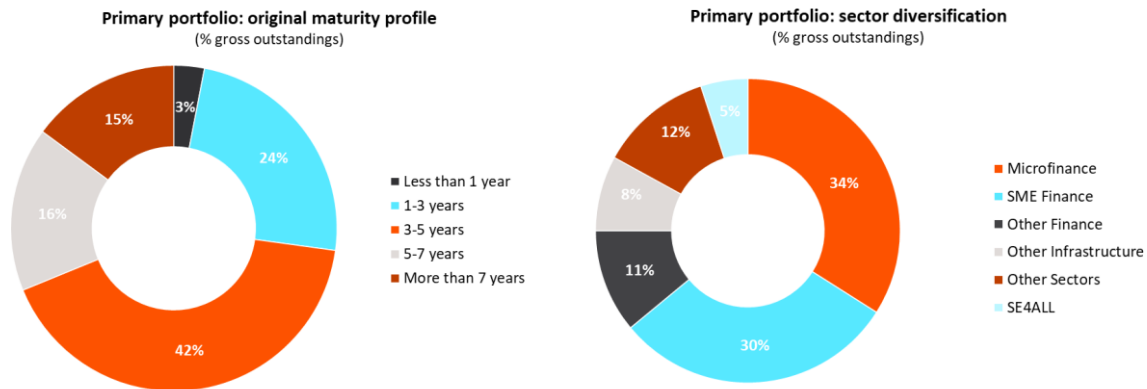


Included in the short book are the derivatives related to the bond issuances by TCX's investors and other parties. This portfolio remained flat compared to 2024 at USD 1.1 billion measured by amount and decreased from 100 transactions in 2024 to 91 in 2025 (-9% by number of transactions).

¹ Primary Investments are medium- to long-term local currency swaps and forwards transacted with TCX investors and select third-parties in relation to real underlying economic activities (speculative positions are not allowed). These investments consist, for the most part, of long local currency positions that hedge local currency loans to local borrowers, though short positions are possible as well (to hedge the FX risks, for example, of offshore entities that earn hard currencies but enter into long-dated contracts to pay for local goods and services in local currency). For diversification and concentration/risk management purposes, TCX also invests in derivatives with investment banks and professional counterparties. Where the purpose is portfolio diversification, the trades are classified as Trading Investments. Where the purpose is managing concentrations and mismatches in the Primary Investments portfolio, the trades are classified as Hedging Investments. The latter include the short local currency trades that TCX closes in relation to local currency bonds issued by TCX's investors to institutional and other investors, which serve to stimulate the development of local capital markets.

Portfolio profile

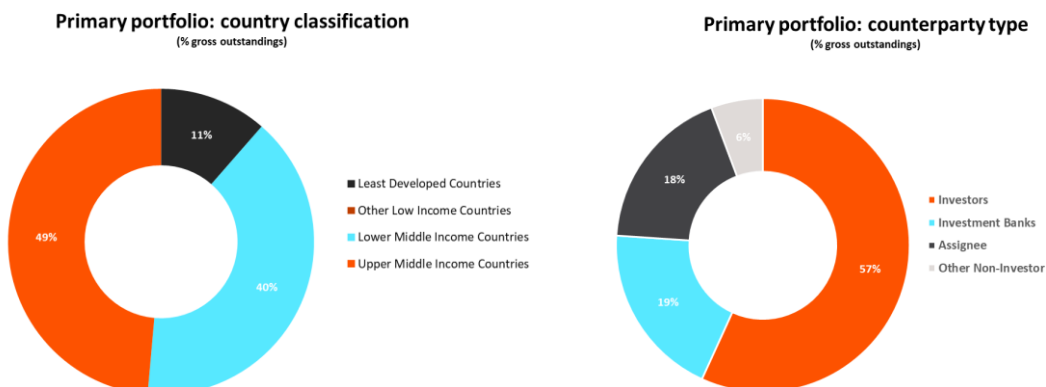
In 2025, as shown below, the maturity profile of the Primary portfolio remained relatively stable, with 73% of the gross outstandings having an original maturity of 3 or more years (2024: 70%). At the same time, regarding sector diversification of the loans underlying the portfolio, SME decreased to 30% (2024: 31%) and microfinance decreased to 34% (2024: 38%). The other sectors increased to 36% (2024: 31%). This development is in line with our strategy, and thus actively increases the diversification of our sectorial support and steadily increase the duration of the book.



Within the 'other' category, the share of the non-financial segments (SE4ALL, infrastructure, etc.) increased to 25% of the portfolio, along with the number of deals outstanding which increased 29%, in line with our strategy:

	Primary portfolio					
	SE4ALL		Other infrastructure		Other sectors	
	2025	2024	2025	2024	2025	2024
Gross outstandings (USD mln)	260	234	525	268	746	550
% of portfolio	4%	4%	8%	5%	12%	10%
Number of deals outstanding	63	62	52	28	75	57

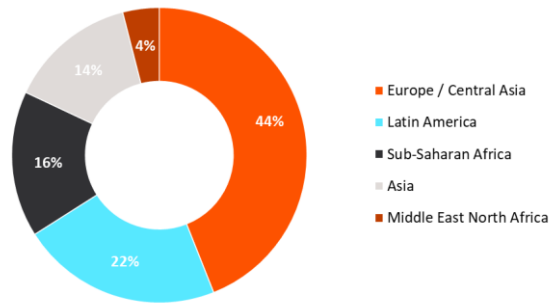
In terms of Development Assistance Committee (DAC) country classification at the time of booking each trade, the proportion of the Primary Investments portfolio allocated to the least developed and lower middle income countries decreased from 53% of the portfolio in 2024, to 51% in 2025:



Per type of counterparty, 75% of the Primary portfolio is investor-related, a number that includes the “assignees” to whom the investors have allocated their capacity to trade, in accordance with the Investors Agreement. The Investment Banks’ share increased from 17% of portfolio in 2024, to 19% in 2025. This deal-flow - which originates from investment and commercial banks with global networks - diversifies the currency mix of the portfolio and enhances TCX’s development impact, notably by contributing to achieving specific development objectives targeted by the Subordinated Convertible Debt investors (e.g., Sub-Saharan Africa, SE4ALL, etc.).

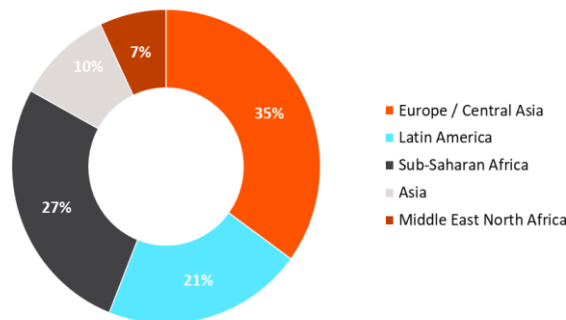
In 2025, the regional mix of the Primary portfolio gross outstandings saw Europe/Central Asia increase to 44% (2024: 38%) and Asia to 14% (2024: 12%). This came at the expense of Latin America which decreased to 22% (2024: 27%), Sub-Saharan Africa to 16% (2024: 17%), and MENA to 4% (2024: 6%).

Primary portfolio: regional diversification
(% gross LCY exposure)



Looking at the net exposures, the regional mix in the total local currency derivatives portfolio (which is the basis for setting the regional currency limits), Latin America decreased to 21% (2024: 29%), MENA to 7% (2024: 9%), whereas Sub-Saharan Africa remained stable at 27% (2024: 27%), and Europe / Central Asia increased to 35% (2024: 28%), and Asia to 10% (2024: 7%).

Derivatives portfolio: regional diversification
(% net LCY exposure)



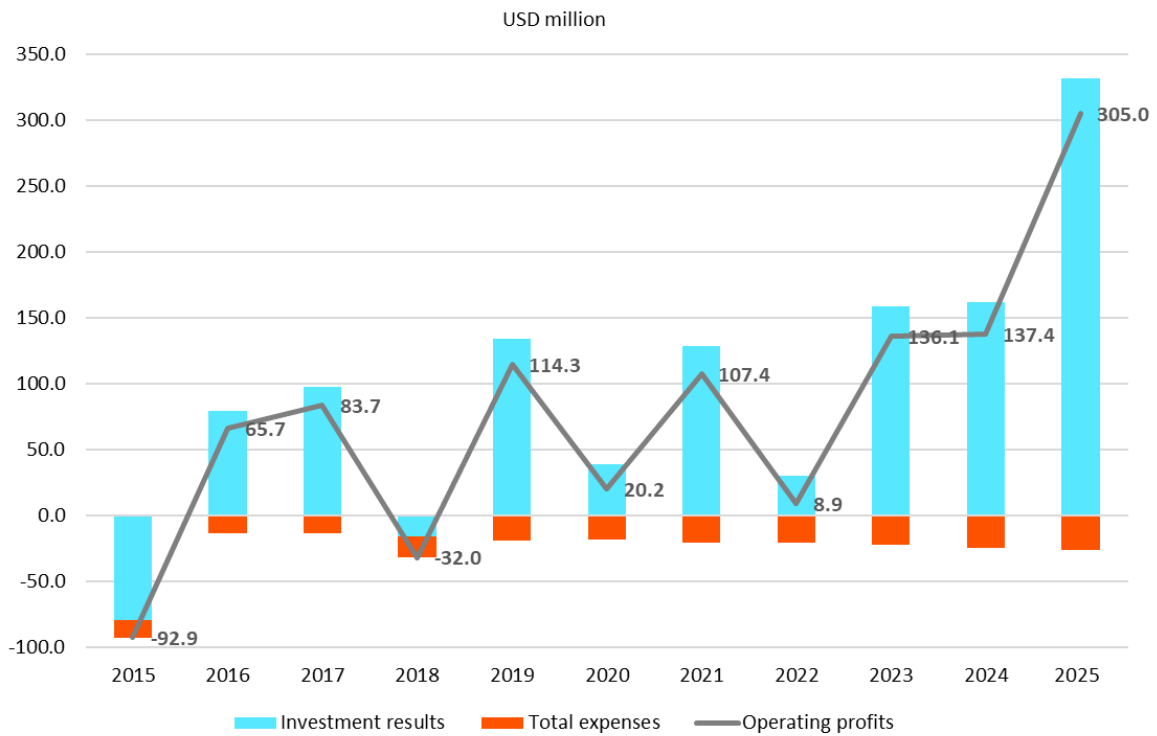


Financial results

The net result for 2025 was a profit of USD 305.0 million (2024: USD 137.4 million profit), including an investment gain of USD 331.7 million (after FX translation effects) (2024: USD 162 million), and USD 26.8 million in operational expenses and financial charges (2024: USD 24.6 million).

- The primary drivers of the investment gain of USD 331.7 million were the FX and interest rate (curve) movements due to the USD weakening, the positive interest carry in TCX's derivatives book and the returns on the Fund's liquidity portfolio.
- The operational expenses² increased from USD 18.1 million in 2024 (0.18% of Assets Under Management³), to USD 20.9 million in 2025 (0.18% of AUMs), in line with the 2025 budget.
- The financial charges consisted primarily of USD 5.38 million in amounts due to the Subordinated Convertible Debt holders (2024: USD 6.31 million).

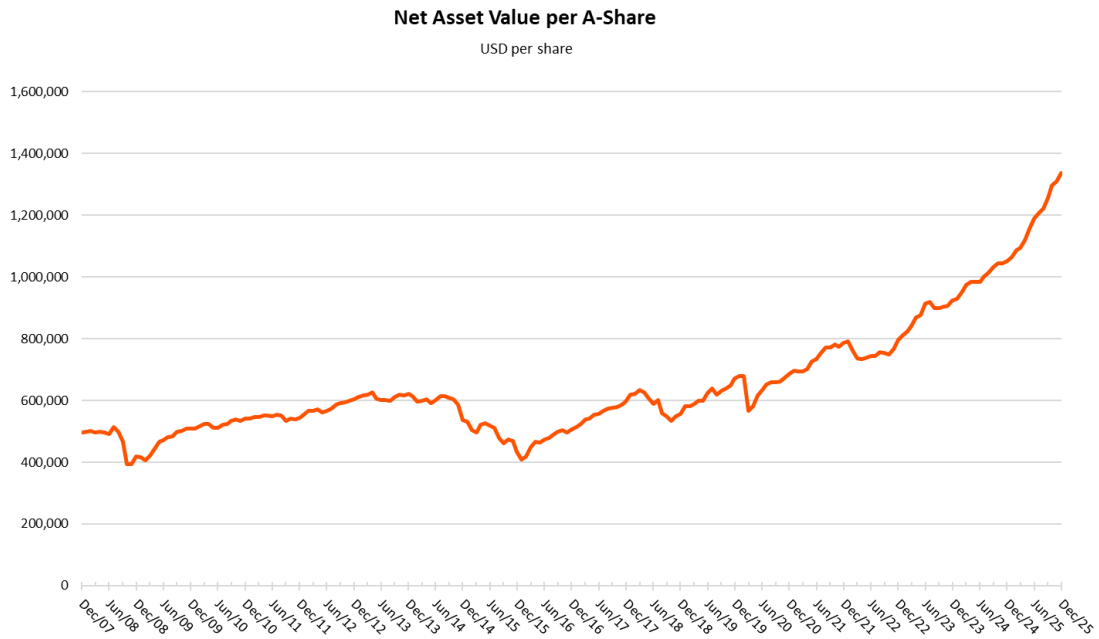
Annual results (before dividends)



² Includes the management and performance fees paid to the Fund Manager, plus TCX's internal costs.

³ The AUMs are as defined under the Alternative Investment Fund Management Directive and are essentially equal to the fair market value of TCX's non-derivative assets plus the gross notional size of the derivatives portfolio. The AUMs at 31 December 2025 totalled USD 11.9 billion (2024: USD 10 billion).

Reflecting the year's net result, the Net Asset Value per share grew by 27.1% year-on-year, from USD 1,052,702 per share at year-end 2024 to USD 1,337,744 per share at year-end 2025:



Capital management

The Available Capital grew 33%, from USD 1.55 billion at year-end 2024 to USD 2.05 billion at year-end 2025, an increase of USD 504 million.⁵ This increase was primarily driven by:

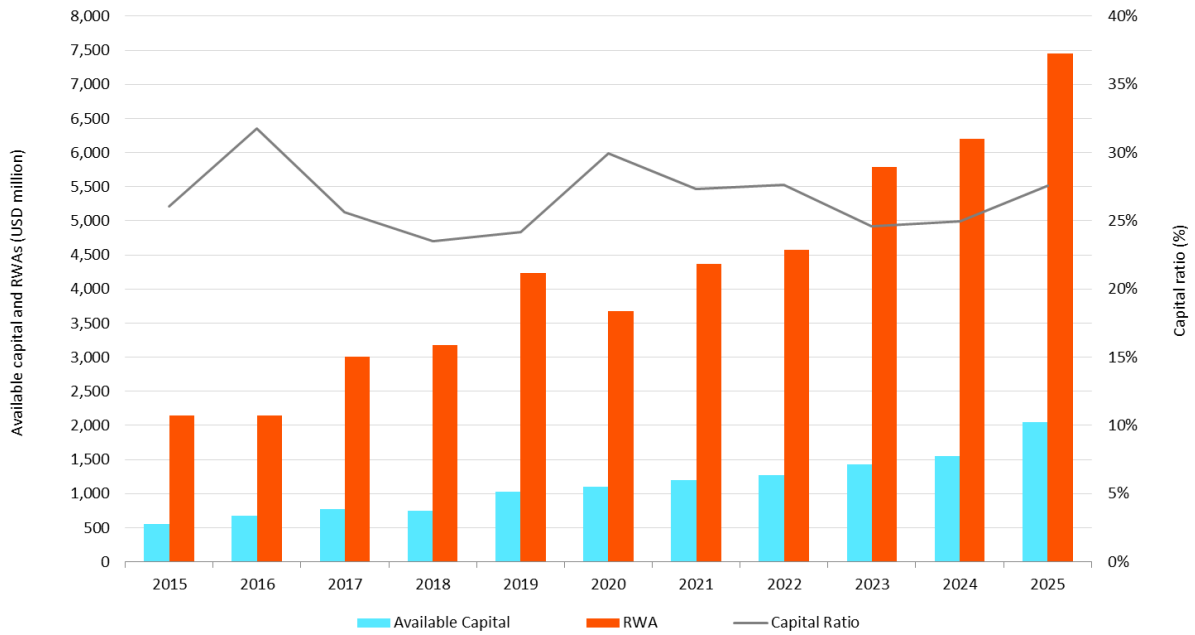
- the year's retained earnings (USD 305 million), plus
- USD 23 million in FX translation gains on the GBP and EUR denominated portions of the funded and unfunded CSL, plus
- EUR 150 million in unfunded Subordinated Convertible Debt issued in December 2025 under the European Commission Capacity program.⁶

Consequently, the Capital Ratio (Available Capital to Risk Weighted Assets) increased to 27.6% at year-end 2025, compared to 25.0% in 2024. This remains within the target range capital ratio and was caused by the faster growth of the Available Capital (+33% to USD 2.05 billion) compared to the Risk Weighted Assets (+20% to USD 7.45 billion):

⁵ See Note 22 for a breakdown of Available Capital

⁶ First and second tranches of the EUR 245.75 million EC EFSD+ Capacity Facility. For additional information, see Note 23 of the Financial Statements.

Capital and risk weighted assets



Market risks (FX and interest rate risks) accounted for 92.7% of Risk Weighted Assets at year-end 2025 (2024: 92.7%), operational risks 5.5% (2024: 5.6%), and credit risks 1.8% (2024: 1.7%).

Credit ratings

In July 2025, Standard & Poor’s re-confirmed TCX’s credit rating as "single-A with a stable outlook".

In July 2025, Moody’s re-confirmed TCX’s credit rating as "Aa3 with a stable outlook".



RECENT DEVELOPMENTS

Changes to TIM Managing Board

Effective 2 September 2024 through 30 June 2025, Ms. Petra Visser acted as interim CRO under a professional services agreement. Mr. Ruurd Brouwer subsequently assumed the role on an interim basis while the search for a permanent CRO was completed. Ms. Yulia Pashchenko has served as CRO since 13 October 2025.

Mr. Brice Ropion retired and stepped down as CFOO effective 1 October 2025. He was succeeded by Mr. Kor Bosscher as CFOO, including the Operations responsibilities..

Mr. Othman Boukrami stepped down as CIO effective 30 November 2025. The search for a permanent CIO is currently underway. Since January 2026, Mr. Jerome Pirouz is serving as interim CIO and is a member of TIM Executive Committee in a non-statutory capacity.

European Commission increases financial support to TCX

In July 2025, TCX and the European Commission – with EDFI Management Company as implementing partner – executed the Pricing Component Plus under the European Fund for Sustainable Development Plus program (the EFSD+). Under this program, EUR 150 million in pricing discount can be allocated to Eligible Deals to promote sustainable and inclusive development. The allocation phase started in Q4 2025, with the first deals expected to be traded in Q1 2026.

Combining the EU Market Creation Facility agreements under EFSD (EUR 145 million in EC Capacity Facility and EUR 20 million in EC Pricing Facility) and EFSD+ (EUR 246 million in EC Capacity Facility plus and EUR 150 million in EC Pricing Facility plus), the Commission’s total support to TCX amounts to EUR 561 million.

EFSD+ component of the EC Capacity Facility

In November 2024, TCX and the European Commission - with KfW as implementing partner – executed a EUR 245.75 million Capacity Facility under the European Fund for Sustainable Development Plus program (the EFSD+ Capacity facility). In December 2025, EUR 150 million in unfunded capital was activated under the terms of this facility.

Events after the reporting date

On 9 February 2026, the African Development Bank (AfDB) returned as a TCX shareholder with a USD 11.8 million investment, the first tranche of a USD 25 million equity commitment.

On 19 February 2026, TCX paid to TIM the performance fee that is reported in the balance sheet as performance fee payable, for additional info see Note 13.

Mr. Nikolaus Siegfried ‘s term as a member of the Valuation Committee ended in December 2025. Effective January 2026, Mr. Louis Sabatino was appointed Chair, and Mr. Alonso Perez joined the Committee as a new member.



ONGOING CHALLENGES

Business development issues

As we have in previous years, we re-iterate here some of the key business development issues we face when trying to expand TCX's portfolio and development impact:

- The choice for local currency funding to match assets earning local currency is often based on short-term financial considerations ("how much will it cost me now?") rather than forward-looking risk management ("how much more could I lose later?"). As a result, many end-clients perceive the low interest rates prevailing in hard currencies as attractive and continue to borrow in these currencies instead of local currencies. This often acts as a damper on TCX's growth.
- In many economic sectors, TCX faces long-standing structural impediments to realizing its development impact. An example is the energy sector where most of the underlying commercial contracts are denominated in USD and the FX risk is offloaded to the end-clients. Another example is the infrastructure sector, due to the large amounts and long tenors required. Penetrating these sectors requires patient work to explain to the lenders, borrowers, regulators, and governments involved that local currency arrangements may be better suited.
- As a market risk vehicle, TCX is not in a position to absorb a significant amount of the credit and country risks that inevitably arise when investing in emerging and frontier markets. The Fund is dependent, therefore, on the ability and willingness of other parties to face these risks, either as counterparties to TCX or as guarantors of its exposures.
- As the Fund increasingly operates as a temporary warehouse of local currency risks (by on-selling the exposures that it onboards when hedging the loan books of its counterparties), TCX becomes more dependent on the market's appetite for frontier currency risk. In the past, we have seen that periods of risk adversity towards frontier markets can reduce TCX's ability to offset the Fund's long positions. In these circumstances, the Fund's capital usage intensifies and its growth buffer shrinks. This reinforces the need to retain capital instead of paying dividends and to attract fresh capital to fuel the Fund's growth, in a context where the demand for TCX's products grows daily and capital raising transactions have long lead-times.
- TCX's Primary portfolio occasionally achieves peaks in individual and regional currency concentrations due to high demand in specific currencies. Notwithstanding the Fund Manager's efforts to place some exposures with market participants, the opportunities to offset these positions can be limited at times, due to market circumstances and TCX's mandate to be "additional" to the market. Under these circumstances, rationing the available capacity could be required.

Change management

In addition to the above, we note that TIM, as TCX's Fund Manager, executed an internal change in 2025 to address the growing scale, variety, and complexity of the Fund's business activities, to optimize its Enterprise Risk Management, and to strengthen its compliance with the increasingly numerous laws and regulations that apply to it. This included performing regular risk self-assessments and taking action to close the regulatory and operational gaps that this process surfaces.

With the organizational changes made we feel this will support improving on the actions to further strengthen the resilience of the organization.



RISK MANAGEMENT

For integrated risk management purposes, TIM's Managing Board appoints each year the members of three committees that together constitute the **Risk Management Committee** of the Fund (a.k.a **RISKCO**). These committees are the Asset & Liability Management Committee (ALCO), the Credit Risk Management Committee (CRC), and the Non-Financial Risk Committee (NFRC).

RISKCO manages, monitors, and reports on all risk issues impacting TCX, and either sets or proposes (to the TCX Supervisory Board and the investors, as applicable) policies, guidelines, and (exposure) limits in the areas of capital, liquidity, credit, and portfolio management, and, more broadly, Enterprise Risk Management and control.

The voting members of the RISKCO committees are members of the Managing Board. The non-voting members include the Administrator, the Operational & IFRS Advisor, and the Risk Advisor.

Financial Risks

In 2025 the fund is exposed to Financial Risk;

- Market risk, amongst which interest and foreign exchange currency risk
- Liquidity risk
- Credit risk

For additional information on the Financial risks, see Note 6 – Financial Risk Management - of the Financial Statements.

Non-Financial Risks

As the manager of TCX, TIM is responsible for ensuring the adequate management of relevant risks. In this context, TIM has taken important steps towards further maturing its integrated risk management system. This system is designed to encompass the fund's risk management policy as well as the manager's overarching risk management framework and continues to evolve as part of TIM's ongoing risk management development.

Non-financial risks include operational risks and compliance risks. Operational risks refer to the risk of financial loss resulting from inadequate or failed internal processes, people, systems, or external events. Compliance risks relate to the failure to comply with applicable laws and regulations, either in whole or in part, or in a timely manner. These risks are continuously identified, assessed, managed, and monitored through appropriate procedures and reporting mechanisms. Risk assessments are conducted based on a predefined and quantified risk appetite.

Risk management is structured according to the 'three lines' model. The first line (fund management function), the second line (risk management function), the third line (internal audit function - outsourced) operate independently. The second-line risk management function and the third-line internal audit function are both functionally and hierarchically separated from the fund management function.

Risk Management Function

TIM makes use of a Risk & Compliance application intended to support the integrated management of risk-related matters. The application provides functionality to facilitate, among other things, the comprehensive risk management system, internal control testing and the documentation of outcomes, as well as procedures related to risk event management. Further implementation and embedding of the application within the risk management processes remains ongoing.

Additionally, Risk and Control Self Assessments (RCSAs) have been introduced and, where performed, their results are documented and translated into the integrated risk management system. The application also serves as a central repository for the documentation and tracking of follow-up actions arising from RCSA's, audits, identified incidents and other risk-related events, thereby supporting an appropriate audit trail.

For new joiners, knowledge sessions and awareness trainings are conducted.



ISAE 3402 Report

The objective of an ISAE 3402 report is to provide assurance to external parties regarding the quality of internal control measures related to the services provided by the manager.

ISAE 3402 distinguishes between two types of reports. An ISAE 3402 Type I report assesses the design and implementation of control measures. An ISAE 3402 Type II report evaluates not only the design and implementation, but also the operational effectiveness of these controls over a defined review period (e.g., in relation to financial reporting).

TCX has prepared an ISAE 3402 Type II report covering the period from 1 November 2024 to 31 October 2025. The report is audited by DM Financial Netherlands B.V.. On 18 December 2025, TCX received an unqualified independent auditor's opinion on its ISAE 3402 Type II report. The independent auditor's conclusion is included in the assurance report.

Solvency

As TCX's Fund Manager, TIM complies with the requirements set by the Dutch Prudential Rules Decree (Besluit prudentiële regels Wft – BPR), the AIFMD, and the Dutch Civil Code (Burgerlijk Wetboek – BW) applicable to managers of investment funds. As a result, TIM is a financially sound entity capable of absorbing setbacks to a sufficient degree.

Fraud

The organizational culture, conduct, and management style at TIM collectively foster an environment in which socially responsible standards and ethics are of paramount importance. The organization places high value on ethical business practices and has implemented appropriate measures to prevent, detect, respond to, and report fraudulent activities both within and outside the organization.

These measures are outlined in the Financial Crime Prevention Policy. Examples include policies and procedures aimed at preventing financial crime, combating money laundering, and countering the financing of terrorism. TIM applies these through customer due diligence, comprehensive investment screening during onboarding, and ongoing monitoring of business relationships and outsourced parties.

In 2025, fraud-related risks did not result in any actual cases of fraud.

IN CONTROL STATEMENT

The Managing Board of TCX Investment Management Company B.V. (TIM or the Fund Manager) confirms that, as sole member of the Statutory Managing Board of The Currency Exchange Fund N.V. (TCX or the Fund), it is responsible for the risk management, internal control, integrity, and compliance systems of the Fund.

The Fund and TIM have entered into a long-term services agreement with each other and a number of operational partners to appropriately manage the Fund's systems and risks. During 2025, these partners included DLM Finance B.V. regarding back office, valuation, accounting, and administration services. Together with TIM, these unrelated parties form the TCX Operational Group.

All material processes relating to TCX's operational management, including responsibilities assigned within the TCX Operational Group in each step of TCX's management processes and the risk assessment thereof, are described in the TCX Operational Guidelines. All of the Fund's operational processes are designed for compliance with the AIFMD and other applicable laws and regulations. These guidelines are reviewed annually at least, each review possibly resulting in amendments signed off by all members of the TCX Operational Group. All service agreements with members of the TCX Operational Group require compliance with these guidelines. Each member of the TCX Operational Group provides us with an annual statement of compliance and control concerning TCX's operations during the previous financial year.

All of TCX's core processes include periodic controls on the effectiveness of their functioning and compliance with agreed procedures. The reporting on these matters includes risk assessments and compliance reports submitted to RISKCO and the Managing and Supervisory Boards. With respect to fraud

risks specifically, the risks covered include the risks of payment and revenue recognition fraud, and of management over-ride of the controls (notably with respect to preparing TCX's accounts and financial statements). Material risks are that responsibilities are inappropriately allocated or misunderstood, that individuals collude to commit fraud or are subject to undue (external or management) influence, that the incentive and reward system encourages risk-taking, and that processes have been poorly designed and gaps exist in the control framework.

There is also the independent annual operational audit, finalized on 18 December 2025 by DM Financial Netherlands B.V. (previously: Solutional Netherlands B.V.), the Fund's operational auditor. The scope of the operational audit was to report on the design and effectiveness of all material controls identified in the Operational Guidelines, including those related to payments, reconciliations, valuations, revenue recognition, and the preparation of the Fund's financial statements. The result was an unqualified audit opinion on the Fund's ISAE 3402 Type II report.

In conclusion, we confirm that:

- In the course of its activities, TIM has not identified any instances where the operations were ineffective or deviated from the described procedures. TCX Investment Management declares, with reasonable assurance, that we have no reasons to believe that the operations have not functioned effectively throughout the 2025 reporting year.
- TCX has designed a set of documented management controls that is adequate to conclude that the financial statements included herein give a true and fair view of its financial results and position.

We draw your attention as well to the section entitled "Change Management" at the end of the Ongoing challenges section.

GOING CONCERN STATEMENT

This annual report has been prepared on a going concern basis.

This means that the fund manager assumes that the fund's activities will continue in the foreseeable future. To reach this conclusion, several factors have been assessed, including those outlined below.

The Managing Board expects that difficult financial market conditions will prevail through 2026 due to wars, territorial and trade disputes, inflationary pressures, high debt levels, and other geo-political and macro-economic factors globally. Although there are significant uncertainties concerning our assessment of the impact of these factors on TCX, we have at this time no material uncertainties concerning TCX's ability to continue as a going-concern entity.

This conclusion is based on the Fund's strong capitalization and liquidity. We appreciate as always that global economic and geo-political pressures may escalate from the current tense situation and cause substantial volatility and sustained losses for TCX. At the same time, we note the following:

- The Fund is deliberately structured and strongly capitalized to withstand 'tail-risk' scenarios, with a Liquidation Trigger set at 14% of Risk Weighted Assets and a redemption gate set at 18%. In contrast, the Capital Ratio at year-end 2025 was 27.6% of RWAs. At this level of capital, TCX could sustain a loss of USD 1.01 billion (13.6% of RWAs) before causing a Liquidation Trigger Event. This amount is 10.9 times the worst annual result ever experienced by TCX (USD 93 million in 2015) and 3.3 times the "12-month diversified FX risk" (or potential future annual FX loss) estimate reported at year-end 2025 (USD 314 million). These multiples demonstrate that entering 2026, TCX's capital position is robust and capable of supporting substantial future volatility and growth at the same time.
- In addition, we note that TCX had ample liquidity at year-end 2025, with USD 1.72 billion (84% of capital tier 1) held in the form of cash, cash-equivalents, and marketable securities to cover future expenses, settlement payments, and collateral needs.

The fund is subject to a strategy review every year. These reviews ensure that the fund continues to meet investor expectations, adapts to changing market conditions, and aligns with the strategic objectives of



TCX. This strategy review also confirms compliance with applicable laws and regulations, which are continuously monitored within TCX Investment Management. The most recent strategy review was conducted in Q4 2025 and did not identify any issues that would raise concerns about the fund's continuity.

In line with the strategy review a Product Approval review is conducted for any category of derivative or liquidity investment at least every year, or earlier if deemed necessary. The aim of the Product Approval Procedure is to ensure that any new product added to TCX's portfolio is properly analyzed and approved to guarantee an appropriate support and control infrastructure, to identify, record and monitor the risks and results associated with it and to ensure compliance with agreed strategy and guidelines.

The fund's continuity could be affected by liquidity issues. Liquidity is monitored daily and reported at least monthly in a liquidity report, which includes scenario analyses and projections of the expected liquidity position. For more information, please refer to the sections on liquidity risk.

For more information on relevant developments in 2025 and the outlook for 2026, please refer to the section Outlook 2026.

OUTLOOK 2026

As demonstrated since 2007, we believe that TCX has in place the strategies, policies, processes, resources and relationships necessary to overcome the challenges above.

For 2026, we target an increase in Primary production volumes to USD 3.0 billion, representing +6% relative to 2025 production. This reflects the offsetting effects of the current challenging market conditions and ongoing discussions with several parties regarding the launch of new market-enabling programs, which would support the Primary production volumes. As always, we will strive to hedge concentrated positions where the market allows, to make room to onboard additional Primary exposures while keeping the Capital Ratio at comfortable levels.

There are ongoing discussions with several existing and potential investors to inject additional funded and unfunded capital into TCX. The size and timing of these injections is indeterminate at this time.

The results of the Fund will continue to be impacted by the unpredictability and volatility of interest and FX rate movements globally.

Amsterdam, 13 April 2026

The Managing Board of TCX Investment Management Company B.V.

Ruurd Brouwer, Chief Executive Officer
Kor Bosscher, Chief Finance & Operations Officer
Yulia Pashchenko, Chief Risk Officer



BUSINESS OVERVIEW

Business rationale

Long-term finance in emerging markets is often provided by development banks and other international investors who naturally lend in hard currency. The local borrower, earning local currency, has limited scope to absorb a currency mismatch between income and liabilities, and thus should borrow in local currency. The international investor, however, can usually only provide local currency if it can itself be hedged.

In established markets hedging solutions are readily available, but this is rarely the case in frontier markets. Hedging products are typically provided by banks acting as intermediaries, ultimately placing the risk back into the local capital markets. In frontier markets, however, the ability to absorb these risks is limited. Thus, the intermediary model breaks down.

TCX's unique value proposition is its ability to retain, on its own balance sheet, the currency risks that arise from the hedges it provides to market participants. To operate successfully, TCX does not need a functioning local market. Its risk model is based on the portfolio diversification effect of spreading and absorbing currency risks across all regions. On average, the higher interest rates prevailing in frontier markets more than compensate for the devaluing trend of these currencies, which allows TCX to be modestly profitable over the longer term.

Business principles

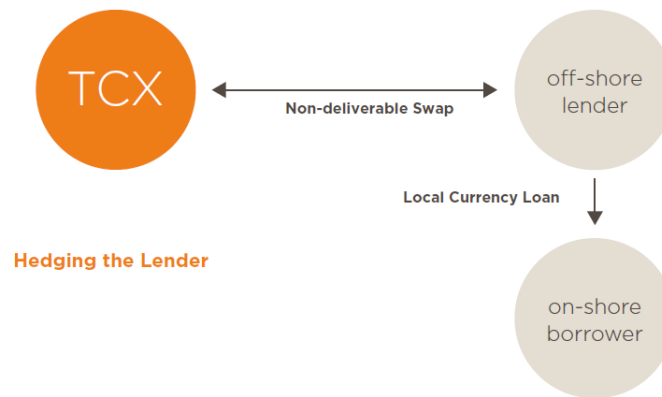
- **Focused products:** TCX only invests in market risk management products such as currency swaps and forwards. It does not provide funding.
- **Unique risk management structure:** TCX assumes outright currency risks in highly illiquid markets, managing risk through portfolio diversification across all regions and DAC countries in the emerging and frontier markets.
- **Alignment with shareholders:** By working with its shareholders, TCX has origination access to their combined client networks and deal-flow. TCX tailors its investments for these institutions.
- **Risk-reflective pricing:** TCX invests in products that are priced in accordance with prevailing market rates and established methodologies.
- **Additionality:** TCX only invests where its counterparties have no adequately priced commercial alternatives.
- **Non-speculation:** TCX only onboards currency exposures that arise from actual underlying obligations.

Products

TCX uses a limited set of derivative products and delivery channels to achieve its mission. This allows it to remain focused on its primary objective, which is the facilitation of long-term local currency finance in frontier markets in close alignment with its shareholders.

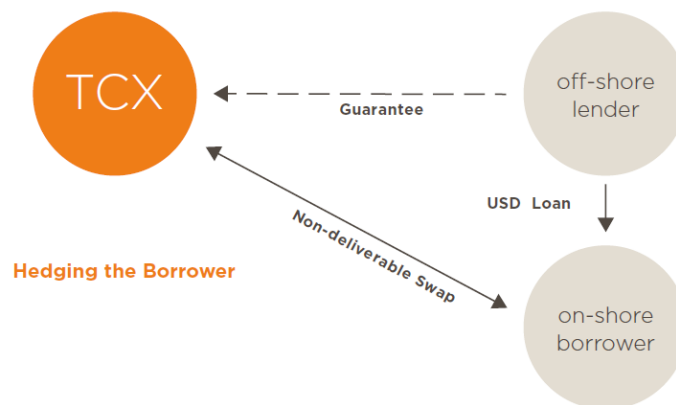
TCX's main investment product is a non-deliverable cross-currency swap, usually matched to the cash-flow of a local currency loan provided by one of its shareholders. The swap ensures that the lender's income is guaranteed in USD or EUR whilst the borrower's obligations are in local currency. A simpler investment product that can achieve similar results is the FX forward, also one of TCX's products.

The cross-currency swap may be provided either to the lender or to the borrower. Hedging the lender results in the investment structure presented in the figure below. The lender provides a local currency loan to the domestic borrower and hedges the associated currency exposure with TCX, so that the combined deal is an asset in the lender's functional currency e.g. the USD.



This structure is relatively straightforward from several perspectives. The client interface (and counterparty credit risk management) remains concentrated with the lender and the hedge is not exposed to domestic legal, regulatory or tax constraints.

The hedge may also be provided to the borrower, resulting in the structure presented below. The lender provides a USD loan to the local borrower, who hedges the resulting obligation with TCX. The hedge transforms its hard currency obligation into a local currency liability.



The direct swap to the local entity allows greater flexibility in the application of the hedge, since it is decoupled from the loan. The timing, size and tenor of the transaction may be specified to suit the client's needs, as may the details of the hedge terms (the client could decide, for instance, not to include the loan margin in the hedge). The direct swap structure does however require TCX to onboard the local client, address the resulting counterparty risks (via guarantees or other means), and satisfy itself that the local legal, regulatory and tax environment support the required transaction terms. For these reasons, TCX generally prefers dealing directly with lenders.

Please refer to TCX's website, www.tcxfund.com, for more details on TCX's investment products and the requirements to trade.



DEVELOPMENT IMPACT AND SFDR DISCLOSURE

TCX protects public and private sector borrowers in frontier and emerging markets from financial volatility emanating from currency risk. We also support capital market development, mobilize private investor interest, and advocate for structural adoption of local currency financing solutions.

TCX offers currency risk solutions that convert hard currency development lending into lending linked to the rate of the local currency. This way, borrowers still receive hard currency but are not impacted by movements in the exchange rate. Their debt service repayments become stable and predictable.

As a development finance initiative, TCX pursues maximum development impact and does not compete with commercial banks. We are active in currencies, tenors and sizes where commercial alternatives are absent or inadequate.

Our development impact framework encompasses three pillars and the associated reporting:

Pillar 1: De-risking development finance

TCX hedges lending to private and public sector borrowers in developing countries that create environmental, economic and social impact and contribute to the UN Sustainable Development Goals (SDGs). We improve the financial resilience of the borrowers and projects, especially in volatile times.

Pillar 2: Supporting capital market development and mobilizing the private sector

TCX shifts frontier market currency risk from borrowers to private investors, which enhances the transparency and efficiency of development finance. Most importantly, it ensures that currency risk is borne by institutions that seek and can manage it and not by vulnerable borrowers.

Pillar 3: Advocating for local currency finance and currency risk protection

TCX advocates for rethinking the traditional practice of hard currency lending and educating borrowers about the importance of managing currency risk. This requires a strong mandate from donors, policy setters, and senior leadership of international financial institutions. Our advocacy and thought leadership activities contribute to increased awareness and understanding on a global level.

Reporting

TCX measures the above through a set of indicators. Featured case studies, interviews, and stories of borrowers further amplify TCX's reach and development impact. This information is available in TCX's impact report and impact dashboard, which may be found on TCX's website.⁷

SFDR classification

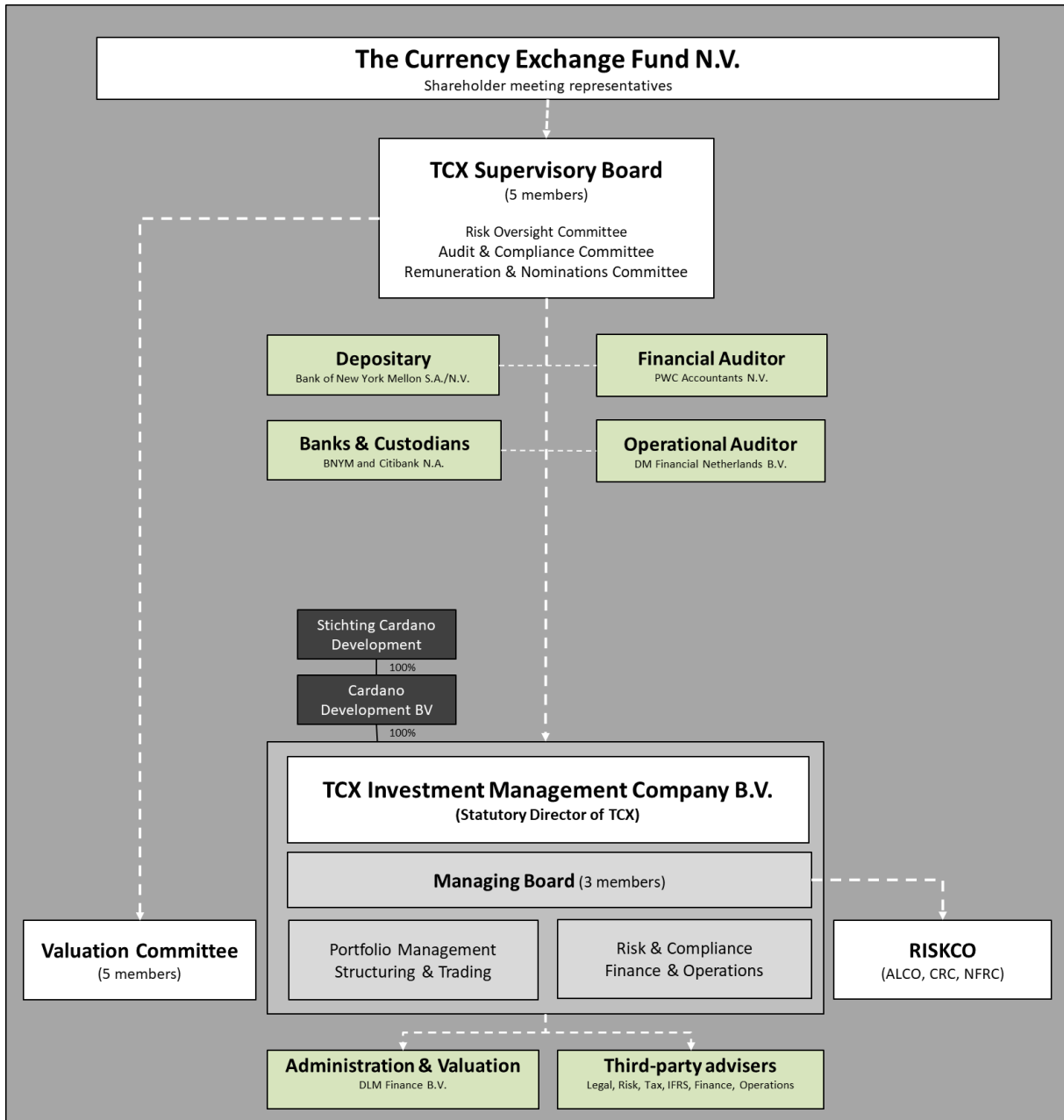
TCX "does not consider the adverse impact of investment decisions on the sustainability factors" specified in Regulation 2019/2088 of the European Parliament and Council (the Sustainable Finance Disclosure Regulation or "SFDR"). TCX thus classifies as an 'Article 6' financial product under the SFDR, meaning that the investments underlying TCX as a financial product do not take into account the EU criteria for environmentally and socially sustainable economic activities.

⁷ Please see <https://www.tcxfund.com/our-impact/>

GOVERNANCE AND OWNERSHIP

Fund management

TCX Investment Management Company B.V. (TIM) is TCX's exclusive Fund Manager and the sole member of the Fund's statutory Managing Board. As such, it is responsible for the commercial, operational, compliance and risk management of the Fund, with Mr. Ruurd Brouwer as its Chief Executive Officer and Chief Investment Officer ad interim, Mr. Kor Bosscher as its Chief Finance & Operations Officer and Ms. Yulia Pashchenko as its Chief Risk Officer. Including the vacancy on the CIO function, four individuals comprise TIM's Managing Board.





TIM is a licensed Alternative Investment Fund Manager (“AIFM”) that is subject to Directive 2011/61/EU (the Alternative Investment Fund Managers Directive or “AIFMD”) as implemented in the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht* or “Wft”). The license is restricted to managing TCX only, for the benefit of professional investors only. The supervisory authorities are the Financial Markets Authority of The Netherlands with respect to TIM’s conduct of business, and the Central Bank of The Netherlands with respect to the prudential rules that apply to TIM as an AIFM.⁸

TIM is 100% owned by Cardano Development B.V., which itself is 100% owned by Stichting Cardano Development, a stand-alone not-for-profit foundation that has no ultimate beneficial owner under the relevant laws of The Netherlands (all profits must be retained or re-invested).

During 2025, TIM was supported by several parties in managing the Fund. These parties include:

- The Fund’s Administrator, DLM Finance B.V., a company established and owned by former TIM employees, responsible for booking, settling, valuing, and reporting the Fund’s positions, for collateral management, and for preparing the Fund’s accounts and NAV statements, in accordance with the policies, processes, and methodologies mandated by the Fund Manager.
- Bank of New York Mellon N.V., the Fund’s Global Custodian and Depositary. As Depositary, BNYM is responsible for monitoring the Fund’s share transactions, safekeeping its assets, reconciling its cash flows, and confirming that its valuation policies and processes are being properly adhered to.
- Cardano Risk Management B.V, the Fund’s Risk Advisor, who participates as a non-voting member in the meetings of the Asset & Liability Committee and the Risk Oversight Committee⁹.
- DM Financial Netherlands B.V. (previously: Solutional Netherlands B.V.), the Fund’s Operational and IFRS Advisor, who participates as a non-voting member in meetings of the Non-Financial Risk Committee and the Audit & Compliance Committee.
- Simmons & Simmons and Jones Day as legal and tax advisors.

TIM receives a Management Fee from TCX as compensation for its services, which has two components:

- A monthly management fee whereby TIM recovers 100% of the costs of running TIM and TCX, subject to remaining within an annual budget that is pre-approved each year by the TCX Supervisory Board. This fee includes the fixed compensation (salaries) of TIM’s directors and other employees.
- An additional management fee consisting of an annual performance fee that depends on scores given by the TCX Supervisory Board on targets that are pre-agreed each year with TCX’s Investors. For 2025, the high-level targets were Production & Innovation (30%), Poverty & SE4ALL (10%), Capital (15%), Long Term Return (5%), and Solidify (40%). The resulting Performance Factor was 1.41 on a scale of 0 to 1.6 (2024: 1.43), as decided by the Supervisory Board on 11 February 2026. This variable Performance Factor directly affects the size of the bonus pool payable to TIM’s employees (which is tied to the salary mass), and the profits accruing to TIM (which are tied to a fixed USD amount that is indexed to US inflation).

The arrangements above entail that a Performance Factor equal to zero would result in zero performance fees being paid to TIM and thus, an empty bonus pool and zero profits for TIM. This remuneration structure combined with the fact that TCX is TIM’s sole permitted client, ensure that TIM’s interests are always aligned with those of TCX’s Investors.

⁸ There are no prudential or regulatory capital rules that apply to TCX as an AIF.

⁹ Cardano Risk Management B.V. is unrelated in terms of its ownership to Cardano Development B.V. (TIM’s owner). The common use of the name “Cardano” relates to the fact that Cardano Development B.V. used to be owned by the parent company of Cardano Risk Management B.V. In 2013, the company was acquired by Stichting Cardano Development, a stand-alone foundation that was created to execute the spin-off.

REMUNERATION POLICY

The employees are all “identified staff” for regulatory purposes. In conformity with the AIFMD, this means that they are subject to malus and claw-back arrangements with respect to their variable compensation, and that the variable compensation of “senior management”, “risk-takers”, and “control staff” is subject to pre-defined deferral arrangements.

The team’s compensation consists of fixed and variable remuneration. Fixed remuneration includes a defined contribution pension plan and excludes unused vacation pay, commuting and other allowances.

2025

(All amounts in thousands)

	FTEs	Average FTEs	Fixed EUR	Variable EUR	Total EUR	Total USD
Senior identified staff	3	3.3	1,061	370	1,431	1,680
Other identified staff	45	39.7	4,515	1,129	5,644	6,624
Total remuneration in 2025	48	43.0	5,576	1,499	7,075	8,304

2024

(All amounts in thousands)

	FTEs	Average FTEs	Fixed EUR	Variable EUR	Total EUR	Total USD
Senior identified staff ¹⁰	4	4.7	1,380	465	1,845	1,910
Other identified staff	31	34.6	3,726	917	4,643	4,805
Total remuneration in 2024	35	39.3	5,106	1,382	6,488	6,715

TIM had 48 employees and 2 contractors engaged under professional services agreements at year-end 2025 (2024: 35 and 3, respectively), with an average throughout the year of 42.9 employees and 2.8 contractors (2024: 39.4 and 1.6, respectively). TCX had no employees during 2025 (2024: none). In 2025, no director or other employee of TIM earned in excess of EUR 1 million (2024: none).

Longer term performance - The payment of variable compensation to eligible employees of TIM is fully discretionary and subject to malus and claw-back clauses, in addition to being based on performance appraisals against pre-agreed quantitative and qualitative targets, including adhering to TIM’s Code of Conduct. Per individual, variable compensation awards cannot exceed 65% of salary. For “senior management”, “risk takers”, and “control staff”, 40% of these awards are deferred and payable over the next three years in equal annual installments. In addition, the total variable compensation paid to the team over time can never exceed the bonus component of the performance fees received from TCX.

Conflict of Interest avoidance – TIM’s remuneration policy is designed to align the interests of staff and stakeholders, and includes measures to avoid or manage conflicts of interest. These measures include performance assessments based on long-term value creation, independent oversight of remuneration decisions, and clear separation between risk-taking and control functions. The policy is reviewed at least within a 3-year cycle, or earlier should it be needed, to ensure continued compliance with applicable regulations and ethical standards.

Decision making process - TIM has established a structured decision-making process for determining its remuneration policy, in line with the requirements of Annex II of the AIFMD and ESMA Guidelines. This process is overseen by the Supervisory Board of TCX as part of the Joint Supervisory Function of TIM and as a membership of the Remuneration & Nominations Committee of TIM.

¹⁰ Does not include one Managing Board member who was engaged as a contractor (non-employee).



The Remuneration & Nominations Committee of TCX is responsible for:

- Overseeing executive compensation.
- Overseeing the proper execution of the Remuneration policy of the Fund Manager.
- Approval of the Remuneration Policy.

The Managing Board:

- Approves and oversees the implementation of the AIFM Remuneration Policy.
- Determines remuneration for members of the management body.
- Reviews inputs from control functions (risk, compliance, HR, strategic planning).
- Monitors the impact of any material changes to the policy.

The remuneration policy considers both financial and non-financial performance indicators. Control functions are independent and not involved in setting their own remuneration. The process ensures that remuneration:

- Aligns with long-term value creation.
- Discourages excessive risk-taking.
- Promotes sound risk management.
- Reflects strategic business needs and ESG considerations.

Identified staff considerations - In accordance with Annex II of the AIFMD and the ESMA Guidelines on sound remuneration policies, the AIFM has identified categories of staff whose professional activities have a material impact on the risk profile of the AIFM or the AIFs it manages. These individuals are referred to as Material Risk Takers (MRTs) or Identified Staff.

The following categories are considered material risk takers:

- Senior Management: Members of the executive team responsible for strategic decisions and overall governance.
- Risk Takers: Staff whose decisions can materially affect the risk profile of the AIFM or the AIFs, including portfolio managers and traders.
- Control Functions: Staff in compliance, risk management, and internal audit, whose roles are critical to ensuring sound risk oversight.
- High Earners: Employees whose total remuneration places them in the same bracket as senior management or risk takers, and whose activities may influence risk outcomes.

Criteria Used to Identify MRTs:

- Decision-making authority over investment strategies, risk exposures, or operational processes.
- Influence on the risk profile of the AIFM or the AIFs through direct or indirect actions.
- Remuneration level, especially where variable pay is linked to performance metrics that could incentivize risk-taking.
- Functional role within the organization, particularly in areas such as portfolio management, risk oversight, or compliance.
- Delegation arrangements, where portfolio or risk management is outsourced, the AIFM ensures that delegated entities apply equivalent remuneration standards or contractual safeguards.

The identification process is reviewed annually and documented as part of the AIFM's governance and remuneration oversight framework.

SUPERVISORY BOARD

The Fund's management is supervised by the TCX Supervisory Board, which is responsible for oversight and governance of the Fund's policies and strategy.¹¹

Supervisory Board members are appointed by the General Meeting by simple majority vote for a renewable period of 4 years and receive an annual remuneration of EUR 37,200 (excluding VAT), except for the Chair who receives EUR 49,400 (excluding VAT).

Of the five current members, one is an employee of an investor in the Fund. This member has been appointed to the Supervisory Board in their individual capacity, not as a representative of the investor. The four other members are independent board members not related to an investor in the Fund. Of the five current members, two are women.

Supervisory Board meetings are held at least quarterly and are attended by the Supervisory Board members and the Managing Board, either in person or by phone. Additional meetings are convened as needed. Six meetings were held in 2025 (2024: six). Topics discussed included updates on the Fund's portfolio performance and risk profile, business strategy, product and market development, risk management, compliance and governance matters, DORA implementation, Managing Board succession planning, and the use of Artificial Intelligence. All matters presented to the Fund's investors are pre-discussed and approved by the Supervisory Board.

The Supervisory Board has appointed three sub-committees to help it discharge its oversight functions: a Risk Oversight Committee, an Audit & Compliance Committee, and a Remunerations & Nominations Committee. These committees operate pursuant to terms of reference determined by the Supervisory Board and the Fund's code of conduct, in line with the rules and regulations of the Dutch corporate governance code. The Supervisory Board meets regularly with these committees and uses a standardized agenda that allows the committee members to bring matters within their remit to the immediate attention of the Supervisory Board, without holding separate meetings.

- The **Risk Oversight Committee** assists the Supervisory Board in fulfilling its oversight responsibility towards TCX's investors and other stakeholders in relation to (a) the management of the market, counterparty, capital, liquidity, and model risks that TCX is or may be exposed to, in the context of the Fund's Enterprise Risk Management framework, (b) the adequacy of TCX's capital and liquidity, (c) the related agreements and policy frameworks, and (d) the adequacy and effectiveness of the resources that allow the fulfillment of these objectives. Members of the Risk Oversight Committee are not separately remunerated for their work on the committee.
- The **Audit & Compliance Committee** assists the Supervisory Board in fulfilling its oversight responsibility towards TCX's investor and other stakeholders in relation to (a) audit matters, (b) compliance matters, (c) the management of the fraud, sourcing, IT, business continuity, transaction processing, legal, and compliance risks that the Fund is or may be exposed to, in the context of the Fund's Enterprise Risk Management framework, and (d) the adequacy and effectiveness of the resources that allow the fulfillment of these objectives. Members of the Audit & Compliance Committee are not separately remunerated for their work on the committee.
- The **Remuneration & Nominations Committee** assists the Supervisory Board in fulfilling its oversight responsibility towards TCX's investors and other stakeholders in relation to (a) the selection of Supervisory Board members to be proposed to the General Meeting, (b) the Fund's veto right concerning the selection of the Fund Manager's Managing Directors, (c) the continuation or replacement of Valuation Committee members or the External Compliance Officer, (d) the management of people-related whistle-blowing events, conflicts of interests, and breaches of the code of conduct, (e) the annual process of setting targets for the Fund Manager, appraising the Fund Manager's performance against these targets, and determining the Performance component of the Management fee due to the Fund Manager (see Note 13 for additional details), (f) the remuneration policy of the

¹¹ the Financial Markets Authority of The Netherlands holds the TCX Supervisory Board jointly responsible together with the TIM Managing Board for regulatory compliance by the Fund Manager.



Fund Manager, (g) the management of the (strategic) HR risks that the Fund is or may be exposed to, in the context of the Fund's Enterprise Risk Management framework, and (h) the adequacy and effectiveness of the resources that allow the fulfillment of these objectives. Members of the Remuneration Committee are not separately remunerated for their work on the committee.

The Supervisory Board also appoints and oversees a Valuation Committee:

- The **Valuation Committee** is a unique feature of the TCX governance model, consisting of 5 independent professionals chosen for their expertise in emerging and frontier markets. The committee's purpose is to (a) decide on the 'benchmark' curves to be used by the Fund Manager as the basis for pricing and valuing TCX's derivative transactions (by approving (i) the source of the curves to be used as a basis and (ii) the NDF spreads for currencies where TCX is a 'price-maker'), (b) advise the Fund Manager on global macro-economic trends and risk issues, including stress scenarios, and (c) advise the Supervisory Board on valuation policies and other relevant topics on an ad-hoc basis (at the discretion of either party).¹² All members are remunerated by way of an annual lump sum of EUR 40,000 (excluding VAT), except for the Chairman who receives EUR 55,000 (excluding VAT).

Membership of the various committees is provided in the **Members of the Supervisory Board** section of this Annual Report.

¹² To be clear, the Valuation Committee does not set the actual pricing on individual trades or impose conditions or restrictions on e.g. the notional amounts or tenors, all of which is the responsibility of the Fund Manager at its discretion. The Fund Manager, on the other end, does not have discretion on how to value the Fund's positions. The curves used for these valuations must follow the methodologies approved by the Valuation Committee. This is verified each month as part of the month-end curve construction, valuation and NAV processes, in all cases prior to the release of the Fund's financial statements.



INVESTORS

IMPORTANT NOTICE UNDER THE LAWS OF THE EU

Interests in TCX can only be acquired by entities who qualify as Professional Investors within the meaning of article 4:1 of Directive 2011/61/EU (the Alternative Investment Fund Managers Directive), as implemented in the Financial Markets Supervision Act (*Wet op het financieel toezicht*) of The Netherlands.

IMPORTANT NOTICE UNDER THE LAWS OF THE USA

Interests in TCX have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and can only be acquired by persons outside of the United States and may not be offered or sold in the United States or to or for the benefit of U.S. persons.

December 31, 2025						
Name of Investor	A-Shares held	%	Issuance Value (USD)	%	Current Value (USD)	%
1 European Bank for Reconstruction and Development (EBRD)	188	17.57%	100,759,918	8.3%	251,495,947	12.2%
2 Kreditanstalt für Wiederaufbau (KfW)	188	17.57%	101,586,820	8.4%	251,495,947	12.2%
3 Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden N.V. (FMO)	188	17.57%	99,757,432	8.2%	251,495,947	12.2%
4 The European Investment Bank (EIB)	120	11.21%	61,956,722	5.1%	160,529,328	7.8%
5 International Finance Corporation (IFC)	118	11.03%	79,087,449	6.5%	157,853,839	7.7%
6 Agence Française de Développement (AFD)	80	7.48%	40,592,702	3.3%	107,019,552	5.2%
7 Development Bank of Southern Africa Ltd. (DBSA)	40	3.74%	20,000,000	1.6%	53,509,776	2.6%
8 OIKOCREDIT (Ecumenical Development Cooperative Society U.A.)	27	2.52%	15,539,091	1.3%	36,119,099	1.8%
9 Belgian Investment Company for Developing Countries SA/NV (BIO)	20	1.87%	10,000,000	0.8%	26,754,888	1.3%
10 Promotion et Participation pour la Cooperation Economique (PROPARCO)	17	1.59%	9,679,382	0.8%	22,741,655	1.1%
11 ASN Microkredietpool	15	1.40%	9,567,691	0.8%	20,066,166	1.0%
12 MFX Solutions LLC	14	1.31%	7,596,148	0.6%	18,728,422	0.9%
13 European Fund for Southeast Europe (EFSE)	10	0.93%	5,048,299	0.4%	13,377,444	0.6%
14 Compania Espanola de Financiacion del Desarrollo S.A. (COFIDES)	10	0.93%	5,000,000	0.4%	13,377,444	0.6%
15 OPEC Fund for International Development (OFID)	10	0.93%	4,945,084	0.4%	13,377,444	0.6%
16 EMF Microfinance Fund AGmVc	8	0.75%	4,931,815	0.4%	10,701,955	0.5%
17 Blue Orchard Microfinance Fund (BOMF)	8	0.75%	4,914,749	0.4%	10,701,955	0.5%
18 Stichting Oxfam Novib	5	0.47%	2,524,149	0.2%	6,688,722	0.3%
19 Grameen Credit Agricole Microfinance Foundation (GCAMF)	4	0.37%	2,395,146	0.2%	5,350,978	0.3%
Total Shareholders Equity Paid in	1,070	100.0%	585,882,645	48.3%	1,431,386,508	69.5%
Subordinated Convertible Loans Disbursed (tier 1 capital)						
20 Netherlands Minister for Development Cooperation (EUR 50m fixed at issuance)			70,617,623	5.8%	70,617,623	3.4%
21 KfW on behalf of the German Government (BMZ) (EUR 40m fixed at issuance)			58,155,830	4.8%	58,155,830	2.8%
KfW on behalf of the German Government (BMZ) (EUR 22.5m fixed at issuance)			26,728,875	2.2%	26,728,875	1.3%
KfW on behalf of the German Government (BMZ) (EUR 5m fixed at issuance)			5,662,200	0.5%	5,662,200	0.3%
22 KfW on behalf of the German Government (BMUKN) (EUR 30m fixed at issuance)			32,765,460	2.7%	32,765,460	1.6%
KfW on behalf of the German Government (BMUKN) (EUR 20m fixed at issuance)			22,648,000	1.9%	22,648,000	1.1%
23 UK Foreign, Commonwealth & Development Office (FCDO) (GBP 31m)			40,285,900	3.3%	41,700,296	2.0%
24 Swiss State Secretariat for Economic Affairs (USD 11m)			11,000,000	0.9%	11,000,000	0.5%
PROPARCO (EUR 2.5m fixed at issuance)			2,591,000	0.2%	2,591,000	0.1%
Total Subordinated Convertible Debt			270,454,888	22.3%	271,869,284	13.2%
First Loss Loan Disbursed (tier 1 capital)						
Netherlands Minister for Development Cooperation (USD 10.9m)			10,900,830	0.9%	10,900,830	0.5%
Total Disbursed Capital			867,238,363	71.5%	1,714,156,622	83.2%
25 EFSD Capacity Facility (committed, undisbursed) (tier 1 capital)						
KfW o.b.o. the EC (EUR 145.0m under the EFSD program) (100% activated)			170,167,821	14.0%	170,167,821	8.3%
EFSD+ Capacity Facility (committed, undisbursed) (tier 1 capital)						
KfW o.b.o. the EC (EUR 245.75m under the EFSD+ program) (61% activated)			176,035,677	14.5%	176,035,677	8.5%
Total Disbursed & Undisbursed Capital			1,213,441,860	100.0%	2,060,360,119	100.0%



STATEMENT OF THE DEPOSITARY

Amsterdam, February 13, 2026

Considering that:

- The Bank of New York Mellon SA/NV, Amsterdam branch (“the depositary”) is appointed to act as depositary of The Currency Exchange Fund NV (“the fund”) in accordance with section 21(1) of the Alternative Investment Fund Managers Directive (2011/61/EU) (the “AIFM Directive”);
- Such appointment and the mutual rights and obligations of the fund manager and the depositary of the fund have been agreed upon in the depositary agreement dated the 21st of December 2015 between such parties, including the schedules to that agreement (the “depositary agreement”);
- The depositary issues this statement exclusively to the fund manager in relation to the activities of the fund manager and relates to the period 1st of January 2025 up to and including 31st of December 2025, (“the period”).

Responsibilities of the Depositary

The depositary acts as a depositary within the meaning of the AIFM Directive and provide its services in accordance with the AIFM Directive, the EU implementing regulation, applicable Dutch laws and regulations and the policy rules issued by the European Securities and Markets Authority and the Dutch Financial Markets Authority (the “regulations”). The responsibilities of the depositary have been described in the agreement and include, in addition to the safekeeping, recordkeeping and ownership verification tasks (as defined in article 21(8) AIFM Directive), several monitoring and oversight tasks (as defined in article 21(7) and 21(9) AIFM Directive):

- Monitoring of the fund’s cash flows, including identification of significant and inconsistent cash flows and reconciliation of the cash flows with the fund’s administration;
- Ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of units or shares of the fund are carried out in accordance with the applicable national law and the fund documentation;
- Ensuring that in transactions involving the fund’s assets any consideration is remitted to the fund within the usual time limits;
- Validating if the fund is managed in compliance with the investment restrictions and leverage limits as defined in the fund documentation.

Statement of the Depositary

The depositary has carried out such activities during the period as considered necessary to fulfil its responsibilities as depositary of the fund. The depositary is of the opinion that, based on the information made available and the explanations provided by the fund manager, in all material respects, the fund manager has carried out its activities which are in scope of the monitoring and oversight duties of the depositary, in accordance with the regulations and the fund documentation.

Miscellaneous

This statement does not create, and is not intended to create, any right for a person or an entity that is not a party to the depositary agreement.

Signed: Ton Tol

Head of Netherlands Trust and Depositary Services
The Bank of New York Mellon SA/NV, Amsterdam branch



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As of 31 December (After appropriation of result)

(All amounts in thousands USD)	Notes	2025	2024
Assets			
Cash and cash equivalents	7	89,239	252,213
Financial assets at fair value through profit or loss	8	1,977,440	1,411,576
Cash collateral given	9	175,044	140,399
Subsidy program receivables	10	5,701	12,999
Other receivables	11	1,514	799
Intangible assets	12	313	283
Total assets		2,249,251	1,818,269
Liabilities			
Cash collateral received	9	156,827	73,885
Financial liabilities at fair value through profit or loss	15	352,127	311,415
Accrued expenses and other payables	16	11,779	12,234
Deferred income subsidy programs	18	14,361	14,466
Subordinated convertible debt	19	196,757	191,205
Grants linked to the subordinated convertible debt	19	75,112	77,772
First loss loan	20	10,222	10,086
Grants linked to the First loss loan	20	679	815
Total liabilities (excluding Class A shares)		817,864	691,878
Net assets attributable to holders of redeemable shares Class A	21	1,431,387	1,126,391
Total liabilities		2,249,251	1,818,269

The accompanying notes are an integral part of these financial statements



STATEMENT OF COMPREHENSIVE INCOME

(For the year ended 31 December)

(All amounts in thousands USD)	Notes	2025	2024
Investment result			
Net result on financial instruments at fair value through profit or loss	28	255,398	85,154
Interest income	30	59,119	82,147
Subsidy income	18	(4,106)	(2,176)
		310,411	165,125
Other results			
Distributions to the Debt Investors	17	(5,379)	(6,309)
Foreign currency translation	29	21,339	(3,150)
		15,960	(9,459)
Operational expenses			
Management fee – base component	13	(14,921)	(12,469)
Management fee – performance component	13	(2,945)	(2,810)
Governance expenses	13	(415)	(395)
Risk monitoring fee	14	-	10
Audit fees	14	(625)	(478)
Depositary fees	14	(365)	(269)
Other general expenses	31	(2,104)	(1,886)
		(21,375)	(18,297)
Total comprehensive income for the year		304,996	137,369
Distribution to holders of redeemable shares Class A	21	-	-
Change in net assets resulting from operations attributable to holders of redeemable shares Class A		304,996	137,369

The accompanying notes are an integral part of these financial statements



STATEMENT OF CASH FLOWS

(For the year ended 31 December)

(All amounts in thousands USD)	Notes	2025	2024
Cash flow from operating activities			
Management fee – base component paid		(14,580)	(12,171)
Management fee - performance component paid		(2,435)	(2,480)
Audit fees paid		(705)	(489)
Governance expenses paid		(415)	(395)
Depository fees paid		(365)	(269)
Net cash collateral movements		48,297	46,069
Other general expenses paid		(1,434)	(2,466)
Net cash flow (used in)/generated from operating activities		28,363	27,799
Cash flow from investing activities			
Net receipts from Primary, Trading and Hedging financial instruments at FVtPL		140,249	64,302
Net (payments)/receipts for Debt instruments at FVtPL		(410,003)	43,694
Interest received		58,891	83,338
Proceeds from subsidy programs		1,562	-
Repayments for subsidies granted	18	(104)	(3,940)
Investment intangible assets		(38)	(238)
Net cash flow generated from (used in) investing activities		(209,443)	187,156
Cash flow from financing activities			
Payments to the Debt Investors		(6,125)	(5,295)
Net cash flow generated from (used in) financing activities		(6,125)	(5,295)
Net cash flow utilized during the year		(187,205)	209,660
Cash and cash equivalents at the beginning of the year		252,213	46,461
Foreign currency translation of cash positions		24,231	(3,908)
Cash and cash equivalents at end of period	7	89,239	252,213
Analysis of cash and cash equivalents			
Cash at Citibank		16,916	18,208
Cash at BNY Mellon		2,578	5,176
Money Market funds		69,745	228,829
Cash and cash equivalents at end of period	7	89,239	252,213

The accompanying notes are an integral part of these financial statements



STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES CLASS A

The movements in shares Class A are as follows:

(For the year ended 31 December)

(All amounts in thousands USD)

	Amounts		Number of shares	
	2025	2024	2025	2024
Net assets at beginning of year	1,126,391	989,022	1,070	1,070
Issuance of shares	-	-	-	-
Repurchase of shares	-	-	-	-
Net change from transactions with shareholders	-	-	-	-
Change in net assets from operations	304,996	137,369		
Net assets at end of the year Class A	21	1,431,387	1,070	1,070

The accompanying notes are an integral part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Currency Exchange Fund N.V. (“TCX” or “the Fund”) is a public limited liability company incorporated and existing under the laws of The Netherlands, Chamber of Commerce number 34277912. The Fund was established in September 2007 and started commercial operations in January 2008.

The Fund’s objective is to invest, along commercially sound principles, in long-term emerging-market currency and interest rate derivatives, with the purpose of developing local currency funding options, predominantly for its investors and their clients. TCX’s counterparties utilize the products offered in the mitigation of currency and interest rate mismatches.

All amounts displayed in these Notes to the Financial Statements are expressed in thousands, both in the tables as well as in the text, unless otherwise indicated.

2. Events after the reporting period

On 9 February 2026, AfDB was issued 9 shares in a USD 11,800 transaction, the first tranche of a USD 25,000 investment commitment.

On 11 February 2026, based on the targets approved by TCX’s Investors at the May 2025 AGM, the TCX Supervisory Board scored the Fund Manager 1.41 on a scale of 0 to 1.6 for its performance in 2025 (2024: 1.43). Consequently, the performance fee paid by TCX to the Fund Manager in 2026 in respect of 2025 totals USD 3,133, matching the year-end accrual and requiring no further adjustment in 2026 accounts. For additional information, see Note 13.

3. Statement of compliance

The financial statements of the Fund have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU), Part 9 of Book 2 of The Netherlands Civil Code and the Dutch Act on Financial Supervision. Refer to Note 4 and 5 for a further explanation of significant accounting policies, estimates and judgments.

The financial statements were authorized for issue by the Managing Board on 13 April 2026.

4. Summary of significant accounting policies

Basis of preparation

The financial statements are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Certain financial assets and financial liabilities are stated at amortized cost.

The Statement of financial position presents the assets and liabilities in decreasing order of liquidity and does not distinguish between current and non-current items. The Fund’s assets and liabilities are generally held for the purpose of being traded or are generally expected to be realized within one year with the exception of the Primary Investments, the long-term Subordinated Loan, the Subordinate Convertible Debt, Subsidies and the associated Grant and subsidy elements linked thereto.

The accounting policies have been consistently applied by the Fund and are consistent with those used in the previous year. All amounts have been rounded to the nearest thousand unless otherwise indicated.

Adoption of new standards and amendments to existing standards

IFRS 18 will replace IAS 1 Presentation of Financial Statements for periods beginning on or after 1 January 2027. The standard introduces new requirements for presentation and disclosure in the financial statements. Entities will be required to classify income and expenses in the statement of profit or loss into the categories operating, investing, financing, discontinued operations and income tax, and to present a newly defined operating profit subtotal. IFRS 18 also requires management-defined performance measures to be disclosed in a single note and includes enhanced guidance on the grouping of information. The amendments are expected to affect presentation and disclosure, including the statement of profit or loss, but are not expected to have a material impact on the Fund's results. The Fund intends to early adopt IFRS 18 with effect from 1 January 2026.

Functional currency translation

Functional currency and presentation currency

The functional currency of the Fund is the United States Dollar (USD), reflecting the fact that the majority of the transactions are settled in USD. The Fund has adopted the USD as its presentation currency as all of the contributions made by the investors of the Fund are denominated in USD.

Transactions and balances

All recognized assets and liabilities denominated in non-USD currencies are translated into USD equivalents using year-end spot rates. Transactions in foreign currencies are translated at the rates of exchange prevailing at the date of the transaction. Resulting exchange differences on the financial instruments at fair value through profit or loss in foreign currencies are recorded in the income statement as part of the investment result. Realized and unrealized exchange differences on other assets and liabilities are also recorded in the income statement and disclosed as foreign currency translation.

Financial instruments

Classification

Financial instruments at fair value through profit or loss - the Fund classifies all derivative financial instruments (which may include foreign exchange contracts, interest rate futures, forward rate agreements, currency and interest rate options, both written and purchased as well as other derivative financial instruments), investments in debt securities, and the investment in Frontier Clearing Fund Junior as financial instruments at fair value through profit or loss.

Subordinated (convertible) debt, grants linked to the subordinated convertible debt, First loss loan and grants linked to the First loss loan - the Fund classifies these instruments as financial liabilities in accordance with the substance of the contractual arrangements, given that the total expected cash flows attributable to the instrument over its life are not based substantially on the profit, the change in the recognized net assets, or the change in the fair value of the recognized and unrecognized net assets of the Fund during the life of the instrument.

The following financial instruments are classified as financial instruments at amortized cost: other receivables, EC Pricing Facility receivable, accrued expenses and other payables, cash collateral (paid and received), subsidies granted and cash and cash equivalents.

The Fund's accounting policy regarding the redeemable shares Class A is described below.

Recognition

The Fund recognizes all financial instruments on its balance sheet when it becomes a party to the contractual provisions of the instrument. Financial instruments at fair value through profit or loss are initially recognized using trade date accounting. Gains and losses are recognized from this date on.

Drawdowns under the Subordinated Convertible Debt and First Loss Loan facility are treated as loans that include a grant element (further referred to as Grants linked to the Subordinated Convertible Debt and



Grants linked to the First Loss Loan, together “the Grants”). The Grants are calculated as the difference between the initial carrying value of the loans (its fair value) and the proceeds received (its book value).

Intangible fixed assets are presented at cost less accumulated amortization. Amortization is calculated as a fixed percentage of cost. Amortization is provided from the date an asset comes into use.

Measurement

All financial instruments are initially measured at fair value (transaction price). Furthermore, the following measurement principles are applied:

Financial instruments at fair value through profit or loss - Transaction costs on financial instruments at fair value through profit or loss are expensed immediately. After initial recognition, financial instruments at fair value through profit or loss are measured at fair value, with changes in their fair value recognized as gains or losses in the statement of comprehensive income.

Subordinated (convertible) debt, grants linked to the subordinated convertible debt, First loss loan and grants linked to the First loss loan - the Subordinated Convertible Debt, First Loss Loan and the Subordinated Loan are recorded as liabilities on an amortized cost basis using the effective interest rate method until extinguished upon conversion, restructuring or at the instrument’s maturity date. The Grants are amortized over the lifetime of the Subordinated Convertible Debt and First Loan Loss respectively.

Other receivables, accrued expenses and other payables, cash collateral (paid and received) and cash and cash equivalent- these financial instruments are recognized at fair value and subsequently stated at amortized cost using the effective interest method.

Fair value measurement principles

Commercial papers and Debt Instruments - For all financial instruments at fair value through profit or loss for which a market price is available, the market price is used and the instruments are classified as Level 1 instruments. Where the market price is not available, the fair market value is determined using market reference rates and market standard cashflow discounting methodologies and the instruments are classified as Level 2 financial instruments.

Cross currency interest rate swaps (CCIRS) and FX Forward contracts - the Fund employs these instruments in its portfolio for three reasons:

- Primary Investments: long-term investment transactions in developing country currencies directly in line with the primary purpose of the Fund;
- Trading Investments: transactions with investment banks, usually short-term, with the purpose of diversifying the Fund’s overall currency exposure; and
- Hedging Investments: transactions with the purpose of concentration and balance sheet management.

These portfolios are valued using market standard cashflow discounting methodologies and are classified as Level 2 where TCX uses observable market inputs into the models (i.e., where TCX is a price-taker), and Level 3 where TCX uses non-observable inputs into the models (i.e., where TCX is a price-maker and uses FPAS data and NDF spreads approved by the Valuation Committee).

Frontier Clearing Fund Junior (TCX) - the fair value of the Frontier Clearing Fund Junior Units are determined using valuation models for which not all inputs are market observable prices or rates. The fair valuation of these units is based on discounted future cash flows and is published monthly by the custodian of the Frontier Clearing Funds.

Impairment of financial instruments at amortized cost

The Fund assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes a provision for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default



or significant delay in payments are objective evidence that these financial assets are impaired. The carrying amount of these assets is reduced through the use of an impairment account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, net of any collateral held.

Derecognition

The Fund de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition. A transfer will qualify for de-recognition when the Fund transfers substantially all the risks and rewards of ownership. A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously.

Statement of cash flows

The statement of cash flows is prepared according to the direct method. The statement of cash flows shows the Fund's cash flows for the year divided into cash flows from operations and financing activities and how the cash flows have affected cash funds.

For the purposes of the statement of cash flows, financial instruments at Fair Value through profit or loss are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for repurchase of shares of the Fund. As the nature of the Fund is to invest in financial instruments, all cash flows related to investments are classified as cash flows from operating activities.

Subsidies granted by third parties and deferred subsidy income

The Fund recognizes subsidies granted on the Statement of financial position once the Fund complies to all conditions and the Fund has received the cash, all in accordance with the subsidy agreement. The subsidies granted are reclassified as deferred subsidies income when transactions are executed. Deferred subsidy income is recognized in Statement of Comprehensive Income on a systematic basis over the period of the allocated financial instruments and presented as an adjustment to the (change in) fair value of the transaction.

Shares Class A

The Fund's Class A shares are redeemable at the shareholder's option and are classified as financial liabilities. These shares are recognized and measured at their net asset value, being the net present value of the assets minus the net present value of the liabilities. Any distributions to holders of these shares are recognized in the income statement as distribution to holders of redeemable shares Class A.

Income and expense recognition

Income is recognized to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. For debt instruments, commercial papers, cash collateral and interest received from Donor Assets, the change in fair value will be classified as a result on financial instruments at fair value through profit or loss. The interest revenue and expense on these instruments are presented as interest income as a separate line item. The benefits of government grants are amortized and presented in the statement of comprehensive income over the lifetime of the Subordinated Convertible Debt and are deducted from the line item Contributions to Donor Assets.

The Management Fee is based on invoices as long as they do not exceed the budget approved by the Supervisory Board. The Performance Fee is determined based on a separate performance assessment by the Supervisory Board against the performance targets agreed with the Fund Manager and approved by the Investors.

Taxation

The Fund has received a ruling from the Dutch tax authorities that it is eligible for an exemption from corporate income tax (the Fund is a “vrijgestelde beleggingsinstelling” or “VBI”), under the terms of legislation passed through The Netherlands’ Parliament on 1 August 2007. Related to this the Fund is also exempt from withholding any taxes due on any dividends paid to its shareholders.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, short-term deposits in banks and brokers and cash collateral provided in respect of derivatives, securities sold short and securities borrowing transactions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Events after the reporting period

The financial statements are adjusted to reflect material events that occurred between the end of the reporting period and the date when the financial statements are authorized for issue, provided they give evidence of conditions that existed at the reporting date. Material events that are indicative of conditions that arose after the balance sheet date are disclosed, but do not result in an adjustment of the financial statements themselves.

5. Significant accounting estimates and judgment in applying accounting policies

Application of the accounting policies in the preparation of the financial statements requires the Fund Manager to apply judgment involving assumptions and estimates concerning future results and other developments, including the likelihood, timing or amount of future transactions or events. There can be no assurance that actual results will not materially differ from those estimates. Accounting policies that are critical to the financial statement presentation and that require complex estimates or significant judgment are described below.

Valuation of financial instruments

The fair value measurement of financial instruments may include valuation based on non-market observable inputs, for instance where the Fund invests with maturities longer than those available on the market or when there are no markets at all. The valuation process of such investments is organized as follows.

The Fund Manager applies the commonly used, standard methodology (Discounted Cash Flow) for calculating the net present value of the Cross Currency Interest Rate Swaps (CCIRS) and foreign currency forward contracts. The procedure is as follows:

- Market data is gathered and processed in accordance with approved sources by the Fund’s back office.
- From the curve-building algorithm, discount factors are derived for each leg of the CCIRS or forward contract.
- For each leg, if the future cash flows are known (in the case of fixed-rate products) these future cash flows are discounted using the discount factors referred to above to arrive at the net present value of the leg.

- For each leg, if the future cash flows are unknown (in the case of floating-rate products) the back office calculates forward rates from the discount factors; then, using the forward rates, the back office calculates the expected cash flows. Expected cash flows are discounted using the discount factors to arrive at the net present value of the leg.
- The net present value of the non-USD leg (or non-EUR leg when applicable) is converted to USD (EUR, respectively) at the market observable spot rate.
- The fair value of the CCIRS and foreign currency forward contracts to the Fund is obtained by subtracting the net present value of the paying leg from the receivable leg.

Governance of the valuation process

TCX's uses its Valuation Policy as the central reference point for detailing the models and core assumptions and variables used to value its positions. The Valuation Policy - and the related models and core assumptions and variables - is subject to annual review by RISKCO and sign-off by the TCX Audit Committee.

An independent Valuation Committee (VC) meets monthly to discuss the data sources and trends in each market and approve the benchmarks and NDF data that are fed into the valuation models. This committee is appointed by the TCX Supervisory Board and consists of FX market experts (both practitioners and academics) that are remunerated by TCX on a fixed fee basis. Where there are no markets, the VC approves macro-economic forecasting (FPAS) models developed by another independent company (OGRsearch), that is also remunerated by TCX on a fixed fee basis. A key part of calibrating these econometric models is retrospective testing of their key outputs (being forward-looking FX and interest rates).

The preparation of the monthly valuation and reporting process concludes with the back-office service provider preparing TCX's NAV and TIM's CFOO approving its release, following a reconciliation of the Fund's cash and securities positions with source document, among other controls.

Assessing the adequacy and effectiveness of the controls of the product approval, model validation, plausibility, and NAV processes is a core aspect of the annual ISAE 3402 Operational Audit.

Estimates used

Item	Measurement principle	Use of models and estimates
Cash and cash equivalents	At amortized cost / Fair value	Cash is measured at amortized cost. Investments in money market funds are measured at fair value. It is assumed that money market funds will be able to retain their par value.
Liquidity investments	Fair value	Market prices are available for most of these listed high-quality securities. If market prices are not available, TCX uses market standard DCF methodologies to value the instruments. The curves used are the Bloomberg swap curves for the relevant currency. In case the investment falls below AA, a credit spread adjustment may be made using the CDS curve for the instrument (or a close comparable).
Derivative Investments (linear)	Fair value	TCX uses market standard curve construction and DCF methodologies to price and value this book. As Level 2 ("observable inputs"), TCX uses interest and foreign exchanges rates, curves, and other variables obtained from Reuters, Bloomberg, central bank websites, and other publicly available (online) sources. As Level 3 ("non-observable") inputs, TCX uses internally generated FPAS and NDF data.

Item	Measurement principle	Use of models and estimates
Derivative investments (non-linear)	Fair value	Black-Scholes for European style options (or similar for other products).
Frontclear investment	Fair value	TCX uses the reported value of the units to value its position (Level 1 technique, in line with the fact that the position is puttable to Frontclear at its reported value in case of a TCX liquidation). That said, TCX classifies the position as Level 3, because we know its value depends on bespoke models and data sets. Due to timing delays, TCX reports the units' previous month value. 70% of the position is deducted from Available Capital in view of the estimate uncertainty (ALCO decision).
Subordinated Convertible Loan and First Loss Loan	Amortized cost, split into a loan component and a grant component that amortizes over time	The grant component is calculated at initial recognition or amendment of the loan as the difference between its fair market value on the issuance or amendment dates and its nominal value on those dates. It then amortizes over time. For disclosure purposes, a bespoke FMV model is used, that assumes 20% TCX NAV volatility.
Other Liabilities	At amortized cost	Performance fee accruals are based on estimates of the salaries payable each year and the performance score the TCX SB may give to TIM.
Intangible assets	At initial cost minus accumulated amortization	The development cost of internally developed software is capitalized. After the asset enters production, it is amortized on a straight-line basis over its useful life.

6. Financial risk management

Investment objective

The Fund is an innovative and unique capital markets development initiative, focusing on onboarding long-term local currency and interest rate derivatives in frontier and emerging market currencies, as well as actively cooperating with banks to stimulate demand from investors to buy such frontier and emerging market currencies for market development. It presents a compelling investment opportunity for parties with a keen interest in the sustainable development of capital markets in developing countries. By investing in currency and interest rate derivatives, the Fund facilitates the provision of local currency funding to borrowers in developing countries.

Classical providers of currency and interest rate hedging in international financial markets typically operate on a matched book principle, which generally limits them to offering products for which there is a matched and liquid demand and supply. This model breaks down in most developing countries, where demand for long-term local currency exposure is illiquid or even inexistent. As a result, these products are not offered or are offered at pre-emptively high rates.

TCX is based on a fundamentally different concept, which is to assume unmatched exposures mitigated through portfolio diversification on a global scale, rather than by matching supply and demand on a currency by currency basis. This allows TCX to absorb currency and interest rate risks in highly illiquid currencies and maturities regardless of external demand.

Given that the key to this strategy is a wide diversification of risks, there are compelling mutual benefits for investors to pool their local currency activities and exposures, thereby achieving a more complete risk spreading and efficiencies of scale and scope.

Investment policy

TCX focuses exclusively on cross-currency interest rate swaps and forwards, risk-managed through internal portfolio diversification and hedging.

The Fund's transactions are mostly invested through or with its investors, impact driven funds and investment banks, which have established local networks in emerging markets. TCX has agreed preferential access to its transaction capacity with its investors, but it may also trade with non-investor counterparties, notably the clients and assignees of the investors and investment banks.

Investment process

Sound capital and risk management is essential to TCX, for it is the rationale behind its business model and critical to maintaining its credit rating. TCX has an S&P credit rating of A with a stable outlook and a Moody's credit rating of Aa3 with a stable outlook. These ratings are underpinned by a sizeable capital pool and strict limits on the type and amount of risks that the Fund is allowed to take on. During 2025, TCX Investment Management Company B.V. ("TIM") monitored the portfolio on a daily basis, and produced weekly reports to confirm the Fund's compliance with agreed risk limits and capital ratios.

To calculate the capital requirements, TCX uses models inspired by the Basel regulatory capital framework for banks, adjusted for the activities and business of TCX (no specific regulatory capital regime applies to TCX). This customized framework is detailed in the Fund's Risk Charter. The calculation methods for Risk Weighted Assets ("RWA") generally follow the Basel internal model approach, unless lack of market data prevents this or unless specific reasons exist to depart from this model due to the nature of TCX's business. Where market data is not available, required capital is calculated based on stress scenarios, in conformity with market practice when dealing with statistical uncertainties.

TCX's primary risk mitigating instrument is exposure diversification, whereby the portfolio is spread over a large number of currencies and interest rates, and strict limits are in place to ensure that the portfolio does not become overly concentrated per counterparty, currency, and region. Other active risk mitigating measures include the (partial) hedging of exposures through the derivative markets.

TCX has two stop-loss triggers: one requiring the Fund Manager to operate more prudently in its assumption of risk and to redress its capital ratios in a going-concern manner, the other triggering cessation of investment activities and ultimately, if desired by the investors, a managed liquidation of the portfolio (the "Liquidation Trigger Event" – see Note 21).

TCX's risk management is based on the Risk Charter approved by the Investors. The Risk Charter contains, among others:

- a description of the risks TCX assumes in its business;
- the policies and procedures concerning risk management;
- the applicable limit structure and investment restrictions.

Risk analysis

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. These are discussed below.

Market risk

The largest risk that TCX is exposed to is market risk, constituting 93% (2024: 93%) of the Fund's Risk Weighted Assets. TCX defines market risk as the risk of fluctuation in the valuation of its financial instruments caused by adverse market movements and market illiquidity.

The Fund's financial instruments consisted of the following groups at year end:

(All amounts in thousands USD)

	2025		2024	
	Fair Value in USD	% of NAV	Fair Value in USD	% of NAV
Cross currency swaps	36,891	2.6	(110,716)	(9.8)
Forwards	(50,575)	(3.5)	11,305	1.0
Commercial papers	1,448,975	101.2	1,001,467	88.9
Floating rate notes	170,271	11.9	120,461	10.7
Fixed rate bonds	9,922	0.7	67,627	6.0
Frontier Clearing Fund Junior	9,829	0.7	10,017	0.9
Financial instruments at fair value through profit or loss	1,625,313	113.6	1,100,161	97.7
Cash collateral given	175,044	12.2	140,399	12.5
Cash collateral received	(156,827)	(11.0)	(73,885)	(6.6)
Cash and cash equivalents	89,239	6.2	252,213	22.5
Intangible assets	313	0.0	283	0.0
Subsidy programs	(8,660)	(0.6)	(1,467)	(0.1)
Other	(10,265)	(0.7)	(11,435)	(1.0)
Subordinated convertible debt	(196,757)	(13.7)	(191,205)	(17.1)
Grants linked to the subordinated convertible debt	(75,112)	(5.2)	(77,772)	(6.9)
First loss loan	(10,901)	(0.8)	(10,901)	(1.0)
Net assets attributable to holders of redeemable shares Class A	1,431,387	100.0	1,126,391	100.0

TCX is subject to market risk on these financial instruments by taking on interest rate and currency risks in its transactions. This market risk is managed by splitting it across several risk factors. This methodology allows segregating risk measurement techniques depending on the depth and quality of available market data. The more extensive the available data, the more sophisticated the measurement technique available.

TCX's market risks are decomposed as follows:

1. currency exchange rate risks;
2. interest rate risk in developed markets;
3. interest rate risks in frontier and emerging markets;
4. spread risk between local benchmark and non-deliverable forward ("NDF") rates.¹³

¹³ The NDF spread risk captures the risk of a change in spread over the local currency benchmark rate that is applied to floating rate local currency transactions, as the spread over the floating rate can vary over time.

The different risk factors are aggregated into a combined risk model. Whereas sufficient market data is available for currency risks and interest rate risk in developed markets to support statistical methods, historical data for local emerging market interest rates and spread risk between local benchmark and NDF rates are insufficiently available for these methods and therefore these risks are assessed using stress testing.

The risk measurement horizon for all risk categories is one month, and results are annualized using the square-root-of-time rule.

The market risk of TCX is measured and monitored using four major methods:

- Expected Tail Loss (“ETL”);
- Value at Risk (“VaR”);
- Stress testing;
- Monitoring of exposures against strict concentration limits.

Expected Tail Loss and Value at Risk: The ETL and VaR methods are applicable when sufficient observable data is available to estimate extreme events. Both are widely accepted and standard market risk methods that are recognized for reporting market risk to national supervisory authorities and are used for performance measurement and asset-liability management, among other purposes.

ETL and VaR measures incorporate three parameters:

- Confidence level;
- Holding (or also unwinding) period;
- Length of historical observation window.

The ETL method is applied to measure TCX’s FX risks. A 98% level ETL¹⁴ is used to average the worst 2% set of observations over all one-month periods since May 1997. The averaging method is used to stabilize the risk measure while capturing the tail risk. All (tail) observations are equally-weighted, to retain importance of historical crises in the dataset.

The VaR method is applied to TCX’s established market interest rate book where historical data is abundant enough to estimate the impact of extreme events through historical simulation using monthly historical price changes since May 1997. This approach yields a distribution of changes in values, with the VaR determined at the 99% confidence level. Just like in the ETL, all observations in the VaR are equally-weighted.

For the purpose of these financial statement disclosures, it is important to note that there are well known limitations to using history based VaR or ETL:

- The risk figures are computed using the portfolio positions held at year-end and assume those positions remain unchanged over the historical observation window (i.e., they do not reflect trading or rebalancing that may have occurred during the year). As disclosed in the chapter “Investment Processes”, exposures are monitored on an ongoing basis;
- VaR and ETL are statistical measures derived from the distribution of historical observations. Actual future losses may exceed these estimates.

¹⁴ 98% ETL level is taken to average losses around the 99% loss percentile. i.e. [99-1,99+1]% tail losses are taken.

Stress testing: There is no objective justification to assume that historic returns are exemplary for worst case scenarios in the future, especially in the case of emerging markets where unprecedented events are even more likely. Therefore, stress tests are performed on the most relevant variables for the TCX portfolio, notably currency and interest rates. Stress testing involves the modeling of unprecedented events and therefore market movements beyond historically observed shocks. The purpose of stress testing is to create awareness of the consolidated event sensitivity of TCX's position, and to set limits at portfolio level (stress testing is not meant for limit setting purposes on a book-by-book basis). In the risk management of TCX, three types of stress tests are used:

- Combination of historical stress tests;
- Macroeconomic scenarios (commodity prices, global melt down, etc.);
- Sensitivity analyses.

In Pillar 1 (RWA), TCX applies stress testing to measure the following market risks:

- Local currency interest rate risk (shock of 350 bp on annual basis to all local currency IR curves);
- NDF spread risk (70 bp shock on annual basis; applied as a basis risk shock on LCY curves);
- FX de-pegging risks (measuring FX risk of pegged currencies); the shock applied is based on Valuation Committee's assessment and is set for each currency individually.

At 31 December 2025, taking the foregoing methodologies into account, the Fund had an aggregate value at risk for market related factors (by convention, its market VaR) of USD 157,979 (2024: USD 131,441), consisting of the following:

(All amounts in USD thousands)	2025	2024
Foreign currency exchange risk	77,664	70,299
Foreign currency depeg risk	3,395	-
Interest rate risk mature market	11,314	13,492
Interest rate risk emerging markets	64,868	46,192
NDF spread	2,584	2,552
Adjustment for cross-effects	(1,845)	(1,094)
Total	157,979	131,441

Currency concentration limits: a fundamental premise of TCX is that geographic diversification reduces currency and interest rate risks at portfolio level. This diversification effect can only be achieved when TCX avoids over-exposure in any one currency or region. To prevent this, concentration limits are set on the notional of the contracts for each currency, set relative to (a) TCX's Available Capital, (b) its total portfolio size, and (c) an absolute number as defined by the size and liquidity of the currency market. The maximum net amount invested in a country or currency is the lesser of:

- 25% of total capital (including share capital and retained earnings); and
- 10% of the aggregate FX exposures in DAC currencies of the (fictitious) portfolio where TCX would have zero growth buffer (i.e., 10% of "potential maximum net portfolio")

All limits are subject to periodic review.

Deductions from the long exposure amount (netting) is equal to 100% of the nominal amount of a related hedge¹⁵ considered for the capital calculations if the following conditions are met:

- there are no cross-border risks between the hedged exposure and the hedge;
- the counterparty to the hedge has a minimum rating of BBB and the transaction is appropriately collateralized, taking into account wrong-way risks if any in the determination of key counterparty credit terms such as frequency of valuation, independent amount and minimum transfer amount.

In case a hedging investment does not meet these criteria, no deductions to the exposure amounts are allowed unless approved by RISKCO on a case by case basis. Moreover, TCX's long currency exposure (before netting deductions) may not exceed 200% of the potential maximum net portfolio.

Separately, a capital buffer (Pillar II buffer) is added to cover the rollover and unbalanced portfolio risk.

The application of the currency concentration limit as provided above means that on 31 December 2025 each individual currency has a notional limit of USD 487.7 million (2024: USD 381.2 million). The Fund's largest exposures per currency compared to this limit (net of offsetting hedging transactions) were as follows:

	% of limit 31 December 2025	% of limit 31 December 2024
Serbian dinar	44.4	28.1
Tanzanian Shilling	39.3	41.6
Dominican Republic Peso	33.3	45.5
Uzbekistani Som	32.5	22.0
Kazakhstan Tenge	32.5	41.2

Regional concentration limits: the diversification over the regions is enforced through limits for maximum regional exposures. Regional limits are determined depending on the possibilities to diversify within the region. The table below shows the concentration limits per region as a percentage of the potential maximum net portfolio (net of hedging transactions), calculated at 18% Capital Adequacy Ratio, assuming a stable relationship between Available Capital and RWA:

	Maximum regional concentrations	Actual concentrations 31 December 2025	Actual concentrations 31 December 2024
Emerging Europe / Central Asia	40%	23%	21%
Sub-Sahara Africa	50%	17%	20%
Latin America	40%	14%	20%
Middle East / North Africa	30%	5%	6%
Asia	40%	7%	5%

¹⁵ Transactions qualify as a hedge only if they are in the same local currency as the hedged exposure. The use of proxy hedging for concentration or market risk capital relief is explicitly ruled out.

Hedging: Hedging is defined as short or long cross-currency derivatives entered into for concentration and balance sheet management purposes. The Fund has the following hedging transactions as of 31 December:

(All amounts in thousands USD)	Fair value 2025	Notional value 2025	Fair value 2024	Notional value 2024
<i>Short vs USD</i>				
Algerian Dinar	(500)	20,000	(456)	20,200
Angolan Kwanza	(761)	8,000	-	-
Armenian Dram	(765)	11,159	(407)	15,158
Azerbaijani Manat	(8,039)	314,359	(74)	216,247
Bangladesh Taka	(96)	4,521	-	-
Botswana Pula	-	-	324	10,000
Colombian Peso	(6,534)	38,171	(1,086)	35,348
Costa Rican Colon	(1,161)	34,220	(3,172)	54,093
Dominican Peso	(1,671)	100,766	(738)	110,634
Egyptian Pound	(951)	10,000	-	-
Georgian Lari	(4,019)	104,590	(2,346)	109,163
Ghanaian Cedi	(113)	1,000	-	-
Guatemalan Quetzal	(803)	66,723	(867)	45,783
Honduran Lempira	89	12,000	327	5,000
Indian Rupee	15,099	299,908	3,669	175,800
Indonesian Rupiah	4,379	143,802	4,084	80,455
Jamaican Dollar	(844)	157,891	(2,283)	92,233
Jordanian Dinar	(424)	25,000	(71)	5,000
Kazakhstani Tenge	(20,162)	304,884	11,875	150,250
Kenyan Shilling	(88)	8,000	-	-
Kyrgyzstani Som	(2,733)	38,118	(3,741)	63,000
Malagasy Ariary	-	-	(10)	1,033
Malawian Kwacha	(161)	1,800	46	1,425
Mexican Peso	-	-	131	15,000
Mongolian Tughrik	(2,441)	203,299	(168)	53,783
Mozambican Metical	-	-	(198)	750
Myanmar Kyat	-	-	676	5,000
Nigerian Naira	3,005	5,000	3,254	5,000
Pakistani Rupee	(603)	19,874	62	8,098
Paraguayan Guarani	(12,958)	96,515	1,571	90,094
Peruvian Nuevo So	(9,356)	66,482	(1,414)	86,830
Philippine Peso	256	9,000	579	10,000
Sierra Leonean Leone	-	-	3,818	7,500
South African Rand	(3,235)	23,833	237	17,500
Sri Lankan Rupee	60	5,006	-	-
Tajikistan Somoni	(17,076)	117,800	(4,560)	123,000
Tanzanian Shilling	(7,383)	83,701	(5,239)	59,315
Tunisian Dinar	-	-	4	311
Ugandan Shilling	-	-	(780)	13,000
Uzbekistani Som	(80,218)	475,831	(16,950)	486,510
Vietnamese Dong	2,576	31,231	8,145	161,568

(All amounts in thousands USD)	Fair value 2025	Notional value 2025	Fair value 2024	Notional value 2024
<i>Long vs USD</i>				
Euro	12,437	322,835	(40,332)	496,605
Tunisian Dinar	-	-	(475)	13,000
Vietnamese Dong	-	-	(111)	20,000
Jamaican Dollar	28	2,000	-	-
<i>Short vs EUR</i>				
Dominican Peso	-	-	(581)	10,763
Indian Rupee	-	-	(440)	3,602
Indonesian Rupiah	1,481	12,146	(303)	17,093
Kazakhstani Tenge	550	19,929	965	19,374
Peruvian Nuevo So	(1,826)	19,019	(2,064)	22,493
Philippine Peso	457	3,521	9	3,105
Serbian Dinar	(109)	34,129	113	14,572
Tanzanian Shilling	-	-	(273)	1,335
Tunisian Dinar	(399)	5,928	(1,395)	21,786
West Africa Franc	(2,683)	33,599	(2,566)	39,977
<i>Long vs EUR</i>				
Tunisian Dinar	-	-	154	5,174
United States Dollar	96	6,040	5,939	99,360
Total hedging transactions	(147,597)	3,301,630	(47,120)	3,122,320

The Euro hedge book above has the specific purpose of offsetting one part of the short Euro positions that TCX builds on a portion of its Primary Investments portfolio. The other part of these short Euro positions is covered through the purchase of Euro-denominated Liquidity Investments, which the Fund must report separately. Depending on the movements in the EUR:USD exchange rate, this can lead to recording translation gains or losses on the liquidity portfolio (see Note 29), whereas, economically, TCX's net overall Euro position is deliberately close to neutral.

Credit risk

TCX's credit risk exposure originates from its liquidity and derivatives investments. TCX limits the credit risks it incurs by concentrating liquidity investments with highly-rated counterparties, and by using Credit Support Annexes to ISDA Master Agreements (i.e. ISDA CSA agreements), collateral or, in specific circumstances, guarantees from highly-rated institutions. The purpose of ISDA CSA agreements is to trigger periodic collateral transfers based on the fluctuating fair market value of TCX's portfolio with each counterparty.

In general, under the ISDA CSA master netting agreements, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances (for instance, when a credit event such as a default occurs), all outstanding transactions under the agreement are terminated, the termination value is assessed, and only a single net amount is payable in settlement of all transactions.



TCX's credit risk measures make use of internal credit ratings with associated Probabilities of Default (PD). For Loss Given Default (LGD), the decision is based on the country of incorporation of the counterparty and the type of counterparty. The Exposure at Default (EAD) is equal to the current mark-to-market of the trades with the counterparty (net of any collateral held), plus the potential future exposure on the trades (i.e., the potential increase in exposure in the period from the last collateral call until default and termination).

An internal rating and associated PD is assigned by RISKCO to each counterparty prior to execution of the first transaction and reviewed periodically. If and when an external rating of one of the three large global rating agencies is available, this rating is the primary basis for the rating assessment. The PD attached to each rating class is based on Standard & Poor's weighted long-term global corporate average transition rates into Default, representing the PD over a one-year time horizon. The ratings-based EAD of the portfolio is shown in the following table:

(All amounts in thousands USD)	Internal Credit rating	EAD 2025	EAD 2024
	AAA	1,104,254	952,572
	AA	754,565	617,504
	A	236,287	166,127
	BBB	74,229	60,733
	BB	96,227	80,203
	B	27,323	21,748
	C	26	187
Total		2,292,911	1,899,074

The Risk Weighted Assets for the credit risk exposures shown above totals USD 131,930 (2024: USD 105,577), after taking into account the applicable PDs and LGDs.

TCX's ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because the right to offset is not current but enforceable only on the occurrence of future events such as a default or other credit events. The following table sets out the fair value of recognized financial instruments that are subject to these agreements:

2025

(All amounts in thousands USD)	<u>Gross Amount</u>	<u>Amounts offset included in fair value</u>	<u>Fair value included in statement of financial position</u>	<u>Related financial instruments not offset¹⁶</u>	<u>Net Amount</u>
Financial assets					
Cross currency swaps	278,457	-	278,457		
Forwards	59,986	-	59,986		
Total financial assets	338,443		338,443	(156,827)	181,616
Financial liabilities					
Cross currency swaps	(241,566)	-	(241,566)		
Forwards	(110,561)	-	(110,561)		
Total financial liabilities	(352,127)	-	(352,127)	175,044	(177,083)
Total	(13,684)	-	(13,684)	18,217	4,533

2024

(All amounts in thousands USD)	<u>Gross Amount</u>	<u>Amounts offset included in fair value</u>	<u>Fair value included in statement of financial position</u>	<u>Related financial instruments not offset¹⁷</u>	<u>Net Amount</u>
Financial assets					
Cross currency swaps	151,695	-	151,695		
Forwards	60,309	-	60,309		
Total financial assets	212,004		212,004	(73,885)	138,119
Financial liabilities					
Cross currency swaps	(262,411)	-	(262,411)		
Forwards	(49,004)	-	(49,004)		
Total financial liabilities	(311,415)	-	(311,415)	140,399	(171,016)
Total	(99,411)	-	(99,411)	66,514	(32,897)

¹⁶ Consists of collateral received or paid

¹⁷ Consists of collateral received or paid

Liquidity risk

Investments

Liquidity risks include the risk that TCX cannot fulfil its obligations in a timely fashion due to a lack of available liquidity or operational failure. To minimize the risk of underfunding in any single currency, TCX maintains minimum liquidity levels to cover future payment obligations in any currency that is not classified as freely convertible. These limits are determined by RISKCO, depending on the currency's convertibility risks. As per 31 December 2025, no traded currency other than the Euro, USD, and GBP is approved as freely convertible.

For freely convertible currencies, negative liquidity gaps are allowed up to 10% of the liquidity investment portfolio for the first month. The total gap of all convertible currencies should be lower than 50% of the liquidity investments portfolio. To prevent unnecessary risk taking in the liquidity portfolio, a rise in interest rates of 1% may not cause a loss higher than 1% of the liquidity portfolio.

The 12 month TCX Liquidity Coverage Ratio (LCR) should be at least 150% and currently stands at 183% (2024: 193%).

TCX invests its liquid assets in cash deposits, money market funds, and liquidity investments (commercial papers, fixed rate bonds and floating rate notes). About 94% (2024: 89%) of the liquidity investments have a remaining term shorter than 1 year. Though longer-dated, the other 6% (2024: 11%) are considered highly liquid investments as well (i.e., top-rated paper issued by government, government-backed, and banking institutions). These highly liquid assets are readily convertible into cash, and amount to USD 1,629,167 or 114% of the NAV (2024: USD 1,441,768 or 128.0% of the NAV).

TCX provides clients with conditional deliverable products. Under normal circumstances, these products are deliverable (i.e., TCX receives domestic currency locally against payment of USD or EUR obligations offshore), and thus lead to the need for TCX to repatriate inflowing funds into the Netherlands, but in case of inconvertibility or non-transferability, the products automatically become non-deliverable (i.e., all cash flows occur in USD or EUR offshore). Thus, TCX has no local currency transfer obligations or risks after the occurrence of such an event.

There are no active conditional deliverable deals at 31 December 2025 in the portfolio (2024: none).

Contractual cash flows of derivative financial assets and liabilities

The table below presents the remaining contractual undiscounted cash flows of derivative financial assets and liabilities as at 31 December 2025. The amounts comprise the contractual pay and receive legs of the relevant derivative contracts, allocated to the respective settlement time buckets. Derivative financial liabilities are presented separately as the primary basis of this analysis. Derivative financial assets are included to provide a more complete view of the Fund's contractual rights and obligations and its overall liquidity profile. The amounts shown are based on the contractual terms and conditions existing at the reporting date and do not represent the carrying amounts recognized in the statement of financial position.

2025

(All amounts in thousands USD)	Up to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Derivative financial assets	85,970	234,724	408,800	29,542	759,036
Derivative financial liabilities	(32,165)	(105,528)	(121,339)	21,384	(237,648)
Total	53,805	129,196	287,461	50,926	521,388

2024

(All amounts in thousands USD)	Up to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Derivative financial assets	55,112	138,910	258,011	23,799	475,833
Derivative financial liabilities	(22,681)	(60,222)	(59,199)	4,413	(137,688)
Total	32,431	78,688	198,813	28,213	338,144

Subsidies granted and deferred subsidy

The Fund's financial liabilities include subsidies granted and deferred subsidy for an undiscounted cash flow amount of USD 14,361 (2024: USD 14,615), representing 0.6% (2024: 0.8%) of the total financial liabilities (see Note 18 for further details). The subsidy has no fixed maturity date and depends on the development of the subsidized transaction.

Subordinated Convertible Debt

The Fund's financial liabilities include Subordinated Convertible Debt for a nominal amount of USD 271,869 (2024: USD 268,977), consisting of an undiscounted cash flow amount of USD 196,757 (2024: USD 191,205), representing 8.7% (2024: 10.5%) of the total financial liabilities, and "Grants linked to the Subordinated Convertible Debt", for an amount of USD 75,112 representing 3.3% of the total financial liabilities (2024: USD 77,772 and 4.3% respectively) (see Note 19 for further details). The maturity date of the Subordinated Convertible Debt and the Grants linked thereto is 31 December 2045, with the exception of USD 70,618 held by the government of the Netherlands which has a maturity date that was extended to 31 December 2030 (subject to certain provisions). Each Subordinated Convertible Lender has the option to convert, in whole or in part, its outstanding commitment into Class B Shares of the Fund.

First loss loan

The Fund's financial liabilities include a First Loss Loan for an undiscounted cash flow amount of USD 10,901 (2024: USD 10,901), representing 0.5% (2024: 0.6%) of the total financial liabilities (see Note 20 for further details). The First Loss Loan's final maturity date and repayment date were extended to 31 December 2030.

Redeemable shares Class A

TCX's Shares Class A are "puttable instruments". Repurchase is at each investor's option up to an annual maximum of 20% of the Fund's issued Shares A outstanding at the start of each calendar year. Assuming that investors make maximum use of this put option, the undiscounted repurchase profile of the Fund's Shares A would be as provided in the table below (see Note 21 for further details regarding repurchase rights):

(All amounts in thousands USD)	2025	2024
Year of maturity		
2025	-	225,278
2026	286,277	180,223
2027	229,022	144,178
2028	183,218	115,342
2029	146,574	92,274
2030	117,259	73,819
2031	93,807	59,055
2032 and further till 2045	375,230	236,222
Total	1,431,387	1,126,391

Other liabilities

The Fund holds other liabilities for an undiscounted cash flow amount of USD 11,779 (2024: USD 12,234) with a maturity date of less than 3 months, representing 0.7% of the total financial liabilities (2024: 0.7%).

7. Cash and cash equivalents

At 31 December 2025 and 2024, all cash and cash equivalents were freely available for disposal.

8. Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss consist of the following instruments at 31 December of each year:

(All amounts in thousands USD)

	2025		2024	
	Fair value in USD	% of NAV	Fair value in USD	% of NAV
<i>Level 2 financial instruments</i>				
Commercial paper	1,448,975	101.2	1,001,467	88.9
Debt instruments	180,193	12.6	188,088	16.7
Cross currency interest rate swaps – Hedging	37,093	2.6	27,420	2.4
Cross currency interest rate swaps – Primary	118,610	8.3	20,315	1.8
FX Forward contracts – Hedging	6,076	0.4	18,764	1.7
FX Forward contracts – Primary	37,971	2.7	15,326	1.4
<i>Level 3 financial instruments</i>				
Cross currency interest rate swaps – Hedging	4,084	0.3	14,295	1.3
Cross currency interest rate swaps – Primary	118,670	8.3	89,665	8.0
FX Forward contracts – Hedging	214	0.0	656	0.1
FX Forward contracts – Primary	15,725	1.1	25,563	2.3
Frontier Clearing Fund Junior (TCX)	9,829	0.7	10,017	0.9
Total	1,977,440	138.2	1,411,576	125.5

As explained in Note 6, TCX is a market risk vehicle that is structured to absorb the negative impact of extreme tail risk scenarios on the results of its derivatives portfolio. In concrete terms, the figures above highlight the deliberate strategy of maintaining high liquidity levels in order to answer the potential collateral calls in case the adverse tail risk scenarios materialize.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The policy of classification and the process of fair value measurement of level 3 investments is explained in Note 4.

The Level 3 investments are detailed as follows (for liabilities see Note 15):

(All amounts in thousands USD)	2025	2024
Assets	148,522	140,196
Liabilities	(129,539)	(163,806)
Total	18,983	(23,610)

The following table shows the movements in Level 3 financial instruments (both assets and liabilities) during the year (all amounts in thousands USD):

For the year 2025	Assets	Liabilities
Balance as of 1 January 2025	140,196	(163,806)
Transfers into or out of the Level investment category 3	-	-
Adjusted Opening balance	140,196	(163,806)
Early termination swap contract	(97)	5,135
Matured deals	(27,022)	20,117
Unrealized gains and (losses)	35,445	9,015
Balance as of 31 December 2025	148,522	(129,539)
For the year 2024	Assets	Liabilities
Balance as of 1 January 2024	135,456	(255,635)
Transfers into or out of the Level investment category 3	-	-
Adjusted Opening balance	135,456	(255,635)
Early termination swap contract	(1,299)	12,850
Matured deals	(33,358)	41,917
Unrealized gains and (losses)	39,397	37,062
Balance as of 31 December 2024	140,196	(163,806)

All results on financial instruments classified as Level 3 are presented in the statement of comprehensive income under results on financial instruments at fair value through profit or loss.

There are no results on financial instruments at fair value through profit or loss as a result of changes in calculation assumptions (2024: no results).

The results on financial instruments at fair value through profit or loss include an amount of USD 5,038 (2024: USD 11,551) resulting from early termination of swap contracts.

A parallel shift in interest rates of 1 basis point (DV01) results in a change in fair value in the derivatives and liquidity books of USD 488 (2024: USD 262).¹⁸

(All amounts in thousands USD)	2025	2024
Derivatives – HCY leg	223	234
Derivatives – LCY leg	(664)	(471)
Total derivatives	(441)	(237)
Liquidity	(47)	(25)
Total	(488)	(262)

The Fund periodically estimates the non-performance risk on its derivative liabilities (DVA, or own credit risk) and the counterparty risk on its derivative assets (CVA). These CVA/DVA estimates take into account the Fund's collateral positions and are made in a manner consistent with the Fund's risk management policies and market practice, in order to maximize the use of observable market parameters when deemed relevant. In 2025, no CVA adjustment was made (2024: no adjustment).

9. Cash collateral

As of 31 December 2025, the Fund transferred cash to margin accounts as collateral against open derivatives contracts for a total net amount of USD 18,217 (2024: USD 66,514). The margin accounts were created based on the Credit Support Annex to the ISDA Master Agreements as agreed with various counterparties. The margin accounts are interest bearing (refer to the credit risk disclosure in Note 6).

10. Subsidy program receivables

Movement in the EC Pricing Facility Receivable during the period

(All amounts in thousands USD)	2025	2024
Opening balance	12,999	5,785
Proceeds received from the EC	(1,562)	-
Changes in fair value from derivative financial instruments	(6,996)	7,214
Total EC Pricing Facility Receivable end of year	4,441	12,999

At year end there were 45 outstanding EC Pricing facility deals (2024: 56 deals). See note 25 for more details on the EC Pricing Facility.

¹⁸ In previous years, the amount reported was the Primary portfolio DV01

Movement in the EBRD EC TND Receivable during the period

(All amounts in thousands USD)	2025
Opening balance	-
Changes in fair value from derivative financial instruments	1,260
Total EBRD EC TND Receivable end of year	1,260

At year end the EBRD EC TND agreement amount consists of 1 deal (2024: nil deals). See note 26 for more details on the EBRD EC TND agreement .

11. Other receivables

Under the terms of EC Capacity plus (see Note 25), TCX is required to place in escrow an amount equal to the maximum annual fees, based on full capital activation. Accordingly, the escrow receivable represents cash held in an escrow arrangement. The balance is not presented as restricted cash because the escrow account is held in the name of the Escrow Agent rather than TCX's. Nevertheless, it is recognized as a long-term receivable, as TCX retains control over and the economic benefits of the funds, including entitlement to the variable interest earned. The escrowed amount is expected to be released upon maturity of the EC Capacity plus facility on 29 November 2047. The deposit may be forfeited if TCX fails to pay the annual fees in accordance with the agreement.

There are no material differences between the carrying amount of other receivables and their fair value.

At 31 December the other receivables consist of the following:

(All amounts in thousands USD)	2025	2024
Interest receivable	62	13
Escrow program receivable	1,215	-
Other	237	786
Total other receivables	1,514	799

12. Intangible assets

The intangible assets include the Pricer application, a software currently under internal development. The development of the application is organized in multiple phases. Costs directly attributable to the development of each phase are capitalized. As each phase is completed and enters production, it is amortized over its estimated useful life.

Movement in the Pricer app during the period

(All amounts in thousands USD)	2025	2024
Opening balance	283	-
Investments	38	283
Amortization	(8)	-
Total intangible assets end of year	313	283

13. Related party transactions

Related party transactions are transfers of resources, services or obligations between related parties and the Fund, regardless of whether a price has been charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or is part of key management (Senior management of TCX Investment Management B.V.) of the Fund. The following parties are considered related parties.

Managing board

TCX Investment Management Company B.V. received remuneration for services provided as the Fund's statutory director which is included in the overall agreement with both parties. See below under Fund Manager for further details.

Supervisory Board

The Supervisory Board members are entitled to receive fixed annual fees, excluding any applicable VAT, of EUR 49 for the Chair (2024: EUR 48), EUR 37 for each other member (2024: EUR 36 for each other member). These fees are presented as part of the governance expenses. In relation to 2025, a total of EUR 161 (2024: EUR 150) has been expensed, including the applicable VAT. The amount expensed each year depends on the EUR:USD exchange rate, the VAT treatment of each member's fees, the timing of actual payments and of Supervisory Board retirements and appointments, and AGM decisions on fee levels. In addition, each member has the option to decline receiving their fees. In 2025, one regular member did so (2024: one).

Fund Manager

The main responsibilities of the Fund Manager are to manage the Fund's investments according to the Fund's strategy and risk management and investment and operational guidelines, to represent the Fund in communication with its stakeholders, counterparties and services providers and to ensure the Fund's optimal access to international and local markets to promote the Fund's investment products.

Management fee

According to the Fund Management Agreement, the Fund Manager receives a Management fee as remuneration for its activities, which includes two components:

- Base component: the Supervisory Board agrees to an annual budget payable monthly in advance, with reconciliation to actual costs at year end. The management fee covers all costs incurred by TIM to run itself and TCX, including the fixed compensation of TIM's directors and other employees.

For the current period, the Fund Manager received management fees of EUR 13,000 equal to USD 14,860 (2024: EUR 11,200 equaling USD 12,139). The year-end reconciliation between the received (transferred) amount and actual costs leads to a prepaid management fee adjustment at year-end. At 31 December 2025, the balance of the management fee account was a USD 391 liability (2024: USD 50 liability);

- Performance component: the Fund Manager also receives an annual performance fee driven by parameters agreed with the Supervisory Board of the Fund and approved by shareholders. This discretionary component is in two parts: (i) a bonus component that is earmarked for discretionary bonus distributions to TIM's employees (subject to various rules), and (ii) a performance component. The result is available (after income taxes) for distribution to TIM's sole shareholder, subject to TIM satisfying its regulatory capital requirements.

The total Management fee – performance component taken into account (accrued) for the year 2025 amounts to USD 3,006. Together with the approved deficit over the performance component estimate accrued for the year 2024 of USD 61, the total performance component recognized in the 2025 statement of comprehensive income amounts to USD 2,945. In 2024, the total recognized Management fee - performance component amounted to USD 2,811, representing the accrued Management fee - performance component for the performance over the year 2024 of USD 2,697, plus the approved surplus over the Management fee - performance component estimate accrued for the year 2023 of USD 114.

14. Relevant contracts for the Fund's operations

Fund Manager

The Fund has entered into a Fund Management Agreement with the Fund Manager to provide portfolio management, risk management, and fund administration and valuation services to the Fund. See Note 13 for details of the contractual arrangements.

Fund Administrator

The Fund Manager has delegated the Fund's administration to a third-party service provider, DLM Finance B.V. ("the Administrator"), under a bilateral agreement with the Fund Manager. The main responsibilities of the Administrator are administering, settling, and valuing the Fund's investments in accordance with its Valuation Policy, collateral management, and maintaining and preparing portfolio reports.

Additionally, the Administrator keeps the books of the Fund and prepares periodic financial reports for the benefit of the Valuation Committee, the Supervisory Board and its committees, the investors, and regulators. The expenses for these services are included in the Management Fee discussed in Note 13 above.

Depository and Custodian

The Fund has appointed Bank of New York Mellon N.V. ("BNYM") to act as its independent Depository. In this capacity, BNYM is responsible for general oversight of the Fund Manager, monitoring transactions in TCX shares, safe keeping the Fund's assets, reconciling its cash flows, and ensuring that its valuation policies and procedures are implemented properly and consistently. BNYM also acts as the Fund's custodian.

For 2025, BNYM received depository fees of USD 365 (2024: USD 269). These fees fluctuate monthly as a function of the value of TCX's investments.

Assurance providers

The Fund has appointed PricewaterhouseCoopers Accountants N.V. as its Independent Auditor. The total Independent Auditor's remuneration in 2025 consisted of EUR 391, equal to USD 456 (2024: EUR 322 equaling USD 336). The Independent Auditor is engaged to perform the audit of the financial statements, NAV audits, review procedures and other non-audit services. The audit related costs consisted of EUR 357, equal to USD 416 (2024: EUR 290 equaling USD 301) and the other assurance services consist of EUR 34 equal to USD 40 (2024: EUR 33 equaling USD 35).

The remaining USD 169 (2024: USD 142) of the total audit fees of USD 625 (2024: USD 478) is related to the operational audit of the Fund by DM Financial Netherlands B.V., which resulted in the issuance of an unqualified ISAE 3402 Type II report in December 2025.

15. Financial liabilities at fair value through profit or loss

The financial liabilities at fair value through profit or loss consist of the following instruments at 31 December of each year (see Note 8 for further information).

(All amounts in thousands USD)

	2025		2024	
	Fair value in USD	% of NAV	Fair value in USD	% of NAV
<i>Level 2 financial instruments</i>				
Cross currency interest rate swaps – Hedging	40,046	2.8	38,609	3.4
Cross currency interest rate swaps – Primary	82,222	5.7	74,878	6.6
FX Forward contracts – Hedging	99,483	7.0	30,895	2.7
FX Forward contracts – Primary	837	0.1	3,227	0.3
<i>Level 3 financial instruments</i>				
Cross currency interest rate swaps – Hedging	47,462	3.3	28,794	2.6
Cross currency interest rate swaps – Primary	71,836	5.0	120,130	10.7
FX Forward contracts – Hedging	8,073	0.6	9,956	0.9
FX Forward contracts – Primary	2,168	0.2	4,926	0.4
Total	352,127	24.7	311,415	27.6

16. Accrued expenses and other payables

There are no material differences between the carrying amount of accrued expenses and other payables and their fair value.

As of 31 December the accrued expenses and other payables consist of the following:

(All amounts in thousands USD)

	2025	2024
Donor Commitments	7,730	8,625
Audit fee payable	138	218
Accrued interest on FCDO subordinated loan	209	388
Performance fee payable	3,106	2,596
Management fee payable	391	50
Other general fees payable	205	357
Total accrued expenses and other payables	11,779	12,234

Donor Commitments

The Fund has agreed with BMUKN as a holder of Subordinated Convertible Debt (see Note 19) that it will distribute to BMUKN certain amounts each year in the form of either cash or additional Donor Commitments supported by retained cash (“Donor Assets”) to be used to finance special projects, grants or investments approved by BMUKN (see Note 17). In 2025 and 2024, BMUKN elected to receive this distribution in the form of additional Donor Commitments.

When using cash Donor Assets for making an investment that may be redeemed at a later date, any redemption proceeds received by the Fund will be transferred back to the Donor Assets. The Fund is entitled to any interest, dividend or other income received from these investments.

The obligation of the Fund to use the Donor Assets to honor the Donor Commitments ranks junior to the Fund's senior unsecured obligations and pari passu with any other subordinated obligations of the Fund.

17. Distributions to the Debt Investors

The Fund has agreed with the providers of the Subordinated Convertible Debt (the Debt Investors listed in Note 19) that it will distribute to them the following amounts:

- In the case of the Minister for Foreign Trade & Development Cooperation of The Netherlands, Directorate General International Cooperation ("DGIS"), on January 1 of each year - on their share of the Subordinated Debt Outstanding on the current year - an amount equal to 2.5% per annum flat up to 2030, such to be distributed in cash or additions to the First Loss Loan, at the discretion of DGIS;
- In the case of BMUKN, on January 1 of each year - on their share of the Subordinated Debt Outstanding on the current year - an amount equal to 2.0% per annum up to 2025 and 1.5% up to 2045, such to be distributed in cash or additional Donor Commitments, at the discretion of BMUKN (see Note 16).
- In the case of FCDO, on January 1 of each year - on their share of the Subordinated Debt Outstanding on December 31 of the previous year - an amount equal to 1% per annum up to 2025 and 0.5% up to 2045, such to be distributed in cash.
- In the case of BMZ, SECO and PROPARCO, on January 1 of each year - on their respective share of the Subordinated Debt Outstanding on the current year - an amount equal to 2.0% per annum up to 2025 and 1.5% up to 2045, such to be distributed in cash;

These distributions to the Debt Investors are presented on a net basis in the statement of comprehensive income and are detailed as follows:

(All amounts in thousands USD)	Note	2025	2024
Interest calculated based on market interest rates		(9,567)	(9,848)
Amortization of government grants	19, 20	4,188	3,539
Distributions to the Debt Investors		(5,379)	(6,309)

18. Deferred income subsidy programs

The Fund may make arrangements with government donors, multi-lateral organizations, and other parties to subsidize the rates it quotes in certain currencies and/or sectors in case of structural impediments to local currency financings. During 2025, four such arrangements were in place:

- The funded "LIFT Facility" with the Livelihoods and Food Securities Trust Fund (LIFT) a UN-administered fund operating in Myanmar - which covers upfront 100% of the cost of subsidizing certain transactions, as described in Note 24.
- The unfunded "EC Pricing Facility", which covers conditionally (and ex-post facto) the costs of subsidizing the related transactions, as described in Note 25.
- The unfunded "EBRD EC TND program" is a program designed in partnership with EBRD and with the European Commission sponsorship, It covers subsidized deals in Tunisia, as described in Note 26.

- The funded “BMUKN Subsidy program” which cover upfront 100% the costs of subsidizing selected transactions, as described in Note 27. This program was designed to fill the gap between the close of the “EC Pricing Facility” and the implementation of the “EC Pricing plus Facility” under EFSD+ (see Recent Developments section), using Donor funding.

Movement in the LIFT account during the period

(All amounts in thousands USD)	<u>2025</u>	<u>2024</u>
Opening balance	37	619
Deferred subsidy assigned to unwound transactions during the year	(5)	(28)
Recognized interest grant through Statement of Comprehensive Income	(32)	(554)
Total end of year	-	37

Movement in the Deferred Income on the EC Pricing Facility during the period

(All amounts in thousands USD)	<u>2025</u>	<u>2024</u>
Opening balance	14,429	4,483
Changes in fair value from derivative financial instruments	(7,003)	7,214
Realized deferred EC Pricing Facility Income	4,025	2,732
Total Deferred EC Pricing Facility Income end of year	11,451	14,429

Movement in the Deferred Income on the BMUKN Facility during the period

(All amounts in thousands USD)	<u>2025</u>
Opening balance	-
Changes in fair value from derivative financial instruments	1,486
Realized deferred BMUKN Facility Income	(11)
Total Deferred BMUKN Facility Income end of year	1,475

Movement in the Deferred Income on the EBRD EC TND Facility during the period

(All amounts in thousands USD)	<u>2025</u>
Opening balance	-
Changes in fair value from derivative financial instruments	1,261
Realized deferred EBRD EC TND Facility Income	174
Total Deferred EBRD EC TND Facility Income end of year	1,435

19. Subordinated Convertible Debt and Grants linked to the Subordinated Convertible Debt

Objective

The Subordinated Convertible Debt has been provided by Debt Investors with the objective to:

- provide to the Fund a financing that provides a first loss protection to its Shareholders, in order to enhance the risk-return profile of their investment;
- enhance the Fund's capability and incentive to transact in Least Developed Countries and Other Low Income Countries, which are the two lowest categories of countries in the OECD Development Assistance Committee's list of Official Development Assistance recipients. The Debt Investors specifically wish to target such countries situated in Sub Sahara Africa with their investment; and
- enhance the Fund's capability and incentive to transact in SE4ALL (Universal Energy Access, Renewable Energy and Energy Efficiency) projects carried out in countries mentioned in the OECD Development Assistance Committee list.

Status

The Debt Investors are:

- (i) The Netherlands Minister for Foreign Trade and Development Cooperation, Directorate General for International Cooperation (DGIS with a EUR 50 million commitment),
- (ii) KfW acting on behalf of the German Federal Ministry for Economic Cooperation & Development (BMZ, with a EUR 62.5 million and USD 5.7 million commitments),
- (iii) KfW acting in its own name but for the account of the German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUKN, with a EUR 30 million and USD 22.7 million commitments),
- (iv) The Office of Her Britannic Majesty's Secretary of State for Foreign, Commonwealth & Development Affairs (FCDO with a GBP 31 million commitment since March 2019),
- (v) The Swiss State Secretariat for Economic Affairs (SECO with a USD 11 million commitment), and
- (vi) France's *Société de Promotion et de Participation pour la Coopération Economique* (Proparco) with a EUR 2.5 million commitment).

All commitments are 100% disbursed.

The obligations towards DGIS, BMUKN, BMZ, SECO and Proparco were converted into USD on disbursement at the then applicable exchange rate. The obligation towards DFID is outstanding in GBP in TCX's books.

In summary, the status of the Subordinated Convertible Debt is as follows:

Donor	Maturity Year end	Interest % as per 01/01/2020	Interest % as per 01/01/2025	Outstanding USD
DGIS	2030	2.5	2.5	70,618
BMZ	2045	2.0	1.5	90,547
BMUKN	2045	2.0	1.5	55,413
FCDO	2045	1.0	0.5	41,700
SECO	2045	2.0	1.5	11,000
Proparco	2045	2.0	1.5	2,591
Total per 31 December 2025				271,869

Donor	Maturity Year end	Interest % as per 01/01/2020	Interest % as per 01/01/2025	Outstanding USD
DGIS	2030	2.5	2.5	70,618
BMZ	2045	2.0	1.5	90,547
BMUKN	2045	2.0	1.5	55,413
FCDO	2045	1.0	0.5	38,808
SECO	2045	2.0	1.5	11,000
Proparco	2045	2.0	1.5	2,591
Total per 31 December 2024				268,977

Subordination

The Subordinated Convertible Debt is subordinated to all senior and subordinated obligations of the Fund. Furthermore, it is repayable upon liquidation only to the extent that each and every holder of Class A shares has achieved a compounded return on its investment of 3-month USD Libor flat up to 31 December 2022 and SOFR + 26 bps from 1 January 2023 (the Threshold Shareholder IRR). It is not freely transferable.

Conversion

The Debt Investors have the option at all times to convert the outstanding commitments in the Subordinated Convertible Debt in whole or in part into shares Class B. The number of shares Class B shall be calculated in respect to the portion of the outstanding commitment and the number of shares Class B to be issued to a lender. The conversion price payable by a converting lender on the conversion date shall be the equal to the per-share net asset value of the Fund's Shares A applicable immediately after conversion (including the first loss effect of the Subordinated Convertible Debt and/or Shares B outstanding). The lenders' conversion rights are not transferable. During the period, no conversion options were exercised.

Restriction to redeem Shares B

The Shares B shall have the same rights as any other class of Shares in the Fund, except that the shares Class B will not be redeemable until the Fund's shareholders have achieved the Threshold.

Repayment and interest

Unless previously converted to Shares B, the USD amount outstanding under the Subordinated Convertible Debt becomes redeemable in full on their maturity date. As outlined in Note 12, the Fund has agreed to make certain distributions to the Debt Investors in lieu of the usual interest payments.

Fair value information

The estimation of the fair value of the Subordinated Convertible Debt at 31 December 2025 was calculated based on an internally developed valuation model (Level 3) and amounted to USD 130.6 million (2024: USD 111.3 million). The following material assumptions were used in the internally developed valuation model which is based on an income approach:

- The facility is junior to the net assets attributable to holders of redeemable shares Class A;
- No early exercise of the conversion is taken into account;
- The conditional annual payment of the interest on the facility has comparable value with an end of period payment of compounded LIBOR;
- The volatility of the TCX NAV used in the Black & Scholes option valuation is based on the results of a TCX financial business model with an implied volatility of 20%.

A change in the credit spread of +/- 50bps results in a change in fair value of USD 6,505 (2024: USD 5,711). A change in the volatility of the TCX NAV of +/- 1% results in a change in fair value of USD 2,268 (2024: USD 2,073).

Movements during the period and cumulative positions at the end of reporting period

(All amounts in thousands USD)	Subordinated Convertible Debt at market interest	Government grants	Total
Total position as of 1 January 2024	188,421	81,314	269,735
<i>Amortization</i>			
Amortization during the year	3,177	(3,177)	-
<i>The 2024 Commitment</i>			
FX result FCDO (GBP:USD)	(393)	(365)	(758)
Total position as of 31 December 2024	191,205	77,772	268,977
<i>Amortization</i>			
Amortization during the year	4,052	(4,052)	-
<i>The 2025 Commitment</i>			
FX result FCDO (GBP:USD)	1,500	1,392	2,892
Total position as of 31 December 2025	196,757	75,112	271,869

20. First loss loan

Objective

The First loss loan has been provided by Minister for Foreign Trade and Development Cooperation ("DGIS") with the objective of enhancing TCX's capability and incentive to transact in the lowest two categories of countries as defined by the OECD Development Assistance Committee List of Official Development Assistance Recipients. DGIS specifically wishes to target women and countries situated in Sub Sahara Africa.

Status

The First loss loan agreement was executed on 21 December 2016 for a total amount of USD 10,901. The execution of the agreement was based on a transfer of Donor Commitments as disclosed in Note 16.

Subordination

Repayment obligations of the First loss loan ranks pari passu with the obligations of the Fund under Subordinated Convertible Debt (see Note 19) in a going-concern scenario. In case the Fund decides to liquidate pursuant to a Liquidation Trigger Event (see Note 21), there is no repayment obligation (the principal resets to zero).

Repayment and interest

The Fund shall repay the full amount outstanding of the First loan loss including outstanding interest on 31 December 2030. The First loss loan is subject to an annual interest of 2.5% flat on the amount outstanding at December 31 each year.

Fair value information

The estimation of the fair value of the First loss loan at 31 December 2025 was calculated based on an internally developed valuation model (Level 3) and amounted to USD 9.0 million (2024: USD 7.4 million).

The following material assumptions were used in the internally developed valuation model which is based on an income approach:

- The facility is junior to the net assets attributable to holders of redeemable shares Class A and ranks pari passu with the Subordinated Convertible Debt;
- No early exercise of the conversion is taken into account;
- Inclusion of a 2.5% fixed versus floating USD interest rate swap with a maturity date of 31 December 2025;
- The volatility of the TCX NAV used in the Black & Scholes option valuation is based on the results of a TCX financial business model with an implied volatility of 20%.

A change in the credit spread of +/- 50bps results in a change in fair value of USD 212 (2024: USD 203). A change in the volatility of the TCX NAV of +/- 1% results in a change in fair value of USD 134 (2024: USD 147).

Movements during period and cumulative positions at the end of reporting period

(All amounts in thousands USD)	First loss loan at market interest	Government grants	Total
Total position as of 1 January 2024	9,724	1,177	10,901
Amortization during the year	362	(362)	-
Total position as of 31 December 2024	10,086	815	10,901
Amortization during the year	136	(136)	-
Total position as of 31 December 2025	10,222	679	10,901

21. Net assets distributable to shareholders

Structure of the Fund's capital

The authorized share capital amounts to sixty thousand euro (EUR 60,000) and is divided into:

- 1,000 classes of Class A shares, numbered from A1 to and including A1,000, each class containing ten (10) shares with a par value of one euro (EUR 1) each; and
- five hundred (500) classes of Class B shares, numbered from B1 up to and including B500, each class containing ten (10) shares with a par value of one euro (EUR 1) each; and
- One (1) C Ordinary Share, numbered C1, with a par value of forty five thousand euro (EUR 45,000), which share shall be regarded as one (1) class of shares).

At 31 December 2025, 1,070 Shares Class A are in issue (31 December 2024: 1,070 shares) and are fully paid. No Shares Class B are in issue. The single C Ordinary Share is held in treasury by TCX itself.

Subscriptions

The Fund accepts from time to time offers to subscribe to newly issued Shares Class A from "professional investors" only (within the meaning of Article 1:1 of The Netherlands Financial Markets Supervision Act), upon approval by the Fund's General Meeting of the terms of the issuance and the identity of the new investor.

Repurchases

Each investor has the option to exit the Fund by offering its shares for repurchase on a quarterly basis, at Net Asset Value.



Repurchases are subject to an annual cap of 20% of Shares Class A and Shares Class B outstanding at the start of each calendar year. Separately, the shareholders have the right to request - on 31 December 2040 only - a repurchase of all their shares without the cap applying, which the Fund Manager may postpone until 31 December 2045.

Repurchase of shares can only occur if the Primary Investments volume existing between TCX and the exiting Investor after redemption does not breach the limits defined in the Investors Agreement.

Rights and obligations

Each shareholder has the number of votes at a General Meeting equal to the number of Shares it holds. Each Subordinated Convertible Lender may vote on certain matters defined in the Investors Agreement, and in these cases has the number of votes equal to the number of shares Class B that it would have held if the Subordinated Convertible Debt would have been converted into shares Class B on the last business day of the previous financial year. The shareholders and Subordinated Convertible Debt investors shall exercise their voting rights in accordance with and pursuant to the terms, conditions and spirit of the Investors Agreement.

Capital management

The Fund's capital management objectives are included in Note 6. The Fund's internal capital requirements to meet its objective are satisfied through a diversified financial structure. The breakdown of Available Capital is as follows at 31 December:

(All amounts in thousands USD)

	<u>2025</u>	<u>2024</u>
Net assets attributable to holders of Shares Class A	1,431,387	1,126,391
Subordinated Convertible Debt	271,869	268,977
EC Capacity Facility (see Note 22)	170,168	150,057
EC Capacity plus Facility (see Note 23)	176,035	-
First loss loan	10,901	10,901
Frontier Clearing investment capital usage	(6,880)	(7,012)
Total Tier 1 capital	<u>2,053,480</u>	<u>1,549,314</u>

At 31 December 2025, the Fund has no Tier 2 capital.

The definitions of Tier 1 and Tier 2 capital are internal to TCX and are presently driven chiefly by the relative ranking of the instruments in case of a forced or voluntary liquidation of the Fund. Both tiers are junior to the senior creditors of the Fund (TCX's counterparties) and qualify in this sense as 'capital' available to support the obligations towards them. Next comes the Shares Class A, which top Tier 1. These are held by development finance institutions and funds, whereas the Subordinated Convertible Debt and the First-Loss Loan are held by government entities.

The activated Cover Amount of the EC Capacity Facility is qualified as Available Tier 1 Capital. See Note 22 for further disclosures.

The Fund's capital requirements are based on two ratios:

- Minimum Total Capital Ratio¹⁹ of 14% (Tier 1 plus Tier 2 capital over Risk Weighted Assets); (2024: 14%). The actual ratio was 28% at year-end 2025 (2024: 25%)

¹⁹ Capital Ratio: The Capital Ratio is a solvency indicator, explaining the relationship between risk capital and Risk Weighted Assets. The Fund's (minimum) Capital Ratio implicitly acts as the Fund's (maximum) leverage ratio within the meaning of the AIFMD.

- Minimum Tier 1 ratio of 10% (Tier 1 capital over Risk Weighted Assets); (2024: 10%). The actual ratio was 28% at year-end 2025 (2024: 25%).

If either ratio falls below the agreed threshold, a Liquidation Trigger Event will have occurred, requiring the Fund Manager to liquidate the Fund within a period of 18 months following an unremediated stand-still period, subject to investor approval. The capital ratios are tested on an ongoing basis.

The Fund maintains an internal capital adequacy assessment process (“ICAAP”) to periodically review and assess the Fund’s capital position, notably the amounts available to support the portfolio’s growth while reserving sufficient amounts to cover stress scenarios.

During the reporting period, the Fund complied with these minimum internal capital requirements.

Dividend and dividend policy

In accordance with the Investors’ Agreement, dividends may be paid out to shareholders if the Fund generates a profit that outpaces the Fund’s growth potential, leading to inefficient capitalization for the foreseeable future.

22. EC Capacity Facility

The EC Capacity Facility is an unfunded guarantee from the European Fund for Sustainable Development of the European Commission (EFSD) -- with KfW as implementing partner -- to pay, subject to the terms and conditions of the agreement, up to EUR 145,000 in case of a TCX Liquidation Event, as defined in the Investors Agreement. In exchange for receiving the cash from the EFSD, TCX will issue B-shares to the European Commission directly (or, if requested, to a nominee of the European Commission), on exactly the same basis as the Subordinated Convertible Debt will convert into B-shares in case of a Liquidation Trigger Event. The expiry date of the EC Capacity Facility is 12 November 2035.

The facility closed on 12 November 2020 and was restated on 26 February 2021. As per 31 December 2025, the activated Cover Amount of the facility amounts to EUR 145,000 (USD 170,168) (2024: EUR 145,000 equivalent to USD 150,060). Activating the full amount of the facility required achieving certain volume targets in Sub-Saharan Africa.

The guarantee fees payable on the facility amount to 43 bppa (18 bppa to KfW and 25 bppa to the EC).

23. EC Capacity plus Facility

The EC Capacity plus Facility is an unfunded guarantee from the European Fund for Sustainable Development Plus (EFSD+) of the European Commission – with KfW as an implementing partner. Similarly to the EC Capacity Facility, a TCX liquidation Event as defined in the Investors Agreement would trigger a cash payment of the activated Cover Amount under the agreement’s terms in exchange for issuing B-shares to the European Commission.

The facility was signed on 29 November 2024 and lasts for 23 years. With an initial Cover Amount of EUR nil, the first two Inclusion Notices were delivered in 2025 to activate EUR 150,000 (equivalent to USD 176,035). Activating additional funds to reach the maximum Cover Limit (EUR 245,750) requires achieving certain volume targets in Asia Pacific, Sub-Saharan Africa, European Neighborhood East and South, and Western Balkans.

The guarantee fees payable on the facility amount to 42 bppa of the annual average activated Cover Amount (17 bppa to KfW and 25 bppa to the EC).

24. LIFT Facility

The LIFT facility was launched in 2016 with the objective of enabling foreign development financiers to offer Kyat denominated loans to micro-finance institutions in compliance with the maximum interest rate set by the Central Bank of Myanmar on foreign lending. The facility was ‘topped-up’ in May 2019 and in June and August 2020. As per 31 December 2025 the Fund had received all tranches of the LIFT facility for a total amount of USD 24,975 (2024: USD 24,975), to offset on a one-for-one basis the cost of subsidizing Kyat denominated transactions within the program’s boundaries.

The LIFT program has been in unwind mode since January 2021, when the last deal was booked under the terms of the agreement. In line with scheduled amortizations and early terminations, there were no active deals as of May 2025, when the program was fully closed.

Movement in the LIFT account during the period

(All amounts in thousands USD)

	2025	2024
Opening balance	149	4,061
Repayments for unused subsidies to LIFT	(104)	(3,940)
Reversal of subsidies on transactions unwound during the year	5	28
Final fee appropriation	(50)	-
Total end of year	-	149

25. EC Pricing Facility

The EC Pricing Facility is an unfunded guarantee from the European Fund for Sustainable Development of the European Commission (EFSD) – with KfW as implementing partner – to pay on demand to TCX (irrevocably and unconditionally) up to EUR 20,000 as part of a risk-sharing mechanism aiming to increase TCX’s risk-taking capacity. The Facility allows TCX to create hedging capacity at concessional rate in order to support investors in providing local currency financing to financial institutions and energy companies based in Sub-Saharan Africa and the European Neighborhood countries. The facility aims to address short- and medium-term funding requirements triggered by the Covid pandemic in these regions (whilst not exposing the borrowers to currency risk). With the support of this Facility, TCX offers price discounts in currencies where TCX’s risk-based pricing is not commercially viable. By doing so, the Facility aims to contribute to the stabilization of institutions by eliminating currency risk while creating local-currency lending capacity when and where most needed.

A summary of the Facility’s characteristics are as follows, as amended in the restated agreement:

- TCX is guaranteed of achieving a minimum return of 2.5% p.a. on a portfolio of eligible trades;
- The Guaranteed Annual Return Amount is calculated by using 2.5% p.a. of the notional outstanding hedged amount;
- The difference between the Forecasted Return Amount and the Guaranteed Annual Return Amount (the Individual Claim Amount) is calculated for all covered transactions;
- The Individual Claims Amounts are summed up for all deals that mature within a financial year. If the aggregate is positive, there is no claim on the EC (the minimum return has been exceeded);
- The Cover Amount (or maximum possible payout to TCX) is EUR 20,000, to support a portfolio of eligible deals of up to EUR 120,000 in notional;
- The Effective Date of the Facility is 26 February 2021;
- The payout period (the Cover Period) is 31 December 2031;
- The deal origination period (the Investment Period) starts on the Effective Date and ends on 31 December 2024;
- There is no claw back on paid out claim amounts (no netting arrangement across the years).

As of the effective date of the Facility TCX has paid a one-off guarantee facility fee of EUR 200 (EUR 100 for KfW and EUR 100 for the EC).

As of 31 December 2024 the Investment Period has closed, with eligible deals included in the agreement for EUR 119,924 in notional.

The first claim under the Facility related to the deals that matured in 2024 was submitted and settled in 2025 for EUR 1,503. A second claim related to the deals under the facility that matured in 2025 will be submitted in 2026 for an amount of EUR 1,443.

26. EBRD EC TND Facility

The EBRD EC TND Facility (officially “Green Local Currency Intermediated Lending in Tunisia”) was designed together with EBRD, with the financial support of the European Commission, to enable TCX to offer reduced pricing for Tunisian Dinar. The objective of the Facility is to support financing by selected investors Tunisian commercial banks that in turn will lend to eligible green projects. The Tunisian market is characterized by a cap on lending rates, hence the need for reduced pricing on hedging rates.

The reduced pricing is supported by a guarantee funded by the European Commission. It is structured on a deal-by-deal basis and compensates TCX for a defined portion of potential losses arising from FX movements (depreciations of the Tunisian Dinar), subject to pre-agreed parameters calibrated at trade inception and applied to subsequent settlement dates. The claims will be calculated based on realized outcomes and are expected to be submitted semi-annually, in accordance with the contractual terms.

A summary of the Facility’s key elements include:

- Eligible counterparties, as well as eligibility criteria and allocation mechanics, are defined in the program documentation.
- TCX offers reduced pricing; the guarantee is intended to compensate TCX for the economic impact of providing reduced pricing within the program constraints.
- The agreement was signed in July 2025, has a duration of 10 years and the maximum guarantee amount is EUR 9,000.
- Compensation is linked to realized FX movements at settlement/fixing dates and is determined per transaction and per settlement, without offsetting across different trades.

One transaction is outstanding under this Facility at year-end for an amount of EUR 10,000.

27. BMUKN Facility

The BMUKN Program was established by TCX together with KfW, with the support of the German Ministry of Foreign Affairs (BMUKN) and the International Climate Initiative (IKI), to reduce the cost of hedging for eligible renewable energy transactions and thereby facilitate access to synthetic local currency financing. The program targets transactions supporting SDG 7 (“affordable, reliable, sustainable and modern energy for all”) by lowering hedging costs and, ultimately, local-currency borrowing costs for eligible projects and/or borrowers.

A summary of the Facility’s key elements include:

- The program was launched on 16 May 2025.
- The expected notional of deals under the agreement is EUR 30,000.

- The initial maximum subsidies to be allocated amounted to EUR 3,000, which was later increased to EUR 3,450.

Eight transactions are outstanding under this Facility at year-end.

28. Net result on financial instruments at fair value through profit or loss

The net results on financial instruments at fair value through profit or loss are detailed follows:

2025

(All amounts in thousands USD)	Profits		Losses		Net result
	unrealized	realized	unrealized	realized	
Cross Currency Swaps- Primary	302,424	605,809	(134,173)	(374,865)	399,194
Cross Currency Swaps- Hedging	73,476	110,118	(94,118)	(188,384)	(98,908)
FX forward- Primary	47,636	45,380	(29,681)	(5,995)	57,340
FX forward- Hedging	35,291	6,464	(115,127)	(58,784)	(132,156)
FX spots	-	870	-	(364)	506
Debt instruments	23,914	20,234	(10,225)	(4,502)	29,422
Total	482,741	788,876	(383,324)	(632,894)	255,398

2024

(All amounts in thousands USD)	Profits		Losses		Net result
	unrealized	realized	unrealized	realized	
Cross Currency Swaps- Primary	210,502	472,429	(141,483)	(365,914)	175,534
Cross Currency Swaps- Hedging	53,653	120,966	(73,909)	(161,244)	(60,534)
FX forward- Primary	28,343	22,989	(24,796)	(2,891)	23,645
FX forward- Hedging	38,174	6,786	(42,355)	(28,403)	(25,798)
FX spots	-	374	-	(507)	(133)
Debt instruments	11,379	7,592	(35,656)	(10,875)	(27,560)
Total	342,051	631,136	(318,199)	(569,834)	85,154

The interest component included in the Cross Currency Swaps amounts to USD 209,432 (2024: USD 148,722).

29. Foreign currency translation

Realized and unrealized exchange rate differences consist of realized and unrealized translation gains and losses on assets and liabilities denominated in currencies other than the US Dollar. The total foreign currency translation result amounts to a gain of USD 21,339 (2024: loss of USD 3,150). For the translation of the non-USD positions at balance sheet date, a closing rate of EUR 0.8521 (2024: EUR 0.9663) per USD has been applied in preparation of these financial statements.



30. Interest income

The following table details the interest income during the reporting period.

(All amounts in thousands USD)	2025	2024
<i>Financial instruments at fair value through profit or loss</i>		
Commercial paper	42,348	65,388
Floated rate notes	5,650	7,916
Fixed rate bonds	2,609	1,020
Subtotal debt instruments	50,607	74,324
<i>Cash and cash equivalents</i>		
Cash at banks	581	1,085
Money market funds	5,679	1,999
Subtotal cash and cash equivalents	6,260	3,084
<i>Cash collateral</i>		
Cash collateral	2,252	4,739
Subtotal cash collateral	2,252	4,739
Total interest income	59,119	82,147

31. Other general expenses

The following table details the other general expenses during the period.

(All amounts in thousands USD)	2025	2024
Legal fees	300	274
Rating agency fees	160	141
Guarantee fees	428	181
Compliance fees	25	49
Advisory fees	303	245
Custodian fees	181	157
Research fees	449	424
Amortization intangible assets	8	-
Other expenses	250	415
Total other general expenses	2,104	1,886

32. Legal proceedings

In the course of its normal activities, the Fund could face claims in civil lawsuits and disputes. Presently, there is no dispute considered to be with merit, and/or if found to be so, likely to have an adverse impact on the Fund.



33. Personnel

The Fund did not employ any personnel during the reporting period ending 31 December 2025 (2024: none).

34. Assets Under Management

As defined under the AIFMD, the Assets Under Management ('AUM') of the Fund at 31 December 2025 totalled USD 11,901 million (2024: USD 10,040 million), including the derivatives portfolio at notional value.

35. Leverage

As defined under the AIFMD, the Leverage of the Fund at 31 December 2025 was 7.6 times its NAV using the Gross Method, and 5.1 times its NAV using the Commitment Method (2024: 8.2 times and 5.2 times, respectively). The Fund calculates these leverage measures solely for reporting purposes to the Dutch Central Bank. For risk and capital management purposes, the Fund relies instead on monitoring its Available Capital to Risk Weighted Assets ratio, as detailed in Note 21.

36. Fund documentation

The totality of the documents concerning TCX's corporate status and its objectives, funding arrangements, policies, management, operations, and financial results are available to existing investors in the secure area of the Fund's website (www.tcxfund.com). For permission to access this secure area of the website, prospective investors are invited to contact the Fund Manager at info@tcxfund.com. For non-investors, the website only provides publicly released information.

37. Proposal for profit appropriation

Appropriation of profit will be determined in accordance with articles 29 and 31 of the Articles of Association of the Fund. In this respect, see page 74, "Other Information".

The statutory managing board proposes to the general meeting to allocate the operating income of USD 304,996 for the period ended 31 December 2025 as follows: for an amount of USD 304,996 to the other reserves corresponding with each relevant class of shares. As per 31 December 2025, 1,070 shares are in issue. No dividends shall be distributed to shareholders with respect to the period ended 31 December 2025.

Amsterdam, 13 April 2026

The Managing Board of TCX Investment Management Company B.V.

Ruurd Brouwer, Chief Executive Officer
Kor Bosscher, Chief Finance & Operations Officer
Yulia Pashchenko, Chief Risk Officer

OTHER INFORMATION

PROFIT APPROPRIATION

Appropriation of profit will be determined in accordance with articles 29 and 31 of the Articles of Association of the Fund. The relevant provisions read as follows:

Article 29

The Fund shall ensure that the annual accounts, the annual report, the report of the supervisory board, insofar instituted pursuant to article 20, and the information to be added by virtue of the law are held at its office as from the day on which the annual meeting is convened. Shareholders, and beneficiaries of a life interest in shares to whom the right to vote the shares accrue, may inspect the documents at that place and shall obtain a copy thereof, free of charge.

The general meeting shall adopt the annual accounts. The annual accounts may not be adopted in the event that the general meeting has been unable to inspect the independent auditor's statement referred to in article 27, paragraph 4, unless a legal ground is given in the information required to be added by law for the lack of the independent auditor's statement referred to in article 27, paragraph 4.

Unconditional adoption of the annual accounts shall not automatically serve to constitute a discharge of the members of the statutory managing board for the management, and of the members of the supervisory board, insofar instituted pursuant to article 20, for their supervision, insofar as such management of supervision is apparent from the annual accounts. The general meeting shall resolve such a discharge separately.

The provisions of these articles of association regarding the annual report and the information to be added by virtue of the law need not be applied if the Fund is a member of a group and all other relevant requirements of the law have been met.

Article 31

The statutory managing board shall determine which part of the profits shall be reserved by allocating that part to each relevant dividend reserve that corresponded with the relevant class of shares.

The profits that are not reserved in accordance with paragraph 1 shall be at the disposal of the general meeting.

Dividends may be paid only up to an amount which does not exceed the amount of the distributable part of the net assets.

Dividends shall be paid after adoption of the annual accounts from which it appears that payment of dividends is permissible.

The general meeting may resolve to pay an interim dividend provided the requirement of the second paragraph has been complied with as shown by interim accounts drawn up in accordance with the provision of the law.

The general meeting may be subject to due observance of the provision of paragraph 2 resolve to make distributions to the charge of any reserve which need not be maintained by virtue of the law.

For the computation of the profit distribution, the shares held by the Fund in its own capital shall not be included.



INDEPENDENT AUDITOR'S REPORT

To: the shareholders, the supervisory board and the managing board of The Currency Exchange Fund N.V.



Independent auditor's report

To: the general meeting and the supervisory board of The Currency Exchange Fund N.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion, the financial statements of The Currency Exchange Fund N.V. ('the Fund') give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its result and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of The Currency Exchange Fund N.V., Amsterdam.

The financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the following statements for 2025: the statements of comprehensive income, changes in net assets attributable to holders of redeemable shares Class A and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam,
P.O. Box 90357, 1006 BJ Amsterdam, the Netherlands, T: +31 (0) 88 792 00 20, www.pwc.nl

'PwC' is the brand under which PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287), PricewaterhouseCoopers Compliance Services B.V. (Chamber of Commerce 51414406), PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V. (Chamber of Commerce 54226368), PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289) and other companies operate and provide services. These services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. Purchases by these companies are governed by General Terms and Conditions of Purchase ('algemene inkoopvoorwaarden'). At www.pwc.nl more detailed information on these companies is available, including these General Terms and Conditions and the General Terms and Conditions of Purchase, which have also been filed at the Amsterdam Chamber of Commerce.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence

We are independent of The Currency Exchange Fund N.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to the audit approach to address fraud risk and going concern.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of The Currency Exchange Fund N.V. and its environment and the components of the internal control system. This included the managing board's risk assessment process, the managing board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 'in control statement' of the annual report for management's fraud risk assessment.



We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries with the operational auditor, administrator, members of the managing board and the supervisory board to evaluate their fraud awareness, the internal control environment in relation to fraud, the ‘tone at the top’ and entity-level controls. As part of these procedures, we have requested the CFOO to fill in our fraud questionnaire and discussed the outcomes of this questionnaire.

We asked members of the managing board and the supervisory board whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
<p>The risk of management override of controls</p> <p>The managing board is in a unique position to perpetrate fraud because of the managing board’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:</p>	<p>We evaluated the design and implementation of the internal control system by reviewing the ISAE 3402 type II report. Moreover, we evaluated the design and implementation of the internal control system in the process of generating and processing journal entries. We determined that we could rely on these controls.</p> <p>We have performed inquiries with the operational auditor, the administrator and the managing board with respect to fraud and journal entry process.</p> <p>We have additionally performed our substantive audit procedures:</p>

Identified fraud risks	Our audit work and observations
<ul style="list-style-type: none"> The appropriateness of journal entries and other adjustments made in the preparation of the financial statements. Estimates. Significant transactions, if any, outside the normal course of business for the entity. <p>We pay particular attention to tendencies due to possible bias of the managing board.</p>	<p>We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, obtaining an understanding of the business rationale and inspection of the entries to source documentation. We did not identify any significant transactions outside the normal course of business.</p> <p>We also performed specific audit procedures related to important estimates of management. We specifically paid attention to the inherent risk of bias of management in estimates.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.</p>
<p>The risk of fraudulent financial reporting due to overstating the revenue</p> <p>As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue give rise to risk of material misstatement due to fraud. We identified the risk of fraud in revenue recognition, through indirect (unrealized) results generated by the valuation of level 2 and 3 financial instruments.</p>	<p>We evaluated the design and implementation of the internal control system by reviewing the ISAE 3402 type II report of the Fund. Moreover, we evaluated the design and implementation of the internal control system in the process of the valuation of level 2 and level 3 financial instruments including the recording of the (unrealized) results. We determined that we could rely on these controls.</p> <p>We performed our audit procedures in a mix of controls and substantive procedures over the indirect (unrealized) results generated by the valuation of level 2 and 3 financial instruments.</p> <p>We evaluated the valuation of the level 2 and 3 financial instruments by assessing the valuation models used, reconciling the inputs of the model to external sources and independently recalculated a selection of the discount curves used.</p> <p>We performed recalculation to verify the accuracy of the indirect (unrealized) results generated by the valuation of level 2 and 3 financial instruments.</p> <p>Through a recalculation we verified the accuracy and completeness of the indirect (unrealized) results generated by valuation of level 2 and 3 financial instruments.</p> <p>We reviewed the significant accounting policies, estimates and judgements.</p>

Identified fraud risks	Our audit work and observations
	Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the indirect (unrealized) results generated by the valuation of level 2 and 3 financial instruments.

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern

As disclosed in section 'Going concern statement' in the directors' report the managing board performed its assessment of the Fund's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the managing board's going-concern assessment included, amongst others:

- considering whether the managing board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the managing board regarding the managing board's most important assumptions underlying its going-concern assessment. Amongst others, we took into consideration our knowledge of the operations of the Fund and its future operation plans;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants;
- performing inquiries of the managing board as to its knowledge of going-concern risks beyond the period of the managing board's assessment;
- Performing audit procedures on the capital base framework of the Fund.

Based on our procedures performed and evidence obtained, we concluded that the managing board's use of the going-concern basis of accounting is appropriate, and that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Compliance with the requirements of the Regulatory Technical Standard of SBR, including the XBRL mark up, not audited

The audit includes the verification that the prepared financial statements comply with the legal provisions in Part 9 of Book 2 of the Dutch Civil Code. Our audit opinion is issued on the prepared financial statements and will be included in the digitally filed annual report. The compliance with all requirements of the Regulatory Technical Standard of the SBR domain Trade Register, including the applied eXtensible Business Reporting Language (XBRL) mark ups, was not subject to our audit.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The managing board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the managing board and the supervisory board for the financial statements

The managing board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the managing board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the managing board is responsible for assessing the Fund's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the managing board should prepare the financial statements using the going-concern basis of accounting unless the managing board either intends to liquidate the Fund or to cease operations or has no realistic alternative but to do so. The managing board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Fund's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Fund's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the managing board.
- Concluding on the appropriateness of the managing board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Amsterdam, 13 April 2026

PricewaterhouseCoopers Accountants N.V.

Original has been signed by:

M.D. Jansen RA

APPENDIX I MEMBERS OF THE SUPERVISORY BOARD

The appointment of Supervisory Board members is subject to the approval of the General Meeting and of the Financial Markets Authority of the Netherlands. The Supervisory Board presently consists of the following individuals:

Mr. Marcus Fedder, Chair

Marcus Fedder is a finance professional with more than 30 years of experience in development finance, capital markets and derivatives. He currently advises development finance institutions on financial matters and has been involved with microfinance since 2009, including co-founding a MIV, and being a member of the investment committee of Alterfin. Previously, he was a Director and Chair of the Audit Committee of the International Finance Facility for Immunization and served on the Supervisory Board of Channel Holdings Ltd. Prior to that, Marcus built a 20-year career in international banking and development finance, including appointments as Vice Chair of Toronto Dominion Securities with responsibility for TD's business in Europe and Asia-Pacific, and Treasurer of the European Bank for Reconstruction and Development (EBRD). He also worked at the World Bank advising governments and central banks on debt and asset and liability management, and at CIBC and Deutsche Bank in interest rate and currency derivatives. He joined the TCX Supervisory Board in January 2017 and was appointed Vice-Chair in May 2022 and Chair in May 2024.

Ms. Sarah Russell, Vice-Chair

Sarah Russell served as CEO of Aegon Asset Management Holdings N.V. (2010–2019) and as member of the Management Board of Aegon N.V. (2016–2019). Earlier, she spent 14 years at ABN AMRO Bank, culminating as Senior Executive Vice President and CEO of ABN AMRO Asset Management Holdings N.V. (2006–2008), and held senior roles including CFO of the Wholesale Clients Business Unit and Global Head of Financial Markets Research and Infrastructure Support. She has held multiple non-executive positions, including at Nordea Bank Abp (2010–2022) and Ostrum Asset Management (2019–2022). She is currently on the Supervisory Boards of APG Group N.V. and APG Asset Management N.V. (since 2021) and ABN AMRO N.V. (since 2022). She joined the TCX Supervisory Board in November 2019 and became Vice-Chair in May 2024.

Mrs. Bola Adesola

Bola Adesola is a banking professional with over 30 years of experience and a strong legal background. In 2011, she was appointed as CEO of Standard Chartered Bank Nigeria Limited, where she also served as Senior Vice-Chairman, Africa (2019-2021). Previously, she served as Executive Director overseeing corporate banking at First Bank of Nigeria Plc (2005-2010) and was appointed Managing Director of Kakawa Discount House Limited in 1999, following earlier treasury roles at Citibank Nigeria. Her global engagement includes the role of Vice Chairman of the United Nations Global Compact (2018-2021), having previously served as a Director since July 2015. She has held various board roles, including Women in Management and Business, Chairman of Lagos State Employment Trust Fund, Chairman of Ecobank Nigeria, and Trustee of Nigeria University of Technology and Management. She joined the TCX Supervisory Board in May 2023.

Mr. Tim Armbruster

Tim Armbruster is the Senior Vice President and Group Treasurer of KfW since March 2020. He began his professional career in 1996 followed by various positions in markets and treasury departments in Germany, Ireland, the US and Luxemburg. Before he joined KfW Group, he was Treasurer of the Federal Government's Winddown Institution (FMS-WM Group) and Aareal Bank AG. He served as a Member of the Supervisory Board and Deputy Chair of FMS Wertmanagement Service GmbH (2012-2019). He joined the TCX Supervisory Board in May 2022.

Mr. Jingdong Hua

Jingdong Hua brings substantial experience to the Supervisory Board as former Treasurer of the World Bank and IFC, as well as his work at ADB and AfDB. Since 2022, he is Vice-Chair & Board Member of the International Sustainability Standards Board (ISSB) and International Financial and Reporting Standard Foundation (IFRS). The same year, he took on the role of Board Member at the United Nations Sanitation and Hygiene Fund (SHF) and became Senior Fellow at the Miken Institute. He is a member of the International Advisory Board of the Zhejiang University International Business School (ZIBS). He joined the TCX Supervisory Board in May 2024.

Expiry dates of the mandates of the members of the Supervisory Board

Mr. Marcus Fedder	May 2026 (end of second term with a one year extension)
Mr. Tim Armbruster	May 2026 (renewable for a second term)
Mrs. Bola Adesola	May 2027 (renewable for a second term)
Ms. Sarah Russell	May 2028 (end of second term)
Mr. Jingdong Hua	May 2028 (renewable for a second term)

Members of the sub-committees of the Supervisory Board

- **Audit & Compliance Committee**
Ms. Sarah Russell (Chair)
Mr. Tim Armbruster
Mr. Jingdong Hua
- **Risk Oversight Committee**
Mr. Tim Armbruster (Chair)
Mrs. Bola Adesola
Mr. Jingdong Hua
- **Remuneration & Nominations Committee**
Ms. Sarah Russell (Chair)
Mr. Marcus Fedder

APPENDIX II MEMBERS OF THE VALUATION COMMITTEE

The members of the Valuation Committee are appointed by the TCX Supervisory Board. The current members are as follows:

Mr. Nikolaus Siegfried, Chair

Nikolaus Siegfried has been a partner at SlowerCapital in Tübingen, Germany, since 2013, advising on frontier market economies, including country risk, banking sector and financial market development. Previously, he was Associate Director at LandesBank Berlin (2010-2013), consultant at Artemis Investment Management (2009-2010), Assistant Portfolio Manager/Economist at Thames River Capital LLP (2005-2009), Economist at the European Central Bank (2002-2005), and Research Associate at Merrill Lynch (2001). He joined the TCX Valuation Committee in September 2010 and was appointed Chairman in December 2017.

Mr. Sebastian Espinosa

Sebastian Espinosa is the Managing Director and co-founder of White Oak Advisory Limited, one of the world's leading providers of financial advice on matters relating to sovereign debt and public finances. Prior to this, he was Managing Director of Houlihan Lokey in London focused on sovereign debt restructuring and liability management, and earlier served as Director in the Sovereign Advisory unit of UBS Investment Bank (2000-2005). He spent his earlier career in the Sovereign Ratings team of Fitch IBCA Ltd. and as an Economist in The Economist Intelligence Unit. He joined the TCX Valuation Committee in February 2018.

Mr. Peter Redward

Peter Redward started Redward Associates Ltd. in September 2011. Based on Singapore, Redward Associates provides independent research on economic and financial market developments in the Asia-Pacific region. Prior to this, he was managing director, head of EM Asia Research at Barclays Capital (2006-2011), portfolio manager at Citadel Investment Group (2005-2006), director, head of EM Currency Research at Deutsche Bank AG (1998-2005), and senior research officer at the Reserve Bank of New Zealand (1995-1998). He joined the TCX Valuation Committee in September 2016.

Mr. Louis Sabatino

Louis Sabatino serves as a non-executive director and investment committee member of Africa GFI Fund Advisors in Mauritius and sits on the investment committee of Frontier Clearing Management B.V. Previously, he consulted for Exotix Partners LLP in Johannesburg to support the build-out of local currency fixed income trading across Sub-Saharan African markets. Earlier, he spent 14 years at WestLB in Johannesburg as Director and Head of Africa Debt Capital Markets, developing the bank's pan-African trading and capital markets presence, and before that headed the Africa desk and FX Treasury at Standard Merchant Bank. He has been a member of the TCX Valuation Committee since October 2013.

Mr. Vincenzo Zinni

Vincenzo Zinni set up his own Advisory business focusing on commodity markets in 2017. Prior to this, he was Head of Asia Treasury and Trade Finance at Noble Group (2015-2017). Earlier, he spent nearly two decades at Credit Suisse First Boston in emerging markets research, strategy and sales, including roles as Head of EMEA Emerging Markets Sales and CEEMEA Sales and Coverage. He joined the TCX Valuation Committee in June 2014.

Expiry dates of the mandates of the members of the Valuation Committee

Mr. Siegfried	December 2025 (not renewable)
Mr. Sabatino	December 2026 (renewable in 3-year increments up to 2028)
Mr. Zinni	December 2026 (renewable in 3-year increments up to 2029)
Mr. Redward	December 2027 (renewable in 3-year increments up to 2031)
Mr. Espinosa	December 2027 (renewable in 3-year increments up to 2033)

APPENDIX III MEMBERS OF THE MANAGING BOARD

The Fund's sole director and managing board member is its Fund Manager, TCX Investment Management Company B.V. ("TIM"). TIM has its own Managing Board, consisting of three statutory directors. Their appointment is subject to the approval of the TCX Supervisory Board and the Financial Markets Authority of the Netherlands. The current directors are:

Members of the Managing Board as at 31 December 2025

Mr. Ruurd Brouwer, Chief Executive Officer

Ruurd Brouwer joined TIM in 2014 and has overall responsibility for the management of the Fund, including its growth strategy, capital structure, and investor relations. Prior to joining TIM, he worked for 16 years at FMO, the Dutch development bank, in various positions including Director of Investment & Mission Review (and Chair of FMO's Credit Committee), Director of Financial Institutions, and Director of Africa & Government Funds. Prior to FMO he was a Policy Official at the Dutch Ministry of Foreign Affairs. He has been active as a supervisory board member and investment committee member of financial institutions and investment funds focused on Africa, and as a guest lecturer at the Erasmus School of Economics and The Hague University of Applied Sciences, teaching on financial stability, banking, risk management, and developing economies. He holds a Master's Degree in International Finance from the University of Amsterdam.

Mr. Kor Bosscher, Chief Finance & Operations Officer (effective October 2025)

Kor Bosscher joined on 1 September 2025 and after a one month handover period, succeeded Brice on 1 October 2025. He brings established leadership experience in strategy and innovation, finance, operations, technology and risk management. Kor joins from Quadrum Capital, an independent investment company focused on SME companies where he served as CFRO. Prior to that role, Kor was Managing Director Risk, Finance & Operations at Triodos Investment Management (2018-2024), CEO of i-Pension Solutions (2016-2018) and CFRO at MN, one of the largest pension providers and asset managers in the Netherlands (2008-2016). Kor is a MSc in Business Economics and is a Certified Public Accountant (Registered Accountant) obtained at RijksUniversiteit Groningen.

Ms. Yulia Pashchenko, Chief Risk Officer (effective October 2025)

Yulia Pashchenko brings extensive experience in risk management and leadership, with a proven track record in enhancing risk frameworks, managing change, and building strong risk cultures within financial institutions. Most recently, she has served as Head of Risk & Control at New10, an ABN AMRO-backed fintech initiative, where she led continuous transformation of risk practices. She has also held senior risk roles at ABN AMRO and holds a Professional Doctorate in Engineering from Eindhoven University of Technology.

Former Members during 2025

Mr. Othman Boukrami, Deputy CEO and Chief Investment Officer (until November 2025)

Othman Boukrami joined TIM in 2009. His responsibilities include managing TIM's Structuring, Trading, Business Risk, and Business Development teams. Prior to joining TIM, he worked for four years at the African Development Bank, first as a Senior Risk Officer and then as a Senior Investment Officer. He was previously a Senior Treasury Dealer at Citigroup. He holds a Bachelor's Degree in Economics & Finance from the École Supérieure de Commerce in Algiers, a Master's Degree in Banking & Finance from the University of Lyon, a Master's Degree in International Securities, Investment & Banking from the University of Reading, and a PhD in Finance from the University of Lyon.



Mr. Brice Ropion, Chief Operations Officer (until September 2025)

Brice Ropion joined TIM in September 2010. His responsibilities include managing TIM's Finance, Reporting & Control and ICT teams, both of which are actively engaged in managing the relationships with the Fund's operational partners and service providers, and monitoring their performance. Prior to joining TIM, he built a 20-year career at ABN AMRO Bank, including 8 years in portfolio and risk management functions with a focus on financial institutions, and 12 years in commercial and branch management functions in the bank's international division. He holds a Master's Degree in International Affairs from George Washington University, and a Bachelor's Degree in Economics and Political Science from Cornell University.

Ms. Petra Visser, Chief Risk Officer (ad interim, until June 2025)

Petra Visser joined TIM in August 2024. Her responsibilities include managing TIM's Risk and Legal & Compliance teams. From 2021 until joining TIM, she worked as an executive advisor and interim manager for impact investment organizations in the field of strategy, risk management, and finance. Previously, she worked for 12 years at FMO and TCX in front office and risk management functions, the last position as Director Operations at FMO. She started her career at the Boston Consulting Group and holds a Master's Degree in Econometrics from the Erasmus University of Rotterdam.