

Registered no: 56457103

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**MERRILL LYNCH B.V.**

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**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**MERRILL LYNCH B.V.**

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**COMPANY INFORMATION**

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<b>Directors</b>	A.E.Okobia L.R. Whitley
<b>Registered number</b>	56457103
<b>Registered office</b>	Amstelplein 1, Rembrandt Tower 27 Floor, 1096 HA, Amsterdam The Netherlands
<b>Independent auditors</b>	BDO Audit & Assurance B.V. P.O. Box 71730, 1008 DE Amsterdam Krijgsman 9, 1186 DM Amstelveen The Netherlands

CONTENTS

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	Page(s)
<b>Directors' report</b>	1 - 5
<b>Financial statements</b>	
• <b>Statement of profit or loss and other comprehensive income</b>	6
• <b>Statement of financial position</b>	7 - 8
• <b>Statement of changes in equity</b>	9 - 10
• <b>Statement of cash flows</b>	11
• <b>Notes to the financial statements</b>	12 - 47
<b>Other information</b>	48

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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The directors present their report and the audited financial statements of Merrill Lynch B.V. ("MLBV", the "Company") for the year ended 31 December 2025.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

The directors confirm that to the best of their knowledge:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit and cash flows for the year then ended; and
- the directors' report gives a true and fair view of the Company's situation as at the reporting date, the events that occurred during 2025, future outlook, events after the reporting date and the risks to which the Company is exposed.

The Dutch Civil Code requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS as adopted by the EU") and the additional requirements of Title 9 Book 2 of the Netherlands Civil Code in accordance with article 362 section 8 and 9 of the Netherlands Civil Code.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable;
- state whether applicable IFRS's as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with IFRS as adopted by the EU and the additional requirements of Title 9 Book 2 of the Netherlands Civil Code in accordance with article 362 section 8 and 9 of the Netherlands Civil Code. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Electronic distribution**

The directors are responsible for ensuring that the Company's financial statements are provided for inclusion on the website of the Company's ultimate parent undertaking, Bank of America Corporation ("BAC"). The work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**Principal activities**

The principal activities of the Company are the issuance of structured and vanilla notes, certificates and warrants (collectively "Structured Issuances"), and economically hedging these instruments through derivatives with affiliated companies. In addition, the Company grants intercompany loans to affiliated companies.

All material assets of MLBV are obligations of one or more affiliated companies. If any such affiliated company incurs losses with respect to any of its activities (irrespective of whether those activities relate to MLBV or not) the ability of such company to fulfil its obligations to MLBV could be impaired, thereby exposing holders of instruments issued by MLBV to a risk of loss.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**Business review and market environment**

Details about the Company's incorporation and the parent of the Company are disclosed in Note 1 Corporate information and basis of preparation.

**Outlook**

During 2025, global macroeconomic conditions remained challenging, with elevated trade-related uncertainty and geopolitical tensions contributing to market volatility. Tariff actions across major economies impacted global trade flows and introduced inflationary pressures, particularly in commodities. These developments influenced investor sentiment and contributed to shifts in asset allocation and risk appetite.

Across Europe, macroeconomic performance remained mixed, with persistent inflation undershoot and limited growth momentum. Central Bank policy remained accommodative, while fiscal measures in select jurisdictions provided targeted support. Market participants continued to monitor trade dynamics and policy developments, which remain key sources of uncertainty.

In the United States, economic indicators remained broadly resilient, supported by consumer spending and strong corporate earnings. However, elevated tariffs and policy uncertainty have introduced inflationary risks and contributed to volatility across asset classes. The Federal Reserve reduced rates during the year, citing labour market risks and demand-side concerns.

Geopolitical tensions, including ongoing conflicts and energy security concerns, have continued to influence market behaviour. Volatility in energy and agricultural markets, alongside financial sanctions, has impacted pricing and risk management across sectors. Heightened uncertainty in early 2026 surrounding developments in the Middle East, including Iran, contributed to increased market volatility as well as repricing across equity markets as investors assessed the potential for a more extended conflict and broader regional impacts.

The Company is exposed to numerous geopolitical, economic, and other risks in the jurisdictions in which it operates. Economic or geopolitical stress in individual countries or regions may adversely impact global market activity and economic output. The Company's results may be impacted by currency fluctuations, financial, social or judicial instability, electoral outcomes, changes in governmental policies or policies of central banks, price controls, high inflation, protectionist trade policies, continued trade tensions and changes in legislation. The businesses and revenue of the Company are also at risk of losses as tariffs continue to rise and other restrictive actions are taken that weigh heavily on regional trade volumes and domestic demand through falling business sentiment and lower consumer confidence. These risks are especially elevated in the emerging markets.

The Company continues to actively monitor macroeconomic conditions and relevant forward looking information when assessing the recoverability of its financial assets. No expected credit loss allowance has been recognised. The Company will continue to monitor solvency and liquidity on an ongoing basis.

**Overview of 2025**

The directors are satisfied with the Company's performance for the financial year ended 31 December 2025 and financial position at the end of the year. The Company's profitability is primarily derived from the issuance of the Structured Issuances and related intercompany assets.

**Results**

The statement of profit or loss and other comprehensive income for the year is set out on page 6. The Company reported a profit before tax of \$112,943,000 (2024: \$119,271,000) and profit after tax of \$83,885,000 (2024: \$93,125,000). Year on year profit before tax decreased as the increase in net operating revenue was more than offset by higher administrative expenses under the new transfer pricing framework.

Net operating revenue was \$129,811,000 (2024: \$120,107,000) comprised of net interest income of \$1,113,660,000 (2024: \$912,012,000), partially offset by a net fair value loss \$984,816,000 (2024: \$794,059,000). The increase in net interest income aligns with expanded lending to affiliates, while the increase in fair value

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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losses are primarily driven by the fair value of the structured issuances and derivatives used to economically hedge these instruments. Administrative expenses were \$16,868,000 (2024: \$836,000), primarily relating to charges under the new transfer pricing framework.

The statement of financial position is set out on pages 7–8. Total assets were \$38,504,468,000 (2024: \$19,479,678,000) and total liabilities were \$36,290,656,000 (2024: \$18,359,830,000). The growth reflects increased Structured Issuances and associated intercompany loans and hedging activities. Total equity increased to \$2,213,812,000 (2024: \$1,119,848,000), driven by a \$1,127,250,000 share premium contribution from the immediate parent (see Note 20).

In total equity, the Company recognised a Debit Valuation Adjustment ("DVA") loss of \$157,826,000 (2024: \$129,996,000) in other comprehensive income ("OCI"), with a related deferred tax credit of \$40,655,000 (2024: \$33,018,000), reflecting movements in the Company's own credit risk that are represented in OCI to avoid profit or loss mismatches with economically offsetting derivatives (see Notes 18 and 25). The cumulative DVA loss (net of tax) in equity was \$(251,734,000) at 31 December 2025 (see Note 20).

The Company's capitalisation ratio, measured as total equity divided by the notional amount of outstanding debt at fair value through profit or loss ("FVTPL") remained at 7% (2024: 7%). The share premium contribution was made during 2025 to strengthen the capitalisation ratio and provide capacity for future debt issuance. The Company has no entity-level regulatory capital requirements but monitors capital relative to risk profile and issuance activity. No breaches of internal thresholds occurred during the year (see Note 24).

The statement of cash flow is set out on page 11. The net operating cash outflow was \$1,007,729,000 (2024: \$425,923,000 outflow), driven mainly by increases in lending to affiliates (financial assets at amortised cost and amounts owed from affiliated companies), higher derivative assets, and financial assets at FVTPL, partially offset by increases in issued liabilities, creditors (notably cash collateral payable linked to hedging requirements), and derivative liabilities; income taxes paid was \$43,275,000. Net financing cash inflow was \$1,127,250,000 (2024: \$300,000,000), reflecting the share premium contribution from the immediate parent to support balance sheet growth and to maintain capital ratios in line with internal targets. Cash and cash equivalents increased by \$119,521,000 (including \$2,448,000 FX effects) to \$124,831,000 at year-end, consistent with expanded issuances, associated hedging and collateral flows.

#### Conclusion

The Company delivered stable earnings (profit before tax of \$112,943,000) while increasing note issuance to meet client demand and related lending to affiliated companies. Equity increased to \$2,213,812,000, driven primarily by the share premium contribution, and the capitalisation ratio remained materially unchanged at 7%. The directors consider the going concern basis appropriate, given access to group liquidity, diversified issuance profile, and established risk controls under the BAC Risk Framework (see Note 24).

#### Risk management

BAC's Risk Framework serves as the foundation for consistent and effective management of risks facing BAC and its subsidiaries (including the Company). It provides an understanding of the Company's approach to risk management and each employee's responsibilities for managing risk. All employees must take ownership for managing risk well and are accountable for identifying, escalating and debating risks facing the Company.

The risk management approach has five components:

- Culture of managing risk well;
- Risk appetite;
- Risk management process;
- Risk data management, aggregation and reporting; and
- Risk governance

The seven key types of risk faced by BAC businesses as defined in the Risk Framework are strategic, credit, market, liquidity, operational, compliance and reputational risks.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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The Company's approach to each of the risk types are further described in the notes to the financial statements (see note 24 Financial Risk Management).

**Global compliance and operational risk**

The Company's overall approach to managing risk, including compliance risk, is governed by the BAC Risk Framework. As part of this, the Global Compliance & Operational Risk and Global Financial Crimes teams work in partnership to offer continuous challenge and oversight in order to minimise the risk of legal or regulatory sanctions, material financial loss or reputational damage, including but not limited to, the risks associated with bribery and corruption, economic sanctions, money laundering, terrorist and criminal financing, and internal and external fraud.

In this respect, BAC has a Code of Conduct in place which provides basic guidelines of business practice, and professional and personal conduct that are expected from employees. Likewise, BAC has whistleblowing arrangements in place which will allow employees to report suspected malpractices such as unethical conduct, violations of law etc. on an anonymous and/or confidential basis.

**Management of climate change risk**

The Company has adopted BAC's Risk Framework (the "Risk Framework") which sets forth the roles and responsibilities for the management of risk by lines of business, Global Risk Management, other control functions and Corporate Audit. The Risk Framework describes how BAC identifies, measures, monitors, and controls climate risk. The framework also details the roles and responsibilities for climate risk management across the three lines of defense.

The BAC Group's approach to sustainability matters can be accessed via the Sustainability at Bank of America document, available at [www.bankofamerica.com/sustainabilityreports](http://www.bankofamerica.com/sustainabilityreports), and Bank of America's Annual Report, available at [investor.bankofamerica.com/annual-reports-and-proxy-statements](http://investor.bankofamerica.com/annual-reports-and-proxy-statements), as well as the Human Rights Statement 2025, available at <https://about.bankofamerica.com/content/dam/about/pdfs/human-rightsstatement.pdf>. Bank of America documents referenced in this annual report make sustainability-related statements. Any such statements relate to Bank of America Corporation and its entities as a whole and not to any particular product or service.

Set out below is a summary of the Company's approach to the management of climate risk.

Climate risk is divided into two major categories, both of which span the Company's seven key risk types:

- Physical Risk: Risks related to the physical impacts of climate change, driven by extreme weather events such as hurricanes and floods, as well as chronic longer-term shifts such as rising average global temperatures and sea levels, and
- Transition Risk: Risks related to the transition to a low-carbon economy, which may entail extensive policy, legal, technology and market changes.

Physical impacts of climate change, such as more frequent and severe extreme weather events, can increase our Company's risks including credit risk by diminishing counterparties' repayment capacity or collateral values, and operational risk by negatively impacting the Company's facilities, customers or third parties. Climate-related transition risks may amplify credit risks through the financial impacts of changes in policy, technology, or the market on our Company or our counterparties. Unanticipated market changes can lead to sudden price adjustments and give rise to heightened market risk.

No material climate-related risk variables impacting the financial position of the Company as at 31 December 2025 have been identified. For financial instruments held at fair value, there have not been any adjustments to fair value specifically for climate risks. For financial assets held at amortised cost, there has been no material impact of climate risks on the Company's loss allowances for expected credit losses.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Events after the reporting period**

The Company evaluates whether events occurring after the balance sheet date, but before the date the financial statements are available to be issued, require accounting as of the balance sheet date, or disclosure in the financial statements. The Company has evaluated such subsequent events through 29 April 2026 which is the issuance date of the financial statements. Subsequent to the reporting period, on 18 February 2026, S&P Global Ratings assigned Merrill Lynch B.V. a long-term issuer credit rating of 'A-' and a short-term issuer credit rating of 'A-2', with a stable outlook. This represents a non-adjusting event under IAS 10, as it relates to conditions arising after the reporting date. Accordingly, no adjustments have been made to the financial statements. Refer to note 26 Events After The Reporting Period for further information.

**Composition of the board**

The size and composition of the Board of Directors and the combined experience reflects the best fit for the profile and strategy of the Company. Currently, the Board are all male, however the Company is aware of the gender diversity goals as set out in the Dutch Civil Code and the Company will pay close attention to gender diversity in the process of recruiting and appointing new directors.

The Company did not have any employees in the current or the preceding year. The directors are delegated to the Company and are employed by other group companies.

**Board of Directors**

The directors of the Company, who were in office during the year and up to the date of approval of this report, except where noted were:

A.E. Okobia

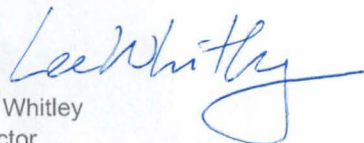
L. R. Whitley

*(together authorised to represent the Company)*

These financial statements on page 6 to 47 have been approved and authorised for issue by the Board on 29 April 2026. The directors have the power to amend and reissue the financial statements.



A.E. Okobia  
Director



L.R. Whitley  
Director

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	2025 \$000	2024 \$000
Interest income	4	1,189,118	930,435
Interest expense	5	(75,458)	(18,423)
<b>Net interest income</b>		<b>1,113,660</b>	912,012
Net loss on financial instruments at fair value through profit or loss	6	(414,334)	(177,861)
Net loss on financial instruments designated at fair value through profit or loss	7	(570,482)	(616,198)
Other income	8	967	2,154
<b>Net operating revenue</b>		<b>129,811</b>	120,107
Administrative expenses	9	(16,868)	(836)
<b>Operating profit</b>		<b>112,943</b>	119,271
<b>Profit before tax</b>		<b>112,943</b>	119,271
Tax expense	12	(29,058)	(26,146)
<b>Profit for the financial year after tax</b>		<b>83,885</b>	93,125
<b>Other comprehensive (expense)/income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Net loss on debit valuation adjustment on Structured Issuances		(157,826)	(129,996)
Tax credit relating to movement in debit valuation adjustment on Structured Issuances		40,655	33,018
<b>Total other comprehensive expense</b>		<b>(117,171)</b>	(96,978)
<b>Total comprehensive expense</b>		<b>(33,286)</b>	(3,853)

The notes on pages 12 to 47 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

(Before appropriation of result)

		2025	As restated 2024	As restated 2023
	Note	\$000	\$000	\$000
<b>Assets</b>				
<b>Non-current assets</b>				
Debtors*	13	16,312,282	12,184,519	7,832,885
Derivative assets	15	869,868	560,640	502,149
Financial assets at fair value through profit or loss*	16	421,490	1,906	—
Deferred tax asset	17	68,314	27,659	—
<b>Total non-current assets</b>		<b>17,671,954</b>	<b>12,774,724</b>	<b>8,335,034</b>
<b>Current assets</b>				
Debtors*	13	15,825,065	5,554,556	3,428,330
Derivative assets	15	319,951	163,301	131,438
Financial assets at fair value through profit or loss*	16	4,562,667	982,291	236,322
Cash and cash equivalents	14	124,831	4,806	130,223
<b>Total current assets</b>		<b>20,832,514</b>	<b>6,704,954</b>	<b>3,926,313</b>
<b>Total assets</b>		<b>38,504,468</b>	<b>19,479,678</b>	<b>12,261,347</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities designated at fair value through profit or loss*	18	16,805,563	9,945,867	7,107,342
Derivative liabilities	15	1,441,082	1,279,143	961,790
Deferred tax liability	17	—	—	5,359
<b>Total non-current liabilities</b>		<b>18,246,645</b>	<b>11,225,010</b>	<b>8,074,491</b>
<b>Current liabilities</b>				
Financial liabilities designated at fair value through profit or loss*	18	13,219,743	6,402,480	3,179,050
Creditors	19	4,666,079	534,367	110,078
Derivative liabilities	15	144,465	170,536	34,302
Income tax payable	17	13,724	25,493	39,720
Bank overdraft		—	1,944	5
<b>Total current liabilities</b>		<b>18,044,011</b>	<b>7,134,820</b>	<b>3,363,155</b>
<b>Total liabilities</b>		<b>36,290,656</b>	<b>18,359,830</b>	<b>11,437,646</b>

\*Comparative information for 2024 and 2023 has been restated to reflect a reclassification of certain balances between current and non-current following a reassessment of maturity. For further information, refer to Notes 2.4, 13, 16 and 18.

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2025

		As restated	As restated
	2025	2024	2023
Note	\$000	\$000	\$000
<b>Issued capital and reserves</b>			
Share capital	20	—	—
Other reserves	20	(248,083)	(131,164)
Share premium	20	2,017,687	890,437
Retained earnings		360,323	267,450
Undistributed profits		83,885	93,125
<b>Total equity</b>		<b>2,213,812</b>	<b>1,119,848</b>
<b>Total liabilities and equity</b>		<b>38,504,468</b>	<b>19,479,678</b>
		<b>12,261,347</b>	

The notes on pages 12 to 47 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Share capital \$000	Share premium \$000	Other reserves \$000	Retained earnings \$000	Undistributed profits \$000	Total equity \$000
<b>At 1 January 2025</b>	—	890,437	(131,164)	267,450	93,125	1,119,848
Transfer to retained earnings	—	—	252	92,873	(93,125)	—
Profit for the year	—	—	—	—	83,885	83,885
<b>Other comprehensive income/(expense)</b>						
Movement in debit valuation adjustment on Structured Issuances	—	—	(157,826)	—	—	(157,826)
Tax relating to movement in debit valuation adjustment on Structured Issuances	—	—	40,655	—	—	40,655
Total comprehensive (expense)/income for the year	—	—	(116,919)	92,873	(9,240)	(33,286)
<b>Transactions with owners in their capacity as owners:</b>						
Share premium contribution	—	1,127,250	—	—	—	1,127,250
<b>At 31 December 2025</b>	—	2,017,687	(248,083)	360,323	83,885	2,213,812

The notes on pages 12 to 47 form part of these financial statements. For further details see note 20.

**STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

	Share capital \$000	Share premium \$000	Other reserves \$000	Retained earnings \$000	Undistributed profits \$000	Total equity \$000
<b>At 1 January 2024</b>	—	590,437	(35,168)	198,365	70,067	823,701
Transfer to retained earnings	—	—	982	69,085	(70,067)	—
Profit for the year	—	—	—	—	93,125	93,125
<b>Other comprehensive income/(expense)</b>						
Movement in debit valuation adjustment on Structured Issuances	—	—	(129,996)	—	—	(129,996)
Tax relating to movement in debit valuation adjustment on Structured Issuances	—	—	33,018	—	—	33,018
Total comprehensive (expense)/income for the year	—	—	(95,996)	69,085	23,058	(3,853)
<b>Transactions with owners in their capacity as owners:</b>						
Share premium contribution	—	300,000	—	—	—	300,000
<b>At 31 December 2024</b>	<u>—</u>	<u>890,437</u>	<u>(131,164)</u>	<u>267,450</u>	<u>93,125</u>	<u>1,119,848</u>

The notes on pages 12 to 47 form part of these financial statements. For further details see note 20.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	2025 \$000	2024 \$000
<b>Cash flows from operating activities</b>			
Profit before tax		112,943	119,271
<b>Adjustments for:</b>			
<b>Non - cash items</b>			
Net interest income	4 & 5	(1,113,660)	(912,012)
<b>Adjustments for:</b>			
Income tax paid	17	(43,275)	(38,940)
<b>Changes in operating assets</b>			
Increase in financial assets at amortised cost	13	(8,093,594)	(4,783,207)
Increase in amounts owed from affiliated companies	13	(5,114,181)	(798,125)
(Increase)/decrease in other receivables	13	(1,379)	33,907
Increase in derivative assets	15	(465,878)	(90,354)
Increase in financial assets at fair value through profit or loss	16	(3,999,960)	(747,875)
		<b>(17,674,992)</b>	<b>(6,385,654)</b>
<b>Changes in operating liabilities</b>			
Increase in financial liabilities designated at fair value through profit or loss	18	13,519,133	5,931,961
Increase in creditors	19	4,056,254	405,864
Increase in derivative liabilities	15	135,868	453,587
		<b>17,711,255</b>	<b>6,791,412</b>
<b>Net cash outflow from operating activities</b>		<b>(1,007,729)</b>	<b>(425,923)</b>
<b>Cash flows from financing activities</b>			
Share premium contribution	20	1,127,250	300,000
Net cash inflow from financing activities		<b>1,127,250</b>	<b>300,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		119,521	(125,923)
Cash and cash equivalents at 1 January	14	4,806	130,223
Bank overdraft at the beginning of the year		(1,944)	(5)
Effects of exchange rate changes on cash and cash equivalents		2,448	(1,433)
<b>Cash and cash equivalents at 31 December</b>		<b>124,831</b>	<b>2,862</b>
Cash at bank and in hand	14	124,831	4,806
Bank overdraft		—	(1,944)
<b>Cash and cash equivalents at 31 December</b>		<b>124,831</b>	<b>2,862</b>

For further details see note 14 cash and cash equivalents. The notes on pages 12 to 47 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**1. Corporate information and basis of preparation**

Merrill Lynch B.V. ("MLBV", or the "Company") is a private company with limited liability (Besloten Vennootschap met Beperkte Aansprakelijkheid) incorporated under the laws of The Netherlands on 12 November 2012 with registration number 56457103. The Company has its registered address at Amstelplein 1, Rembrandt Tower, 27 Floor, 1096HA, Amsterdam, the Netherlands.

The principal activities of the Company are the issuance of notes - both structured and vanilla - together with certificates, warrants ("Structured Issuances"), and economically hedging these instruments through derivatives with affiliated companies. In addition, the Company grants intercompany loans to affiliated companies.

The Company is a subsidiary of Merrill Lynch International, LLC ("MLI LLC"), incorporated in the United States of America. The Company's ultimate parent company and controlling party is Bank of America Corporation ("BAC"), a company organised and existing under the laws of the State of Delaware in the US, which produces consolidated financial statements available for public use. The principal executive offices of BAC is as follows: Bank of America Corporate Center, 100 North Tryon Street, NC1-007-56-06, Charlotte, North Carolina 28255.

The directive 2004/109/EC of the European Parliament and the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, has been implemented in the Netherlands. In this regard the Company had to choose its Home Member State. The Company has chosen the Netherlands as Home Member State in connection with the Transparency Directive, The Netherlands being the country of incorporation of the Company. As a consequence of this choice, the Company files its annual and semi-annual financial statements with the Autoriteit Financiële Markten ("AFM").

The Company makes use of the exemption to the requirement to establish its own Audit Committee based on Article 3a of the Royal Decree of 26 July 2008, implementing article 41 of the EU Directive 2006/43EG, as the Audit Committee of BAC that is compliant with the requirements will fulfil the role of the Company's Audit Committee. BAC operates an Audit Committee, which covers the BAC group, including the Company. Details of the charter, membership, duties, and responsibilities can be found on the BAC group website.

These are the individual financial statements of the Company, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted by the EU and the additional requirements of Title 9 Book 2 of the Netherlands Civil Code in accordance with article 362 section 8 and 9 of the Netherlands Civil Code, for entities which prepare their financial statements in accordance with IFRS as adopted by the EU.

The financial statements have been prepared on a historical cost basis, modified to include the measurement of certain financial assets and liabilities at fair value, to the extent required or permitted under IFRS. The Company does not maintain historical cost information on items held at fair value as this is not relevant to the operation of the business.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 Critical Accounting Estimates And Judgements.

The financial statements have been presented in US dollars which is also the functional currency of the Company and all values are rounded to the nearest thousands, except as otherwise indicated.

The directors have a reasonable expectation, based on current and anticipated future performance, that the Company will continue in operational existence and has sufficient resources to meet its liabilities as they fall due for a period of 12 months from the date of approval of the annual report and financial statements. The financial statements of the Company have, therefore, been prepared on a going concern basis. Disclosures in respect to liquidity risk and capital management are set out in note 24 Financial Risk Management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**1. Corporate information and basis of preparation (continued)**

In assessing the appropriateness of preparing the financial statements on a going concern basis, management has evaluated the maturity profile and contractual terms of the liabilities arising from the structured issuance portfolio. Management considers that the Company has access to sufficient short term funding sources to meet the contractual maturities of these Structured Issuances, taking into account the current environment in the 'Business review and market environment' section of the Directors' report.

Management has also evaluated the financial condition of the Company's counterparties, primarily affiliated entities to which intercompany loans have been advanced, including their ability to repay both notional and interest when due. The Company will continue to monitor its solvency and liquidity position on an ongoing basis.

Based on this assessment, the directors consider it appropriate for the Company continues to adopt the going concern basis in preparing the financial statements.

**2. Material accounting policies**

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

**2.1. New and amended accounting standards and policies**

In the current year, the Company has applied the amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2025, where their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

*Standards issued but not yet effective*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and amendments is set out below:

*Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 financial Instruments and IFRS 7 Financial Instruments: Disclosures) - Effective for annual periods beginning on or after 1 January 2026*

The amendment confirms the date of initial recognition and derecognition of financial asset and financial liability. A financial asset is derecognised on the date on which the contractual rights to the cash flows expire or the asset is transferred. A financial liability is derecognised on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged or cancelled or expires or the liability otherwise qualifies for derecognition. If elected, the new exception permits companies to derecognise financial liabilities settled via electronic cash payment systems before the settlement date. The reference to settlement date accounting applies only in the context of a purchase or sale of a financial asset in a regular-way transaction.

The IASB provided guidelines to assess the contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features by amending the requirements relating to:

- the elements of interest that are consistent with a basic lending arrangement; and
- contractual terms that change the timing or amount of contractual cash flows.

The amendments clarify the key characteristics of contractually linked instruments and how they differ from financial assets with non-recourse features. Further, the amendments introduce new disclosure requirements for equity instruments measured at FVOCI.

The amendment to IFRS 9 and IFRS 7 shall apply retrospectively. The Company is finalising its assessment but does not expect these amendments to have a material impact on its financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)**

*IFRS 18 Presentation and Disclosure in Financial Statements - Effective for annual periods beginning on or after 1 January 2027.*

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the Statement of Profit or Loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It requires operating expenses to be presented either by nature (e.g. employee compensation) or function (e.g. cost of sales) or by using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature.

IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs).

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18 will apply retrospectively.

Management has started the process to assess the impact of IFRS 18 on the Company's financial statements.

**2.2. Translation of foreign currencies**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently re-translated into the functional currency using the exchange rates prevailing at the reporting date. Exchange gains and losses on monetary assets and liabilities are recognised in the income statement.

**2.3. Financial assets**

The Company recognises financial assets in the statement of financial position when it becomes a party to the contractual provisions of the instrument. Management determines the classification of the Company's financial assets at initial recognition. The Company classifies its financial assets as measured at amortised cost or fair value through profit or loss ("FVTPL").

A financial asset is classified as measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL and these are presented as debtors under balance sheet:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Company's cash and debtors that are not considered to be managed on a fair value basis, meet the requirements to be measured at amortised cost. All other financial assets, including derivatives, are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI to instead be measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except when the Company changes its business model for managing those financial assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)****2.4. Financial liabilities**

The Company recognises financial liabilities in the statement of financial position when it becomes a party to the contractual provisions of the instrument.

All financial liabilities are classified and subsequently measured at amortised cost, except for:

Financial liabilities at FVTPL which include:

- Derivatives, and
- Other financial liabilities designated as FVTPL

Financial liabilities are designated at FVTPL only upon initial recognition when the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities at FVTPL are recorded in the Statement of financial position at fair value. Changes in fair value are recorded in Net operating revenue, as appropriate, with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value, known as Debit valuation adjustment ("DVA") are recorded in the own credit revaluation reserve through Other Comprehensive Income (OCI) and do not get recycled to the profit or loss. When these instruments are derecognised, the related cumulative amount in the reserve is transferred to Retained earnings.

**Current versus non-current classification**

The Company presents current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial position. The Company classifies an asset as current when it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle; holds the asset primarily for the purpose of trading; expects to realise the asset within twelve months after the reporting period or the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as noncurrent.

The Company classifies a liability as current when it expects to settle the liability in its normal operating cycle; holds the liability primarily for the purpose of trading; the liability is due to be settled within twelve months after the reporting period or when the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The amount of each asset and liability line item presented as current is also expected to be recovered or settled no more than twelve months after the reporting period.

Certain issued financial liabilities include an autocal feature with contingent early settlement, whereby the timing of settlement depends on the occurrence (or non-occurrence) of specified events that are outside the Company's control (for example, the performance of an underlying index relative to predefined levels). In determining whether such liabilities are classified as current or non-current, management considered that IAS 1 does not include explicit guidance for liabilities with contingent settlement features of this nature. Historically, the Company applied by analogy the guidance in IAS 1 relating to classification when the right to defer settlement is subject to compliance with conditions (such as covenants), and therefore classified the liability as non-current when the relevant contingent event that could trigger settlement was not required to be assessed until after the reporting date.

Following a reassessment of this position and consideration of available interpretative literature and commonly applied industry practice for structured issuances, management concluded that it is more appropriate to classify such liabilities based on the Company's expectations at the reporting date of whether settlement will be required within twelve months after the reporting date. Accordingly, the Company has revised its accounting policy to classify these liabilities based on Management's expectation, at the reporting date, of whether settlement is expected to be required within twelve months after the reporting date, taking into account the contractual terms and conditions existing at that date. A liability is classified as current

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)**

when, at the reporting date, it is probable that the contingent event will occur (or other conditions will be met) such that settlement is expected to be required within twelve months; otherwise, the liability is classified as non-current.

In making this assessment, management uses observable market inputs and scenario analysis of the relevant underlying factors and updates the assessment at each reporting date. Where the Company does not have a right to defer settlement for at least twelve months after the reporting date, the liability is classified as current.

Management believes that this revised classification policy provides reliable and more relevant information, as it better reflects the economic substance of contingent settlement provisions that are outside the Company's control, rather than treating them as conditional rights similar to loan covenants. The revised approach also aligns the classification more closely with expected cash outflows and improves comparability with peer institutions engaged in similar structured issuance activities.

**2.5. Derecognition of financial assets and liabilities**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a secured borrowing for the cash proceeds received.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the sum of the consideration received, is recognised in profit or loss. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. If the terms of a financial asset or financial liability are modified, the Company evaluates whether the new terms of the modified instrument are substantially different to the original terms. If the new terms are substantially different, then the original instrument is derecognised and a new instrument, based on the modified terms, is recognised at fair value. Differences in the carrying amount are recognised in profit or loss as a gain or loss on derecognition.

**2.6. Offsetting financial instruments**

Where the Company has the legal right to net settle and intends to do so (with any of its debtors or creditors) on a net basis, or to realise the asset and settle the liability simultaneously, the balance included within the financial statements is the net balance due to or from the counterparty. Counterparties are assessed to identify if net settlement criteria are met. Where this is achieved, assets and liabilities facing the counterparty are offset (see note 23 Offsetting).

**2.7. Fair value measurement**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

In accordance with IFRS 13 – Fair Value Measurement, financial instruments carried at fair value have been categorised into a three-level fair value hierarchy based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial instruments are considered Level 1 when their valuation is based on quoted prices in active markets for identical assets or liabilities. Level 2 financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or models using inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)**

assumption or input is unobservable. The Company makes use of the portfolio exception and manages certain portfolios of financial instruments (e.g. OTC derivatives and certain structured liabilities) on the basis of net open risk exposure and has elected to estimate the fair value of such portfolios based on the net open risk exposure at the measurement date. Where this is the case, valuation adjustments (e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure) may be necessary to reflect the cost of exiting a larger-than-normal market-size net open risk position. During 2025, there were no significant changes to valuation approaches or techniques that had, or are expected to have, a material impact on the Company's financial position or results of operations.

**2.8. Segmental reporting**

The Company's results are wholly derived from a single reportable segment, being activities undertaken within the Global Markets business. The directors as the chief operating decision makers, review and assess the Company's performance on the basis of this single set of activities.

Although the Company operates globally, it does so under a single management structure. Accordingly, no further segmental disclosures are presented, as permitted by IFRS 8 (see note 10 Segmental Analysis).

**2.9. Income and expense recognition**

*Amortised cost and effective interest rate*

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition less the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (that is to say, the amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Company estimates cash flows considering all contractual terms of the financial instrument, but does not consider expected credit losses. For financial assets that are credit-impaired at initial recognition, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes all amounts received or paid by the Company that are an integral part of the overall return, direct incremental transaction costs related to the acquisition or issue of a financial instrument and all other premiums and discounts.

*Calculation of interest income and expense*

Interest income and expense for all financial instruments measured at amortised cost are recognised on an accruals basis using the effective interest method.

The effective interest rate is applied to the gross carrying amount of the financial asset (for non-credit impaired assets) or to the amortised cost of the liability.

For financial assets that have become credit-impaired subsequent to initial recognition, the effective interest rate is applied to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)**

For financial assets that were credit-impaired on initial recognition, the credit-adjusted effective interest rate is applied to the amortised cost of the financial asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Interest income and expense on all derivative assets and liabilities, and other financial instruments measured at FVTPL, are presented in net loss on financial instruments at fair value through profit or loss.

**2.10. Other income**

Other income includes service fee income from charges made to affiliated companies to reimburse the Company for expenditure incurred. Service fee income is recognised as the performance obligation is satisfied which is generally aligned with when the Company is entitled to the compensation, which may be on completion of an individual performance obligation. Service fee income is computed under arm's length principles in accordance with BAC's Global Transfer Pricing Policy.

Other income also includes foreign exchange gains and losses.

**2.11. Current and deferred income tax**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the Pillar Two top-up tax and accounts for it as a current tax when it is incurred.

(a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for the Company.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if there is any.

Deferred tax assets and liabilities are offset only if certain criteria are met.

**2.12. Cash and cash equivalents**

Cash and cash equivalents include cash on hand, non-restricted current accounts with central banks and amounts due from banks on demand or with an original maturity of three months or less.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**2. Material accounting policies (continued)**

**2.13. Statement of cash flows**

The statement of cash flows is prepared according to the indirect method. The statement of cash flows shows the Company's cash flows for the period, divided into cash flows from operating activities and financing activities, and how the cash flows have affected the Company's cash balances. Transactions related to the Structured Issuances are classified as operating activities.

**2.14. Dividend distribution**

Dividend distributions to the Company's shareholder are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholder.

**2.15. Impairment**

The Company calculates a probability-weighted loss allowance for expected credit loss ("ECL") on its financial assets that are financial assets at amortised cost that are not measured at FVTPL. For instruments that have had no significant increase in credit risk since initial recognition ECL is calculated on a 12 month basis. In the event that significant financial difficulty or default of a counterparty indicates that an asset is credit-impaired, the ECL allowance is assessed on a lifetime basis, taking into account ECL that result from all possible default events over the expected life of the financial instrument.

Debtor balances are written off, either partially or in full, when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**3. Critical accounting estimates and judgements**

The preparation of financial statements in conformity with IFRS as adopted by the EU requires the use of accounting estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The estimates and assumptions that have a significant risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**Estimates**

*Valuation of financial instruments*

Fair value is defined under IFRS 13 - Fair Value Measurement, as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company's policy for valuation of financial instruments is included in note 25 Fair value measurement. The fair values of financial instruments that are not quoted in financial markets are determined by using valuation techniques based on models such as discounted cash flow models, option pricing models and other methods consistent with accepted economic methodologies for pricing financial instruments. These models incorporate observable, and in some cases unobservable inputs including security prices, interest rate yield curves, option volatility, currency rates, commodity prices or equity prices and correlations between these inputs.

Where models are used to determine fair values, they are periodically reviewed by qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that output reflects actual data and comparative market prices. These estimation techniques are necessarily subjective in nature and involve several assumptions.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**4. Interest income**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Debtors	1,186,506	921,738
Cash collateral	2,612	8,049
Cash and cash equivalents	—	648
	<b>1,189,118</b>	<b>930,435</b>

Interest income from debtors, cash collateral and cash and cash equivalents was all due from affiliated companies. During the year, interest accrued on these financial assets was capitalised and added to the outstanding principal balance in accordance with the contractual terms. As a result, no cash inflows relating to interest were received during the period.

**5. Interest expense**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Creditors	<b>994</b>	92
Cash collateral	<b>74,464</b>	18,331
	<b>75,458</b>	<b>18,423</b>

Interest expense on creditors and cash collateral was all due to affiliated companies. In line with the contractual terms, interest accrued on these financial liabilities was added to the principal balance rather than settled in cash. Accordingly, there are no cash outflows in respect of interest payments during the period.

**6. Net loss on financial instruments at fair value through profit or loss**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Net losses from financial instruments mandatorily at fair value through profit or loss	<b>(414,334)</b>	<b>(177,861)</b>

**7. Net loss on financial instruments designated at fair value through profit or loss**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Net losses from financial liability designated at fair value through profit or loss excluding debit valuation adjustment	<b>(570,482)</b>	<b>(616,198)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**8. Other income**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Service fee income from affiliated companies	<b>(321)</b>	773
Foreign exchange gain	<b>1,288</b>	1,381
	<u><b>967</b></u>	<u>2,154</u>

The prior service fee agreement with affiliated companies was discontinued during the year and replaced by a new transfer pricing framework. Accordingly, the \$(321,000) recognised in 2025 represents the reversal of service-fee income previously recharged under the former agreement. In 2024, the \$773,000 reflected service-fee income earned under that agreement.

**9. Administrative expenses**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Service fees with affiliates	<b>16,416</b>	—
Other operating expenses	<b>282</b>	801
Allocated staff costs (no employees)*	<b>170</b>	35
	<u><b>16,868</b></u>	<u>836</u>

Service fees with affiliates of \$16,416,000 reflect charges under the new transfer pricing framework implemented during the year. These charges relate to support provided by affiliated companies in connection with Remote Trading Sales \$14,527,000 and Institutional Sales \$1,889,000.

\*The line item previously presented as "Service charges" has been retitled "Allocated staff costs (no employees)" to better reflect the nature of the underlying expenses. The Company had no employees and no direct payroll in the year.

**10. Segmental analysis**

The Company operates in three geographic regions: Europe, Middle East and Africa ("EMEA"), the Americas ("AMRS") and Asia Pacific ("APAC"). Geographic performance is assessed based on the Global Market regional business unit structure. Revenue allocation follows the Company's internal methodology and reflects how performance is monitored internally. Revenue generated within the Company's country of domicile is not material, and accordingly, no separate geographic information for the domicile is disclosed.

The table below presents the net operating revenue of the Company by geographic region:

	<b>2025</b>	2024
	<b>\$000</b>	\$000
APAC	<b>63,052</b>	63,467
EMEA	<b>51,136</b>	37,668
AMRS	<b>15,623</b>	18,972
Net operating revenue	<u><b>129,811</b></u>	<u>120,107</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**11. Auditors' remuneration**

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company.

	BDO 2025 \$000	Other BDO Network 2025 \$000	Total BDO 2025 \$000	Forvis Mazars 2024 \$000	Other Forvis Mazars Network 2024 \$000	Total Forvis Mazars 2024 \$000
Statutory audit of financial statements	128	—	128	89	—	89
Other audit services	18	—	18	—	—	—
Tax advisory services	—	—	—	—	—	—
Other non-audit services	—	—	—	—	—	—
	<u>146</u>	<u>—</u>	<u>146</u>	<u>89</u>	<u>—</u>	<u>89</u>

The amounts presented comprise all audit costs charged for the year. The audit fees relate to the statutory audit of the Company's financial statements.

**12. Income tax expense**

	2025 \$000	2024 \$000
<b>Current tax</b>		
Current tax on profit for the year	29,058	30,758
Adjustment in respect of prior years	—	(4,612)
<b>Total tax expense</b>	<u>29,058</u>	<u>26,146</u>

**Factors affecting tax expense for the year**

The tax on the Company's profit before tax differs from the amount that would arise using the tax rate applicable as follows:

	2025 \$000	2025 percent	2024 \$000	2024 percent
Profit before tax	<u>112,943</u>	<u>100.0 %</u>	<u>119,271</u>	100.0 %
Tax calculated at standard rate of corporation tax	29,123	25.8 %	30,758	25.8 %
Realised Debit Valuation Adjustment	(65)	(0.1)%	—	— %
Adjustments in respect of prior periods	—	— %	(4,612)	(3.8)%
<b>Total tax expense</b>	<u>29,058</u>	<u>25.7 %</u>	<u>26,146</u>	<u>22.0 %</u>

The standard tax rate is 25.8% (2024: 25.8%). A tax rate of 19% (2024:19%) is applied to the first €200,000 (2024: €200,000).

The Company's effective tax rate for the year is 25.7% (2024: 22%).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**12. Income tax expense (continued)****International Tax Reform Pillar Two Model Rules**

In December 2021, the Organisation for Economic Co-operation and Development ("OECD") issued model rules for a new global minimum tax framework, also known as the 'Pillar Two' rules. On 23 May 2023, the International Accounting Standards Board ("IASB") published International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12. The standard introduced a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules, which was effective immediately. The Company continues to adopt the mandatory temporary exception.

Pillar Two legislation relating to Income Inclusion Rules ("IIR") and Qualified domestic minimum top-up tax ("QDMTT") was enacted in Netherlands, the jurisdiction in which the Company is a tax resident, and has come into effect from 1 January 2024. Under the legislation, the Company is liable to pay its allocation of top-up tax for the difference between the BAC Group's Global Anti-Base Erosion ("GloBE") effective tax rate in Netherlands (if below 15%) and the 15% minimum rate.

For the period ended 31 December 2025, the Company has not recognised any current tax expense or income related to the legislation because the BAC Group has a GloBE effective tax rate above the 15% minimum tax rate in the Netherlands.

Pillar Two Undertaxed Profits Rule ("UTPR") legislation was enacted in the Netherlands, the jurisdiction in which the Company is tax resident, and came into effect from 1 January 2025. The UTPR top-up tax rule is a secondary taxing rule designed to operate as a backstop to other Pillar Two rules. It ensures that top-up tax is allocated to group entities in implementing jurisdictions. The tax may apply if a group does not have a parent company in a jurisdiction that has implemented Pillar Two. The allocation of the Pillar Two charge under the UTPR is not material for the Company for the year ended 31 December 2025.

In addition, Administrative Guidance containing a "side by side" agreement was released by the OECD on 5 January 2026 and is expected to be enacted into domestic legislation by countries. If enacted, this would exempt BAC and its subsidiaries from IIR and UTPR taxes from 1 Jan 2026.

**13. Debtors**

		As restated
	2025	2024
	\$000	\$000
<b>Non-current assets</b>		
Financial assets at amortised cost*	16,312,282	11,098,099
Amounts owed from affiliated companies	—	1,086,420
	<u>16,312,282</u>	<u>12,184,519</u>
<b>Current assets</b>		
Financial assets at amortised cost*	9,117,110	5,176,408
Amounts owed from affiliated companies	6,706,487	378,058
Other receivables	1,468	90
	<u>15,825,065</u>	<u>5,554,556</u>

\*In the prior period, an amount of \$1,524,286,000 was presented as financial assets at amortised cost under non-current assets. This balance has been restated as financial assets at amortised cost under current assets following a maturity assessment.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

13. Debtors (continued)

Financial assets at amortised cost are balances that are unsecured and placed with affiliated companies, (refer to note 24 for credit ratings). The balances are largely denominated in USD and EUR, not past due and are not considered to be credit-impaired.

14. Cash and cash equivalents

	2025 \$000	2024 \$000
Cash at bank and in hand	124,831	4,806
	<u>124,831</u>	<u>4,806</u>

15. Derivative assets and derivative liabilities

	2025 \$000	2024 \$000
Non-current assets	869,868	560,640
Current assets	319,951	163,301
<b>Total derivative assets</b>	<u>1,189,819</u>	<u>723,941</u>
Non-current liabilities	1,441,082	1,279,143
Current liabilities	144,465	170,536
<b>Total derivative liabilities</b>	<u>1,585,547</u>	<u>1,449,679</u>

All derivative assets and derivative liabilities are transacted with affiliated companies.

16. Financial assets at fair value through profit or loss

	2025 \$000	As restated 2024 \$000
Non-current assets	421,490	1,906
Current assets	4,562,667	982,291
<b>Total financial assets at fair value through profit or loss</b>	<u>4,984,157</u>	<u>984,197</u>

\*In the prior period, \$14,850,000 was presented as financial assets at FVTPL under non-current assets. This balance has been restated as financial assets at FVTPL under current assets, following a reassessment of maturity classification.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

16. Financial assets at fair value through profit or loss (continued)

The Company hedges the market risks associated with warrants and secured notes issued by the Company with fully funded over-the-counter ("OTC") derivative contracts facing affiliated companies. These contracts require a substantial initial net investment that is economically equivalent to the notional amount. As a result, the contracts do not meet the definition of a derivative under IFRS. Accordingly, these instruments are presented as financial assets at FVTPL.

17. Deferred tax asset and income tax payable

In both the reporting period and the comparative period, the deferred tax liabilities and assets were recorded and are split as follows:

	1 January 2025	Recognised in profit or loss	Recognised in OCI	31 December 2025
	\$000	\$000	\$000	\$000
Debit valuation adjustment	46,875	—	40,655	87,530
Mark to market valuation	(19,216)	—	—	(19,216)
<b>Total deferred tax asset</b>	<b>27,659</b>	<b>—</b>	<b>40,655</b>	<b>68,314</b>

	1 January 2024	Recognised in profit or loss	Recognised in OCI	31 December 2024
	\$000	\$000	\$000	\$000
Debit valuation adjustment	13,857	—	33,018	46,875
Mark to market valuation	(19,216)	—	—	(19,216)
<b>Total deferred tax (liability)/asset</b>	<b>(5,359)</b>	<b>—</b>	<b>33,018</b>	<b>27,659</b>

<b>Income tax payable</b>	<b>2025</b>	<b>2024</b>
	<b>\$000</b>	<b>\$000</b>
Income tax payable at 1 January	(25,493)	(39,720)
Charged to the income statement	(29,058)	(26,146)
Impact of foreign exchange rates	(2,448)	1,433
Income tax paid	43,275	38,940
<b>Income tax payable at 31 December</b>	<b>(13,724)</b>	<b>(25,493)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**18. Financial liabilities designated at fair value through profit or loss**

The table below presents the aggregated amounts of the Company's financial liabilities designated at fair value through profit or loss, analysed by contractual maturity:

The presentation has been refined from the prior year to align more closely with IFRS disclosure requirements. The final column, "Fair value carrying amount less unpaid principal," reflects the difference between the fair value of the liabilities and their contractual principal, representing the cumulative impact of market factors and valuation adjustments (including debit valuation adjustments).

	Fair value carrying amount	Contractual principal outstanding	Fair value carrying amount less unpaid principal
<b>31 December 2025</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Non-current liabilities	16,805,563	16,977,200	(171,637)
Current liabilities	13,219,743	12,814,099	405,644
<b>Total financial liabilities designated at fair value through profit or loss</b>	<b><u>30,025,306</u></b>	<b><u>29,791,299</u></b>	<b><u>234,007</u></b>
	Fair value carrying amount	Contractual principal outstanding	Fair value carrying amount less unpaid principal
31 December 2024 (As restated)	\$000	\$000	\$000
Non-current liabilities*	9,945,867	10,375,122	(429,255)
Current liabilities*	6,402,480	6,313,481	88,999
<b>Total financial liabilities designated at fair value through profit or loss</b>	<b><u>16,348,347</u></b>	<b><u>16,688,603</u></b>	<b><u>(340,256)</u></b>

During the year, the Company changed its accounting policy for the classification of certain issued financial liabilities with contingent settlement features (such as autocall provisions). The policy change relates to the assessment of whether such liabilities are presented as current or non-current in the statement of financial position, and is based on expectations at the reporting date of whether settlement is expected to be required within twelve months. Refer to Note 2.4 for further details of the accounting policy and the basis for the classification.

\*Accordingly, for the prior period, liabilities with a fair value carrying amount of \$2,167,665,000 (contractual principal outstanding of \$2,198,733,000) were presented as financial liabilities designated at FVTPL under current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**18. Financial liabilities designated at fair value through profit or loss (continued)**

The movements of cumulative debit valuation adjustment (DVA) recognised in other comprehensive income during 2025 and 2024 are as follows:

	<b>2025</b>	2024
	<b>\$000</b>	\$000
<b>Movement of cumulative DVA</b>		
At 1 January	<b>134,815</b>	38,819
Movement of DVA during the period	<b>116,919</b>	95,996
<b>At 31 December</b>	<b>251,734</b>	134,815

The Company's issuances (including notes, certificates and warrants) may include repayment options (including an auto call option and/or a holder put option), which would legally obligate the Company to redeem the issuance prior to the contractual maturity date. MLBV issuances may also include an issuer call option, giving the Company the right to redeem an issuance prior to the contractual maturity date.

All Structured Issuances are hybrid instruments with a structured component linked to the performance of various market indices. The ultimate return on the issuances is dependent on the performance of the underlying indices and the Company's own credit. The index linked amounts are calculated based on the movement of the underlying indices of each structured issuance.

MLBV designates its structured issuances at fair value through profit or loss at initial recognition, as they are managed on a fair value basis. IFRS 9 requires changes in the fair value of a liability attributable to changes in the liability's own credit risk to be presented in OCI, unless doing so would create or enlarge an accounting mismatch in profit or loss. MLBV does not enter into transactions that would give rise to such an accounting mismatch.

The credit spread adjustment represents a debit valuation adjustment reflecting changes in the Company's own credit risk. The Company's unsecured structured issuances are guaranteed by BAC as an inseparable third-party credit enhancement, which is disclosed but not separately recognised in fair value.

In determining the Company's own credit risk, observable BAC credit spreads are used as a proxy due to limited standalone market data for the Company. For more information refer to note 25 Fair Value Measurement.

**19. Creditors**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Cash collateral payable to affiliated companies	<b>4,624,946</b>	520,140
Amounts owed to affiliated companies	<b>41,133</b>	7,602
Other payables	—	6,625
	<b>4,666,079</b>	534,367

Cash collateral received under legally enforceable master netting agreements are denominated in USD and are payable on demand. Due to the short term nature of these balances there is no material difference between the fair value and the carrying value.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

20. Issued capital and reserves

	2025 \$000	2024 \$000
Share capital	—	—
Other reserves	(248,083)	(131,164)
Share premium	2,017,687	890,437
	<u>1,769,604</u>	<u>759,273</u>

Issued share capital in 2025 comprises 12,998 ordinary shares of equal voting rights at \$0.01 each (2024: 12,998 ordinary shares at \$0.01 each)

Other reserves comprise (i) an amount of \$3,651,000 relating to the 2015 merger with Bank of America Issuance B.V., and (ii) the cumulative debit valuation adjustment (DVA) recognised in other comprehensive income (net of tax), which totalled \$(251,734,000) at 31 December 2025 (2024: \$(134,815,000)).

During the year, the Company received an additional share premium contribution of \$1,127,250,000 from its immediate parent, Merrill Lynch International, LLC. This transaction is presented as a transaction with owner in the statement of changes in equity and does not affect profit or loss.

21. Financial instruments by category

The analysis below includes only financial assets and financial liabilities within the scope of IFRS 9. Non-financial balances, such as income tax and deferred tax items, are excluded from the categorisation and therefore explain differences between these amounts and the totals presented in the statement of financial position.

Summary of financial instruments at 31 December 2025

	Amortised cost \$000	Mandatorily at fair value through profit or loss \$000
<b>Assets</b>		
Debtors	32,137,347	—
Derivative assets	—	1,189,819
Financial assets at fair value through profit or loss	—	4,984,157
Cash and cash equivalents	124,831	—
	<u>32,262,178</u>	<u>6,173,976</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

21. Financial instruments by category (continued)

	Amortised cost \$000	Mandatorily at fair value through profit or loss \$000	Designated at fair value through profit or loss \$000
<b>Liabilities</b>			
Financial liabilities designated at fair value through profit or loss	—	—	30,025,306
Derivative liabilities	—	1,585,547	—
Creditors	4,666,079	—	—
	<u>4,666,079</u>	<u>1,585,547</u>	<u>30,025,306</u>

Summary of financial instruments at 31 December 2024

	Amortised cost \$000	Mandatorily at fair value through profit or loss \$000
<b>Assets</b>		
Debtors	17,739,075	—
Derivative assets	—	723,941
Financial assets at fair value through profit or loss	—	984,197
Cash and cash equivalents	4,806	—
	<u>17,743,881</u>	<u>1,708,138</u>

	Amortised cost \$000	Mandatorily at fair value through profit or loss \$000	Designated at fair value through profit or loss \$000
<b>Liabilities</b>			
Financial liabilities designated at fair value through profit or loss	—	—	16,348,347
Derivative liabilities	—	1,449,679	—
Creditors	534,367	—	—
Bank overdraft	1,944	—	—
	<u>536,311</u>	<u>1,449,679</u>	<u>16,348,347</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**22. Related party transactions**

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial or operational decisions. The Company's related parties include:

- Parent company. Refer to Note 1 Corporate Information And Basis Of Preparation for information on the Company's immediate and ultimate parents.
- Other BAC group entities.
- Key management personnel of the Company or the Company's parent entities.

The below table summarises income and expenses related to transactions with related parties for the year ended 31 December 2025 and 31 December 2024.

**Transactions with Related Parties**

	<b>Other group entities</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$000</b>	<b>\$000</b>
Net loss on financial instruments at fair value through profit or loss	<b>(414,334)</b>	(177,861)
Interest income	<b>1,189,118</b>	930,435
Interest expense	<b>(75,458)</b>	(18,423)
Service fee income	<b>(321)</b>	773
	<b>699,005</b>	734,924

The below table summarises the assets and liabilities with related parties as at 31 December 2025 and 31 December 2024.

**Outstanding balances with related parties**

	<b>Other group entities</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$000</b>	<b>\$000</b>
<b>Assets</b>		
Financial assets at amortised cost	<b>25,429,392</b>	16,274,507
Amounts owed from affiliated companies	<b>6,706,487</b>	1,464,478
Derivative assets	<b>1,189,819</b>	723,941
Financial assets at fair value through profit or loss	<b>4,984,157</b>	984,197
Cash and cash equivalents	<b>124,831</b>	4,806
<b>Total assets</b>	<b>38,434,686</b>	19,451,929

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**22. Related party transactions (continued)**

	<b>Other group entities</b>	
	<b>2025</b>	2024
	<b>\$000</b>	\$000
<b>Liabilities</b>		
Financial liabilities designated at fair value through profit or loss	455,881	196,799
Derivative liabilities	1,585,547	1,449,679
Cash collateral payable to affiliated companies	4,624,946	520,140
Amounts owed to affiliated companies	41,133	7,602
Bank overdraft	—	1,944
<b>Total liabilities</b>	<b>6,707,507</b>	2,176,164

MLI LLC, the Company's immediate parent, is the holder of all 12,998 ordinary shares (\$129.98). During 2025, the Company received a share premium contribution of \$1,127,250,000 from MLI LLC, recognised directly in equity (see Note 20)

Transactions with the other group entities are mainly related to liquidity management, covering funding requirements or centralised risk management activities. Related to these activities, there are regularly back-to-back trades with the Company. The Company also exchanges cash collateral in connection with derivative transactions. Transactions with the group entities are performed on arm's length principle.

**Service fee income and expense**

The Company's former service agreement with affiliated companies was terminated during the year and replaced by a new transfer pricing framework. Accordingly, \$(321,000) was recognised in service fee income to reflect the reversal of service-fee amounts previously recharged to an affiliated company under the former arrangement (see Note 8). In addition, the Company participates in a cost-sharing agreement with Investments 2234 Overseas Holdings B.V. relating to one Director's costs, via BAC.

**Key management personnel ("KMP")**

Key management personnel are defined as those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. The Company considers the Board of Directors of the Company to be key management personnel. The remuneration of the directors is paid by affiliated companies.

**Remuneration of Key Management Personnel**

	<b>2025</b>	2024
	<b>\$000</b>	\$000
Salaries and other short-term benefits	235	223
Fees paid to third parties for director's services	—	28
Share-based payments	30	26
Contribution to defined contribution plans	10	11
<b>Total key management personnel remuneration</b>	<b>275</b>	288

There are no employees in the Company for the year ended 31 December 2025 (2024: none).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**23. Offsetting**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position ("SOFP") where the Company currently has a legally enforceable right to offset the recognised amounts, and there is an intention and ability to settle on a net basis or realise the asset and settle the liability simultaneously. The Company has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set-off in certain circumstances, such as bankruptcy or the termination of a contract.

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 December 2025 and 31 December 2024. The column 'net amount' shows the impact on the Company's SOFP if all set-off rights were exercised.

**As at 31 December 2025**

	Gross amounts recognised \$000	Gross amounts offset in the SOFP \$000	Net amounts presented in the SOFP \$000	Financial instruments \$000	Cash collateral \$000	Net amount \$000
<b>Assets</b>						
Derivative assets	1,189,819	—	1,189,819	(1,186,982)	—	2,837
Financial assets at fair value through profit or loss	4,984,157	—	4,984,157	—	(4,984,157)	—
<b>Liabilities</b>						
Derivative liabilities	1,585,547	—	1,585,547	(1,186,982)	(382,121)	16,444
Financial liabilities designated at fair value	30,025,306	—	30,025,306	—	—	30,025,306

**As at 31 December 2024**

	Gross amounts recognised \$000	Gross amounts offset in the SOFP \$000	Net amounts presented in the SOFP \$000	Financial instruments \$000	Cash collateral \$000	Net amount \$000
<b>Assets</b>						
Derivative assets	723,941	—	723,941	(721,800)	—	2,141
Financial assets at fair value through profit or loss	1,027,036	(42,839)	984,197	—	(984,197)	—
<b>Liabilities</b>						
Derivative liabilities	1,449,679	—	1,449,679	(721,800)	(693,104)	34,775
Financial liabilities designated at fair value	16,391,186	(42,839)	16,348,347	—	—	16,348,347

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**23. Offsetting (continued)**

The Company can undertake a number of financial instrument transactions with a single counterparty and may enter into a master netting agreement with that counterparty. Such an agreement provides for a single net settlement of all financial instruments covered by the agreement in the event of default on, or termination of, any one contract. These agreements are commonly used to provide protection against loss in the event of bankruptcy or other circumstances that result in a counterparty being unable to meet its obligations. A master netting arrangement commonly creates a right to set-off that becomes enforceable and affects the realisation or settlement of individual financial assets and financial liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business.

The Company enters into ISDA master agreements or their equivalent ("master netting agreements") with the Company's major derivative counterparties. Where there is not an intention to settle on a net basis in the normal course of business, the balances have not been offset in the SOFP and have been presented separately in the table on the previous page.

**Cash collateral**

Cash collateral relates to collateral received and pledged against derivatives has not been offset in the SOFP.

**24. Financial risk management****Legal entity governance**

BAC has established a risk governance framework (the "Risk Framework"), which serves as the foundation for consistent and effective management of risks facing BAC and its subsidiaries (including the Company). The Risk Framework applies to all BAC employees. It provides an understanding of the Company's approach to risk management and each employee's responsibilities for managing risk. All employees must take ownership for managing risk well and are accountable for identifying, escalating and debating risks facing the Company.

The risk management approach has five components:

- Culture of managing risk well;
- Risk appetite
- Risk management process;
- Risk data management, aggregation and reporting; and
- Risk governance.

The seven key types of risk faced by BAC Businesses as defined in the Risk Framework are strategic, credit, market, liquidity, operational, compliance and reputational risks.

Set out below is a summary of the Company's approach to each of the risk types. Climate related risks are integrated into the risk management framework through their potential impact to the seven risk types.

**Market risk**

Market risk is the risk that changes in market conditions may adversely impact the value of assets or liabilities or otherwise negatively impact earnings. Trading positions within the entity are subject to various changes in market based risk factors. The majority of this risk is generated by the activities in interest rate, foreign exchange, equities, commodities, and credit markets. In addition, the values of asset and liabilities could change due to market liquidity, correlations across markets, and expectations of market volatility.

Value at Risk ("VaR") is a statistical measure of potential portfolio market value loss resulting from changes in market variables, during a given holding period, measured at a specified confidence level. A single model

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

24. Financial risk management (continued)

is used consistently across the trading portfolios, and it uses a historical simulation approach based on a three-year window of historical data. The primary VaR statistic is equivalent to a 99 percent confidence level.

This means that for a VaR with a one day holding period, there should not be losses in excess of VaR, on average, 99 out of 100 trading days.

There are numerous assumptions and estimates associated with modeling, and actual results could differ. In addition to the review of our assumptions with senior management, we mitigate these uncertainties through close monitoring and by examining and updating assumptions on an ongoing basis. If the results of our analysis indicate higher than expected levels of risk, proactive measures are taken to adjust risk levels

The table below presents VaR analysis independently for each risk category at 31 December 2025 and 31 December 2024. Additionally, high and low VaR is presented independently for each risk category and overall.

	Year ended	High	Daily average	Low
	2025	2025	2025	2025
	\$000	\$000	\$000	\$000
99% Daily VaR				
Total	4,020	9,008	4,806	2,316
Interest rate risk	3,287	7,522	3,234	1,201
Currency risk	922	4,997	765	343
Equity price risk	479	4,105	890	309
Credit risk	2,207	5,389	3,278	1,813
Commodity price risk	4	780	22	—

	Year ended	High	Daily average	Low
	2024	2024	2024	2024
	\$000	\$000	\$000	\$000
99% Daily VaR				
Total	7,588	9,280	4,349	2,211
Interest rate risk	7,182	9,178	3,849	1,838
Currency risk	545	1,476	753	282
Equity price risk	1,279	5,123	1,690	832
Credit spread risk	3,176	5,113	1,791	269
Commodity price risk	106	1,520	60	3

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

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**24. Financial risk management (continued)**

**Credit Risk**

The Company defines credit risk as the loss arising from the inability or failure of a borrower or counterparty to meet its obligations.

Credit risk to a borrower or counterparty is managed based on their risk profile, which includes assessing repayment sources, underlying collateral (if any), and the expected impacts of the current and forward looking economic environment on its borrowers or counterparties. Underwriting, credit management and credit risk limits are proactively reassessed as a borrower's or counterparty's risk profile changes. Credit risk management includes the following processes:

- Credit origination
- Portfolio management
- Loss mitigation activities

These processes create a comprehensive and consolidated view of the Company's credit risks, thus providing executive management with the information required to guide or redirect front line units and certain legal entity strategic plans, if necessary.

BAC has established policies and procedures for mitigating credit risk on principal transactions, including establishing and reviewing limits for credit exposure, maintaining collateral, purchasing credit protection and continually assessing the creditworthiness of counterparties. These limits were not exceeded during the year ended 31 December 2025.

The credit risks of the Company arise from its affiliate hedging of structured note issuance via derivatives as well as its intercompany loans. The Company restricts its exposure to credit losses on derivative instruments by entering into master netting arrangements with affiliate counterparties. The credit risk associated with favourable contracts is reduced by the master netting arrangement to the extent that if an event of default occurs, all amounts with the affiliate are terminated and settled on a net basis.

Additionally, the Company grants intercompany loans with affiliates. None of the loans to affiliate companies is past due or is considered to be credit-impaired such that the resulting ECL is not significant to the Company. The carrying amounts of financial assets best represent the maximum credit risk exposure at the end of the reporting year, 31 December 2025.

The Company is exposed to a concentration of credit risk related to financial assets at amortised cost totalling \$32,260,710,000 (2024: \$17,743,791,000), all with affiliated companies. At the end of the reporting year, the credit rating for outstanding long term /short term debt of affiliated companies is in the table on page 37.

*Derivatives trading*

The Company typically enters into ISDA master agreements or their equivalent ("master netting agreements") with its derivative counterparties. Master netting agreements provide protection in bankruptcy in certain circumstances and, in some cases, enable receivables and payables with the same counterparty to be offset for risk management purposes. Agreements are negotiated bilaterally and can require complex terms. The enforceability of master netting agreements under bankruptcy laws in certain countries is not free from doubt, and receivables and payables with counterparties in these countries are accordingly recorded on a gross basis for risk assessment purposes.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**24. Financial risk management (continued)**

In addition, to reduce the risk of loss, the Company may require collateral that is permitted by documentation such as repurchase agreements or Credit Support Annex to an ISDA. From an economic standpoint, the Company evaluates risk exposures net of related collateral that meets specified standards. The Company also attempts to mitigate its default risk on derivatives whenever possible by entering into transactions with provisions that enable it to terminate or reset the terms of the derivative contracts under certain defined conditions.

The below table reflects asset class of financial instrument, the amount that best represents the Company's maximum exposure to credit risk and a quantification of the extent to which collateral and other credit enhancements mitigate credit risk as viewed by the management.

	<b>Maximum exposure to credit risk 2025</b>	<b>Mitigated credit risk 2025</b>	Maximum exposure to credit risk 2024	Mitigated credit risk 2024
	<b>\$000</b>	<b>\$000</b>	\$000	\$000
Financial assets at amortised cost	<b>25,429,392</b>	—	16,274,507	—
Amounts owed from affiliated companies	<b>6,706,487</b>	—	1,464,478	—
Other receivables	<b>1,468</b>	—	90	—
Derivative assets	<b>1,189,819</b>	<b>1,186,982</b>	723,941	721,800
Financial assets at fair value through profit or loss	<b>4,984,157</b>	<b>4,984,157</b>	984,197	984,197
Cash at bank and in hand	<b>124,831</b>	—	4,806	—
	<b>38,436,154</b>	<b>6,171,139</b>	19,452,019	1,705,997

For all asset classes, where credit risk mitigation available exceeds the maximum exposure to credit risk, the mitigated credit risk balance is limited to 100% of the maximum exposure to credit risk.

For credit risk management purposes, the credit risk of derivative assets is mitigated through the netting of long and short positions for each issuer.

The mitigated credit risk amount reflects the market value of any netting available. As noted above, derivative trading activity is generally documented under a legally enforceable ISDA or similar master netting agreement, which binds both parties to apply close-out netting across all transactions covered by the agreement if either party defaults or if another pre-agreed termination event occurs. Therefore, risk is managed on a net basis, taking into consideration the effects of legally enforceable master netting agreements and collateral. However, if there is no intention to settle these balances on a net basis under normal circumstances, they do not qualify for net presentation for accounting purposes.

The Company does not have any off-balance sheet exposure to credit risk.

The table on next page reflects the Company's assessment of its credit exposure, based on credit rating agency ratings or the internal equivalent thereof. Where there is no rating, the balances are classified as not rated. Although the table reflects the Company's gross exposure, the Company manages its credit exposures on a net basis.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**24. Financial risk management (continued)**

	A+ to BBB- \$000	Total \$000
<b>As at 31 December 2025</b>		
Financial assets at amortised cost	25,429,392	25,429,392
Amounts owed from affiliated companies	6,706,487	6,706,487
Other receivables	1,468	1,468
Cash at bank and in hand	124,831	124,831
	<u>32,262,178</u>	<u>32,262,178</u>
	A+ to BBB- \$000	Total \$000
<b>As at 31 December 2024</b>		
Financial assets at amortised cost	16,274,507	16,274,507
Amounts owed from affiliated companies	1,464,478	1,464,478
Other receivables	90	90
Cash at bank and in hand	4,806	4,806
	<u>17,743,881</u>	<u>17,743,881</u>

The Company's counterparties are primarily with affiliated companies who are highly rated financial institutions. None of the loans to affiliate companies is past due or is considered to be credit-impaired such that the resulting ECL is not significant to the Company. The carrying amounts of derivative assets and financial assets at fair value through profit or loss are largely collateralised (refer to note 23 Offsetting for non-collateralised portion). The remaining financial assets in the scope of IFRS 9 are typically short-dated and are also with affiliated companies. As a result, the probability of default, loss given default, or both are such that the resulting ECL is not material to the Company.

**Compliance and operational risk ("C&OR Risk")**

Compliance risk is the risk of legal or regulatory sanctions, material financial loss or damage to the reputation of the Company arising from the failure of the Company to comply with the requirements of applicable laws, rules and regulations and internal policies and procedures. Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems, or from external events.

BAC has compliance and operational risk management programmes ("C&OR Programmes") in place to identify, mitigate and manage the C&OR Risk for the group, which includes relevant activities of the Company. The C&OR Programmes include policies and standards among others in relation to Anti-Bribery and Anti-corruption, fraud, global financial crimes etc.

The Company's directors are confident that the C&OR Risk of the Company is thus appropriately managed.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

24. Financial risk management (continued)

**Liquidity risk**

Liquidity risk is the inability to meet expected or unexpected cash flow and collateral needs while continuing to support the businesses and customers under a range of economic conditions.

The approach to managing the Company's liquidity risk has been established by the MLBV Board, and is imbedded in BAC processes, based on the Company's business mix, strategy, activity profile, and regulatory requirements.

The tables below present the contractual maturity profile of financial liabilities, including structured issuances designated at FVTPL and derivative liabilities. For instruments measured at fair value, the carrying amounts are disclosed instead of undiscounted cash flows, as this better reflects how liquidity is monitored for these instruments. The Company actively manages liquidity by unwinding asset positions as required to meet contractual obligations..

The Company's issuances (including notes, certificates, and warrants) may include repayment options (including an auto call option and/or a holder put option), which would legally obligate the Company to redeem the issuance prior to the contractual maturity date. MLBV issuances may also include an issuer call option, giving the Company the right to redeem the issuance prior to the contractual maturity date. Additionally, affiliate dealer entities may have executed liquidity letters, each with a specific holder and referencing specific MLBV issuance, and specifying the conditions under which the affiliate dealer may or may not be obligated to make a secondary market and repurchase the referenced MLBV issuance from that client. In the event of such dealer repurchases, MLBV is not obligated to purchase (defease) such inventory from the dealer, but may elect to do so.

For financial liabilities with contingent settlement features (including autocall provisions), the contractual maturity profile presented in the maturity analysis reflects the Company's assessment at the reporting date of the expected timing of settlement. Where settlement depends on the occurrence of a contingent event, the related cash flows are allocated to the time bucket in which settlement is expected to occur based on observable market inputs and scenario analysis of the relevant underlying factors. As a result, the cash flows included in the maturity analysis may differ from the actual timing and amounts of cash flows if the contingent event occurs earlier or later than expected, or does not occur.

	Less than 1 year \$000	Between 1 and 2 years \$000	Between 2 and 5 years \$000	Over 5 years \$000	Total \$000
<b>As at 31 December 2025</b>					
Financial liabilities designated at fair value through profit or loss	13,219,743	922,966	4,413,489	11,469,108	30,025,306
Derivative liabilities	144,465	25,216	123,143	1,292,723	1,585,547
Creditors	4,666,079	—	—	—	4,666,079
	<u>18,030,287</u>	<u>948,182</u>	<u>4,536,632</u>	<u>12,761,831</u>	<u>36,276,932</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**24. Financial risk management (continued)**

	Less than 1 year \$000	Between 1 and 2 years \$000	Between 2 and 5 years \$000	Over 5 years \$000	Total \$000
As at 31 December 2024 (As restated)					
Financial liabilities designated at fair value through profit or loss*	6,402,480	850,566	2,391,236	6,704,065	16,348,347
Derivative liabilities	170,536	52,144	79,439	1,147,560	1,449,679
Creditors	534,367	—	—	—	534,367
Bank overdraft	1,944	—	—	—	1,944
	<u>7,109,327</u>	<u>902,710</u>	<u>2,470,675</u>	<u>7,851,625</u>	<u>18,334,337</u>

\*Prior period has been updated across all maturity buckets

**Reputational risk**

Reputational risk is the risk that negative perceptions of BAC may materially impact its financial condition.

Reputational risk can stem from many of BAC's activities, including those related to the management of the Strategic, Operational, Compliance, Credit, or other risks. As a result, BAC evaluates the potential impact to its reputation within all risk categories and throughout the risk management process.

BAC manages reputational risk through established policies and controls in the business and risk management processes to mitigate reputational risks in a timely manner and through proactive monitoring and identification of potential reputational risk events.

Reputational risk items relating to MLBV are under the remit of the EMEA Business Escalation Committee, whose mandate includes consideration of reputational risk issues (including matters related to environmental, social and governance factors) and to provide guidance and approvals for activities that represent specific reputational risks which have been referred for discussion by other current control frameworks or lines of business.

The EMEA Business Escalation Committee is a sub-committee of the Global Business Escalation Committee. Items requiring increased attention may be escalated from the EMEA Business Escalation Committee to the Global Business Escalation Committee as appropriate.

BAC, including its subsidiaries, has a well-established organisational and governance structure in place that ensures strong oversight at both the Company and lines of business levels

Ultimately, to ensure that reputational risk is mitigated through regular business activity, awareness of reputational risk is integrated into the overall governance process, as well as incorporated into the roles and responsibilities for employees.

Given the nature of reputational risk, BAC does not set quantitative limits to define its associated risk appetite. Through proactive risk management, Bank of America seeks to minimise both the frequency and impact of reputational events.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**24. Financial risk management (continued)****Strategic risk**

Strategic risk is the risk to current or projected financial condition arising from incorrect assumptions about external or internal factors, inappropriate business plans (e.g. too aggressive, wrong focus, ambiguous), ineffective business strategy execution, or failure to respond in a timely manner to changes in the regulatory, macroeconomic and competitive environments in the geographic locations in which MLBV operates (e.g. competitor actions, changing customer preferences, product obsolescence and technology developments).

Strategic risk is managed through the assessment of effective delivery of strategy. Business performance is monitored by the executive management team to assess strategic risk and find early warning signals so that risks can be proactively managed.

MLBV strategy execution and risk management involves a formal planning and approval process. The MLBV strategic plans are set within the context of overall risk appetite. Processes exist to discuss the strategic risk implications of new, expanded or modified businesses, products or services and other strategic initiatives, and to provide formal review and approval where required. There are regular updates to the Board on business performance and the management of strategic risk takes into account analyses of performance relative to the strategic plan, financial operating plan and risk appetite.

**Capital risk management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, in order to provide returns for its immediate parent and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may pay dividends and return capital to its immediate parent, or issue new shares. The Company monitors capital on the basis of the capitalisation ratio which is calculated as equity divided by issued debt (structured issuances designated at fair value through profit or loss).

The Company does not have externally imposed regulatory capital requirements applicable at the legal-entity level; however, capital levels are monitored to ensure that the Company remains adequately capitalised relative to its issuance activities and risk profile. There were no breaches of capital requirements or internal capital thresholds during the year.

	<b>2025</b>	2024
	<b>\$000</b>	\$000
<b>Capitalisation ratio:</b>		
Equity	<b>2,213,812</b>	1,119,848
Issued debt	<b>30,025,306</b>	16,348,347
Capitalisation ratio	<u><u>7%</u></u>	<u><u>7%</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**25. Fair value measurement**

For the Company's accounting policy regarding fair value measurement, see Note 2.7.

The following sections outline the valuation methodologies for the Company's assets and liabilities. While the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

During 2025, there were no significant changes to valuation approaches or techniques that had, or are expected to have, a material impact on the Company's financial position or results of operations.

**Financial liabilities designated at FVTPL**

Fair value is determined using a combination of (i) quoted prices for identical or similar liabilities where observable, and (ii) valuation models when markets are not sufficiently liquid. The models incorporate observable inputs (e.g., benchmark interest rate yield curves, credit spreads, equity indices, option volatilities, FX rates and commodity prices) and, in some instances, unobservable inputs (e.g., long-dated volatilities and correlations and liquidity premiums). Liquidity is an important factor: in less active markets, model-based valuations rely more on inputs inferred from market activity and internal calibration processes.

In accordance with IFRS 13, the fair value of financial liabilities designated at FVTPL reflects the issuer's own credit risk and market participant assumptions. Company's issuances benefit from a BAC guarantee, which represents an inseparable third-party credit enhancement that is not separately reflected in the fair value measurement. The Company estimates its own credit risk using observable BAC senior unsecured credit spread curves.

For hybrid instruments, the amount attributed to own credit excludes effects that are attributable to embedded derivatives (e.g., equity, FX or commodity options) in accordance with IFRS 9.

Most structured liabilities are valued using Level 2 inputs (e.g., observable curves, spreads and implied volatilities). Level 3 classification arises when one or more significant inputs (e.g., long-dated correlation, liquidity premiums) are unobservable. At 31 December 2025, Level 3 liabilities within financial liabilities designated at FVTPL totalled \$49,444,000 (2024: nil); see the fair value hierarchy table and the Level 3 reconciliation for purchases, settlements and transfers.

**Derivative assets & liabilities and Financial assets at FVTPL**

The fair values of derivative assets & liabilities and financial assets at FVTPL traded in the over the counter ("OTC") market are determined using quantitative models that require the use of multiple market inputs including interest rates, prices, and indices to generate continuous yield or pricing curves and volatility factors, which are used to value the position. The majority of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions and third party pricing services. When third party pricing services are used, the methods and assumptions are reviewed by the Company. Estimation risk is greater for derivative asset and liability positions that are either option-based or have longer maturity dates where observable market inputs are less readily available, or are unobservable, in which case, quantitative-based extrapolations of rate, price or index scenarios are used in determining fair values. The fair value of derivative assets and liabilities include adjustments for market liquidity, counterparty credit quality and other deal specific factors, where appropriate.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

25. Fair value measurement (continued)

The table below presents the carrying value of financial instruments held at fair value across the three levels of the fair value hierarchy at 31 December 2025 and 31 December 2024:

As at 31 December 2025

	Level 2 \$000	Level 3 \$000	Total \$000
<b>Assets</b>			
Financial assets at fair value through profit or loss	4,934,639	49,518	4,984,157
Derivative assets	985,227	204,592	1,189,819
	<u>5,919,866</u>	<u>254,110</u>	<u>6,173,976</u>

	Level 2 \$000	Level 3 \$000	Total \$000
<b>Liabilities</b>			
Financial liabilities designated at fair value through profit and loss	29,975,862	49,444	30,025,306
Derivative liabilities	1,205,384	380,163	1,585,547
	<u>31,181,246</u>	<u>429,607</u>	<u>31,610,853</u>

As at 31 December 2024

	Level 2 \$000	Level 3 \$000	Total \$000
<b>Assets</b>			
Financial assets at fair value through profit or loss	968,763	15,434	984,197
Derivative assets	637,251	86,690	723,941
	<u>1,606,014</u>	<u>102,124</u>	<u>1,708,138</u>

**Liabilities**

Financial liabilities designated at fair value through profit and loss	16,348,347	—	16,348,347
Derivative liabilities	1,033,351	416,328	1,449,679
	<u>17,381,698</u>	<u>416,328</u>	<u>17,798,026</u>

**Fair values of level 3 assets and liabilities**

Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and are significant to the overall fair value measurement, are classified as Level 3 under the fair value hierarchy. The Level 3 financial instruments include derivatives and valuation inputs

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

25. Fair value measurement (continued)

for which there are few transactions, and there is little or no observable market data to corroborate inputs to valuation models.

Where the value of financial instruments is dependent on unobservable inputs, the precise level for these parameters at the reporting date might be drawn from a spectrum of reasonably possible alternatives. Appropriate levels for these inputs are chosen so that they are consistent with prevailing market evidence and in line with the valuation control policies applicable across the BAC group.

By definition unobservable inputs relate to mark-to-model financial instruments having unobservable model inputs that have an overall significant impact on the financial instrument fair value. Classification on Level 3 is essentially a result of failure to be classified on either Levels 1 or 2. It is important to note some key points regarding the use of unobservable inputs for the purpose of estimating fair value:

- Unobservable inputs can only be used in the absence of reliable observable market data.
- If unobservable inputs are used, they must reflect the assumptions market participants would use when pricing the asset or liability, including assumptions about risk. If the Company's own data is used to develop unobservable inputs, this should be adjusted if reasonably available information suggests other market participants would use different data.
- Assumptions about risk include the risk or uncertainty inherent in a particular valuation model used to estimate fair value, as well as the inputs used by the valuation model. A fair value estimate produced from a valuation model must be adjusted for these risks if a market participant would do so in their pricing of an asset or liability.

The table below represents a reconciliation for all Level 3 financial instruments measured at fair value. Level 3 assets were \$254,110,000 as at 31 December 2025 (2024: \$102,124,000), and represent approximately 4.11% (2024: 5.98%) of assets measured at fair value and approximately 0.66% (2024: 0.52%) of total assets. Level 3 liabilities were \$429,607,000 as at 31 December 2025 (2024: \$416,328,000), and represent approximately 1.36% (2024: 2.34%) of liabilities measured at fair value and 1.18% (2024: 2.27%) of total liabilities.

	Financial assets at fair value through profit or loss \$000	Derivative assets \$000	Derivative liabilities \$000	Financial liabilities designated at fair value through profit or loss \$000
<b>Balance at 1 January 2025</b>	15,434	86,690	(416,328)	—
Gains/(losses) recognised in the profit or loss	(12,938)	75,936	64,237	—
Settlements	(1,320)	(41,438)	42,694	—
Sales	—	—	(71,636)	—
Purchases	—	60,244	—	—
Transfers in	49,518	51,277	(202,608)	(49,444)
Transfers out	(1,176)	(28,117)	203,478	—
<b>Balance at 31 December 2025</b>	<b>49,518</b>	<b>204,592</b>	<b>(380,163)</b>	<b>(49,444)</b>
Unrealised profit/(losses) for level 3	11	152,533	(33,456)	(11)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

25. Fair value measurement (continued)

Unrealised profits or losses for positions held at period end are recognised in net loss on financial instruments at fair value through profit or loss or net loss in on financial instruments designated at fair value through profit or loss.

Realised profits or losses throughout the year are included within net loss on financial instruments at fair value through profit or loss or net loss on financial instruments designated at fair value through profit or loss.

The transfers into Level 3 from Level 2 during the period were due to lack of observable market pricing data subsequent to purchase. The transfers out of Level 3 to Level 2 during the period were due to increased availability of observable pricing data on underlying positions.

	Financial assets at fair value through profit or loss	Derivative assets \$000	Derivative liabilities \$000
Balance at 1 January 2024	—	41,210	(321,330)
Gains/(losses) recognised in the profit or loss	—	21,149	(57,745)
Settlements	—	(18,920)	21,780
Sales	—	—	(57,837)
Purchases	15,434	17,974	—
Transfers in	—	40,308	(22,307)
Transfers out	—	(15,031)	21,111
Balance at 31 December 2024	<u>15,434</u>	<u>86,690</u>	<u>(416,328)</u>
Unrealised profit for level 3	<u>—</u>	<u>55,982</u>	<u>(79,292)</u>

The table below provides information on the valuation techniques, significant unobservable inputs and their ranges and averages for each major category of assets and liabilities measured at fair value on a recurring basis with a significant Level 3 balance.

The level of aggregation and breadth of products cause the range of inputs to be wide and not evenly distributed across the inventory. Further, the range of unobservable inputs may differ across firms in the financial services industry because of the diversity in the types of products included in each firm's inventory.

The Company uses multiple market approaches in valuing certain of its Level 3 financial instruments. For example, market comparables and discounted cash flows are used together. Therefore, the balances disclosed encompass both of these techniques.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

25. Fair value measurement (continued)

As at 31 December 2025	Valuation technique	Significant unobservable inputs	Ranges of input	Weighted average	Fair Value \$000
Interest rate derivatives	Industry standard derivative pricing	Correlation (IR/IR) Correlation (FX/IR) Long-dated inflation rates Long-dated inflation volatilities Interest rate volatilities	(35)% to 70% (5)% to 58% (1)% to 20% 5% (1)% to 1%	45% 26% 2% n/a 0%	(175,571)
Equity derivatives	Industry standard derivative pricing	Equity Correlation Long dated equity volatilities	0% to 100% 0% to 104%	68% 37%	—
Financial assets at fair value through profit or loss	Discounted cash flow, Market comparables	Yield Prepayment speed Default payment Loss severity Price	4% to 24% 20% 2% 30% \$0 to \$137	13% n/a n/a n/a \$67	49,518
Structured Issuances	Discounted cash flow, Market comparable	Yield Price	15% to 22% \$29 to \$101	20% \$93	(49,444)

As at 31 December 2024	Valuation technique	Significant unobservable inputs	Ranges of input	Weighted average	Fair Value \$000
Interest rate derivatives	Industry standard derivative pricing	Correlation (IR/IR) Correlation (FX/IR) Long-dated inflation rates Long-dated inflation volatilities Interest rate volatilities	(35)% to 70% (25)% to 58% (1)% to 21% 0% to 5% (1)% to 1%	50% 27% 3% 3% 0%	(316,492)
Equity derivatives	Industry standard derivative pricing	Equity Correlation Long dated equity volatilities	0% to 100% 1% to 87%	59% 33%	(13,146)
Financial assets at fair value through profit or loss	Discounted cash flow, Market comparables	Yield Prepayment speed Default payment Loss severity Price	4% to 37% 20% 2% 30% \$0 to \$135	17% n/a n/a n/a \$69	15,434

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**25. Fair value measurement (continued)****Derivative asset, derivative liabilities and structured issuances**

For equity derivatives, commodity derivatives, interest rate derivatives and structured liabilities, a significant change in long-dated rates, volatilities and correlation inputs (e.g., the degree of correlation between an equity security and an index, between two different commodities, between two different interest rates, or between interest rates and foreign exchange rates) would result in a significant impact to the fair value; however, the magnitude and direction of the impact depends on whether the Company is long or short the exposure. For structured issuances, a significant increase in yield or decrease in price would result in a significantly lower fair value. A significant decrease in duration may result in a significantly higher fair value.

**Sensitivity analysis of unobservable input**

Where the value of financial instruments is dependent on unobservable inputs, the precise level for these parameters at the reporting date might be drawn from a spectrum of reasonably possible alternatives. Appropriate levels for these inputs are chosen so that they are consistent with prevailing market evidence and in line with the Company's valuation control policies. Were the Company to have valued the financial instruments concerned using input values drawn from the extremes of the ranges of reasonable possible alternatives, then at the period end, it could have increased fair value by as much as \$36,918,000 (2024: \$24,284,000) or decreased fair value by as much as \$34,426,000 (2024: \$20,200,000) with the potential effect impacting profit and loss rather than reserves.

This disclosure is intended to illustrate the potential impact of the relative uncertainty in the fair value of financial instruments for which valuation is dependent on unobservable inputs and is not predictive or indicative of future movements in fair value. Furthermore, it is unlikely in practice that all unobservable parameters would be simultaneously, at the extremes of their ranges of reasonable possible alternatives.

**Fair value of financial assets and liabilities carried at amortised cost**

The below summarises the fair value of the Company's financial assets and liabilities which are carried at amortised cost.

The fair value of amounts owed by affiliated companies is determined by reference to quoted market prices of similar instruments. The carrying value of non-current financial assets at amortised cost and amounts owed from affiliates are \$16,312,282,000 (2024: \$12,184,519,000). These assets are classified as level 2 and are fair valued at \$16,490,464,000 (2024: \$12,274,762,000).

For short-dated debtor and creditor balances, carrying amounts approximate fair value due to their short-term nature.

**26. Events after the reporting period**

The Company evaluates whether events occurring after the balance sheet date but before the date the financial statements are available to be issued, require accounting as of the balance sheet date, or disclosure in the financial statements. The Company has evaluated such subsequent events through 28 April 2026 which is the issuance date of the financial statements.

Subsequent to the reporting period, on 18 February 2026, S&P Global Ratings assigned Merrill Lynch B.V. a long-term issuer credit rating of 'A-' and a short-term issuer credit rating of 'A-2', with a stable outlook. This represents a non-adjusting event under IAS 10, as it relates to conditions arising after the reporting date. Accordingly, no adjustments have been made to the financial statements.

There were no material subsequent events that occurred during such period that would require disclosure or recognition in the financial statements as at 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

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27. Profit appropriation

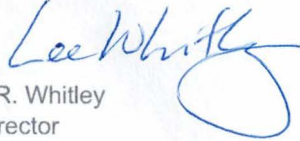
Based on the net result over the period ended 31 December 2025, the Board of Directors do not recommend the payment of a dividend in respect of the period ended 31 December 2025.

The General Meeting has the authority to make distributions to shareholders and are subject to two tests, namely, the equity test and the distribution or liquidity test. The Board must approve a proposed distribution and may only refuse if they know (or ought to reasonably foresee) that the Company after the distribution would no longer be able to repay its debts as and when they fall due.

The financial statements were approved by the Board and authorised for issue on 29 April 2026. They were signed on its behalf by:



A.E. Okobia  
Director



L.R. Whitley  
Director

Amsterdam  
29 April 2026

**OTHER INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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Article 19 of the Company's Articles of Association is as follows:

a) The profits of the Company, according to the annual financial statements adopted by the general meeting, are - insofar as they are not to be preserved for the formation or maintenance of reserves prescribed by law - at the disposal of the general meeting which decides about reservations or payments of profits.

b) Dividends may be paid up only to the amount above the sum of the balances between net assets and paid in capital, increased with reserves which must be maintained by virtue of law.

**Independent auditor's report**

The independent auditor's report is included on the following page.

**INDEPENDENT AUDITOR'S REPORT**

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To: the shareholders of Merrill Lynch B.V.

**Report on the audit of the financial statements 2025 included in the annual report**

**Our opinion**

We have audited the financial statements 2025 of Merrill Lynch B.V. (the 'Company') based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Merrill Lynch B.V. as at 31 December 2025 and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the statement of financial position as at 31 December 2025;
2. the following statements for 2025: the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows; and
3. the notes comprising material accounting policies and other explanatory information.

**Basis for our opinion**

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

We are independent of Merrill Lynch B.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (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).

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

**Information in support of our opinion**

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

**Materiality**

Based on our professional judgement we determined the materiality for the financial statements as a whole at USD 385 million. The materiality is based on a benchmark of total assets (representing 1% of total assets) which we consider to be one of the principal considerations for users of the financial statements in assessing the financial performance of the Company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the board of directors that misstatements in excess of USD 19 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

**Overview and cooperation with other auditors**

The Company's main activity is the issuance of structured notes and economically hedging these instruments through derivatives with other Bank of America Corporation companies. The Company is a subsidiary of Bank of America Corporation. The operations of the Company are embedded in the IT environment and internal control environment of the Bank of America Corporation Group and are performed in the United Kingdom and the United States. Considering our responsibility for the opinion, we are responsible for the nature, timing and extent of audit procedures to be performed. In this context, we used the work performed by a component auditor for assurance over the internal control environment and IT environment. We sent audit instructions to the component auditor in the United Kingdom, which set out the work to be performed and the agreed scope of testing. Where the work was performed by the component auditor, we determined the level of involvement we needed to have in the audit

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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procedures to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the financial statements.

In this respect, we performed the following procedures:

- We issued detailed audit instructions to the component auditor prescribing the scope of work to be performed, our risk assessment, the key audit areas, materiality to be applied and the reporting requirements to us.
- The reports of the component auditor were assessed and observations were discussed with the component auditor and with the directors of the Company.
- We met the component audit team and board of directors of the Company and performed a file review of the component auditor's audit file, which includes their review work of the component auditor in the United States.

By performing the procedures above, combined with additional procedures performed by us, we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion on the financial statements.

**Audit approach going concern**

The financial statements are prepared on the basis of the going concern assumption, which assumes that Merrill Lynch B.V. will continue to operate as a going concern for the foreseeable future. As explained in the section 'Business review and market environment' in the directors' report and the section 'Corporate information and basis of preparation' in the financial statements, the board of directors has carried out a going concern assessment and consider it appropriate for the Company to adopt the going concern basis in preparing the financial statements. Our audit procedures to evaluate the board of directors' going concern assessment included:

- Considering whether the board of directors' going concern assessment contains all relevant information that we have knowledge of, as a result of our audit, by inquiring with the board of directors on key assumptions and estimates. In doing so, we have paid attention, amongst other things, the structure of the Company and the financial position of Bank of America Corporation Group.
- Obtaining information from the board of directors about their knowledge of potential going concern risks beyond the period covered by their going concern assessment.

Our audit procedures indicated that the going concern assumption used by the board of directors is appropriate and no going concern risks have been identified.

**Audit approach fraud risks**

We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations. During our audit we obtained an understanding of the Company and its environment and the components of the system of internal control, including the risk assessment process and the board of directors' process for responding to the fraud risks and monitoring the system of internal control. We refer to section 'Global compliance and operational risk' of the directors' report and section 'Compliance and operational risk ("C&OR Risk")' of the financial statements for the board of directors' fraud risk assessment.

We evaluated the design and implementation of the relevant aspects of the system of internal control, including amongst others the Code of Conduct and Risk Framework of the Bank of America Corporation. Where considered appropriate, we tested the operating effectiveness, of internal controls designed to mitigate fraud risks. Where applicable, we have communicated significant deficiencies in internal control in writing to the board of directors.

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

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance. We considered available information and inquired with relevant executives and directors.

This did not lead to indications for fraud potentially resulting in material misstatements.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

The fraud risks identified by us and the specific procedures performed are as follows:

### MANAGEMENT OVERRIDE OF CONTROLS

Description:	<p>The board of directors is in a unique position to perpetrate fraud because the board of directors is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Therefore, in all our audits, we pay attention to the risk of management override of controls for:</p> <ul style="list-style-type: none"> <li>• Journal entries and other adjustments made throughout the year and during the course of preparing the financial statements.</li> <li>• Estimates and estimation processes.</li> <li>• Significant transactions outside the ordinary course of business.</li> </ul> <p>In this context, we paid particular attention to a possible misstatement relating to important judgement areas and significant accounting estimates related to the valuation of the loans to related parties as disclosed in Note 3 of the financial statements.</p>
Our audit approach:	<p>We:</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of internal control measures in the processes for generating and processing journal entries and making estimates, assuming a risk of management override of controls of that process.</li> <li>• Assessed the process surrounding the preparation of financial statements.</li> <li>• Selected journal entries based on risk criteria, such as manual journal entries. We performed audit procedures on these journal entries, in which we also paid attention to significant transactions outside the ordinary course of business.</li> <li>• Investigated manual journal entries with direct impact on the statement of profit or loss and other comprehensive income above our threshold.</li> <li>• Performed audit procedures on significant estimates, which mainly consists of the valuation of the loans issued to related parties as disclosed in Note 3 of the financial statements.</li> </ul> <p>We also refer to our procedures regarding the valuation of derivative assets and liabilities, as well as the valuation of financial liabilities designated at fair value through profit and loss, as included in the key audit matters.</p> <p>Our audit procedures did not reveal any specific indicators of fraud or suspicions of fraud in respect of management override of controls, potentially resulting in material misstatements.</p>

### THE RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO MANUAL REVENUE POSTINGS

Description:	<p>Based on our professional standards, we identify a presumed fraud risk regarding revenue recognition. Based on our risk analysis, we do acknowledge an increased (fraud) risk in manual revenue postings.</p>
Our audit approach:	<p>We:</p> <ul style="list-style-type: none"> <li>• evaluated the design and implementation of the internal control measures with regard to the revenue process and determined operating effectiveness of these internal control measures;</li> <li>• analyzed manual journal entries for (interest) income above our threshold.</li> </ul> <p>Our audit procedures did not reveal any specific indicators of fraud or suspicions of fraud in respect of fraudulent financial reporting due to manual revenue posting, potentially resulting in material misstatements.</p>

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the board of directors. The key audit matters are not a comprehensive reflection of all matters discussed.

**VALUATION OF DERIVATIVE ASSETS AND LIABILITIES**

Description:	<p>Derivative assets and liabilities consist of interest rate derivatives, credit derivatives and equity derivatives, to economically hedge the structured notes issued. The valuation is determined via complex valuation models, tested internally by Bank of America Corporation.</p> <p>We consider the valuation of derivative assets and liabilities to be a key audit matter in our audit. This is due to the complex nature of the valuation of these instruments, particularly for level 3 valuations, as well as the input parameters taken into account in the valuation models. We refer to Note 15 of the financial statements, in conjunction with Note 25.</p>
Our audit approach:	<p>We have performed the following audit procedures with respect to the valuation of derivative assets and liabilities:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the valuation methodology and the processes and controls with respect to the valuation of derivatives. In addition, we assessed the appropriateness of the methodology and the models used by the Company.</li> <li>• We tested the Company's internal controls with respect to the models used throughout the valuation process. This included test procedures on controls with respect to model validation around new or amended models and independent price valuation testing.</li> <li>• For a sample of derivatives, valuation experts were engaged to substantively test the Company's valuation by comparing it with our own valuation using independent models and independently sourced inputs.</li> <li>• We evaluated the adequacy of the disclosures relating to the valuation of derivative assets and liabilities, to assess compliance with disclosure requirements included in EU-IFRS.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**VALUATION OF FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS**

Description:	<p>The financial liabilities designated at fair value through profit and loss are hybrid (debt) instruments with a structured component (derivative element), linked to performance of various market indices. The valuation is determined via complex valuation models, tested internally by Bank of America Corporation.</p> <p>We consider the valuation of structured notes, including the related unrealised gains and losses and debit valuation adjustments (DVA) to be a key audit matter in our audit. This is due to the complex nature of the valuation of these instruments, particularly the debit valuation adjustments, as well as the input parameters taken into account in the valuation models. We refer to Note 18 of the financial statements, in conjunction with Note 25.</p>
Our audit approach:	<p>We have performed the following audit procedures with respect to the valuation of financial liabilities designated at fair value through profit and loss:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the valuation methodology and the processes and controls with respect to the valuation of structured notes. In addition, we assessed the appropriateness of the methodology and the models used by the Company.</li> <li>• We tested the Company's internal controls with respect to the models used throughout the valuation process. This included test procedures on controls with respect to model validation around new or amended models and independent price valuation testing.</li> <li>• For a sample of structured notes, valuation experts were engaged to substantively test the Company's valuation by comparing it with our own valuation using independent models and independently sourced inputs.</li> <li>• We evaluated the adequacy of the disclosures relating to the valuation of structured notes, to assess compliance with disclosure requirements included in EU-IFRS.</li> </ul>

**Report on other information included in the annual report**

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the directors' report
- other information as required by Part 9 of Book 2 of the Dutch Civil Code;

Based on the following procedures performed, we conclude that the other information:

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

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

By performing these 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 the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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**Report on other legal and regulatory requirements and ESEF**

**Engagement**

We were engaged by the board of directors as auditor of Merrill Lynch B.V. on 27 October 2025, as of the audit for financial year 2025.

**No prohibited non-audit services**

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

**European Single Electronic Format (ESEF)**

Merrill Lynch B.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in XHTML-format, including the financial statements of Merrill Lynch B.V., has been prepared in all material respects with the RTS on ESEF.

The board of directors is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- obtaining an understanding of the entity's financial reporting process, including the preparation of the annual financial report in XHTML-format;
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including examining whether the annual financial report in XHTML-format is in accordance with the RTS on ESEF.

**Description of responsibilities regarding the financial statements**

**Responsibilities of the board of directors for the financial statements**

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code.

Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting, unless the board of directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The 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 included among others:

- 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 the 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 Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amstelveen, 29 April 2026  
For and on behalf of BDO Audit & Assurance B.V.,

Digitaal ondertekend door:

Maurice Meijer  
29 april 2026 12:03 +02:00

sgd.  
drs. M.F. Meijer RA