

**CRANE INVESTMENTS LIMITED**  
**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

# CRANE INVESTMENTS LIMITED

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# **CRANE INVESTMENTS LIMITED**

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## **REPORT OF THE DIRECTORS**

The Directors present their annual report and the audited financial statements of CRANE Investments Limited (the "Company") for the year ended 30th September 2019.

### **INCORPORATION**

The Company was incorporated in Jersey, Channel Islands on 28th May 1998.

### **ACTIVITIES**

The principal activity of the Company is the issue of Secured Floating Rate Notes, Secured Fixed Rate Notes and Credit-Linked Notes (together, the "Notes") under the terms and conditions of a US\$ 10 billion Secured Note Programme. The proceeds of the Notes are used to purchase securities (the "Eligible Investments") and to enter into Swap Agreements with the Swap Counterparty, Credit Suisse International, which are designed to allow the Company to meet its obligations to the Noteholders.

As set out in the Programme Memorandum, the Notes are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes. As of the date of this report, Notes Series 140, 204 and 214 are listed on the Euronext Dublin. Note Series 198 was delisted from the Euronext Dublin effective 4th February 2019 and redeemed on 4th February 2019. The rest of the Notes are not listed on any recognised stock exchange.

During the year, 1 new series was issued, 11 series matured, 1 series was redeemed before its maturity date and 2 series were partially redeemed.

### **GOING CONCERN**

The Company's debt funding has been provided by the Noteholders, whose recourse to the assets of the Company is limited to those net assets comprising the collateral assets and swap agreements for the particular series of Notes held. The Noteholders have no right to petition for insolvency proceedings against the Company in the event that the aggregate proceeds from the realisation of the collateral assets and settlement of swap agreements are insufficient to repay the principal amount of the Notes. From a Noteholder point of view, defaults on any one particular series cannot impact any other series.

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

### **RESULTS AND DIVIDENDS**

The profit for the year amounted to US\$ 869 (2018: US\$ 4,767).

The Directors do not recommend the payment of a dividend for the year (2018: US\$ Nil).

### **SUBSEQUENT EVENTS**

Eight series matured after year end. Furthermore, the Directors continue to monitor and respond to developments subsequent to the year end date with regards to COVID-19. Refer to note 15 for further details.

### **DIRECTORS**

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

A. Orosco

J.N. Pendergast

J.D. Wiseman

S. Hopkins (resigned 10th October 2018)

R. Go (appointed 10th October 2018)

## **CRANE INVESTMENTS LIMITED**

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### **REPORT OF THE DIRECTORS - (CONTINUED)**

#### **SECRETARY**

The Company Secretary is Sanne Secretaries Limited.

#### **REGISTERED OFFICE**

The registered office address of the Company is IFC 5, St Helier, Jersey, JE1 1ST.

#### **INDEPENDENT AUDITOR**

KPMG Channel Island Limited acted as independent auditor during the year and has expressed its willingness to continue in office.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are also 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 the Companies (Jersey) Law 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors confirm they have complied with the above requirements throughout the year and subsequently.

#### **BY ORDER OF THE BOARD**



**Director: John Pendergast**

Date: 15th April 2020



# Independent Auditor's Report to the Members of CRANE Investments Limited

## *Our opinion is unmodified*

We have audited the financial statements of CRANE Investments Limited (the "Company"), which comprise the statement of financial position as at 30 September 2019, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

### *In our opinion, the accompanying financial statements:*

- give a true and fair view of the financial position of the Company as at 30 September 2019, and of the Company's financial performance and cash flows for the year then ended;
- are prepared in accordance with United Kingdom accounting standards, including FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law, 1991.

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards, as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### *Key audit matters: our assessment of the risks of material misstatement*

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2018):

	<i>The risk</i>	<i>Our response</i>
<b>Valuation of Financial Instruments at fair value through profit or loss</b>	<b>Basis:</b>	<b>Our audit procedures included:</b>
Financial assets at fair value through profit or loss \$1,100,993,410; (2018: \$1,350,828,293)	Financial instruments are central to the Company's principal activity. These financial instruments also comprise the largest balances reported on the Company's statement of financial position.	<b>Evaluating experts engaged by management:</b>  We assessed the competence, capabilities and objectivity of the Valuation Agent through (i) independent research, and (ii) inquiries during an on-site visit.
Financial liabilities at fair value through profit or loss	The Company accounts for these financial instruments at fair value.  In the absence of quoted prices in an active market being available, the Directors obtain estimates of fair value from Credit Suisse (the "Valuation Agent"). Estimating fair	<b>Internal Controls:</b>  We evaluated the design, implementation and operation of



# Independent Auditor's Report to the Members of CRANE Investments Limited (continued)

	<i>The risk</i>	<i>Our response</i>
<p>\$1,096,909,339; (2018: \$1,358,421,881)</p> <p>Derivative financial assets \$19,093,356; (2018 \$28,110,620); Derivative financial liabilities \$23,177,427; (2018: \$20,517,032)</p> <p>Refer to accounting policies in note 2 and disclosures in notes 3, 4, 7, 14, 16 and 17</p>	<p>value requires the application of judgement and assumptions. The valuation methodologies and techniques adopted use inputs which may not be observable.</p> <p><b>Risk:</b></p> <p>The judgements applied and assumptions made in estimating the fair value of the Company's financial instruments may not be appropriate. As a result, the amounts recorded in the statement of financial position may not represent fair values.</p>	<p>valuation controls in place at the Valuation Agent over the Company's financial instruments.</p> <p><b>Challenging management's assumptions and inputs:</b></p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the valuation methodologies adopted, the key assumptions made, and inputs used in estimating fair value. We challenged those methodologies, assumptions and inputs based on the nature of the individual financial instruments and our assessment of available market data.</li> <li>• We agreed the fair value of 100% of the Company's financial instruments at fair value through profit or loss to the Valuation Agent's confirmation.</li> <li>• We compared the fair value of financial liabilities at fair value through profit or loss for consistency with the fair value of related financial assets and derivatives.</li> <li>• We assessed the valuation of a selection of derivatives by comparing to an independent pricing source.</li> </ul> <p><b>Use of KPMG Specialists:</b></p> <p>We involved a KPMG valuation specialist to assist in our assessment of the Valuation Agent's work on the valuation of these financial instruments, including challenging the valuation methodology of the Valuation Agent by independently estimating the fair value of (i) all financial</p>



# Independent Auditor's Report to the Members of CRANE Investments Limited (continued)

<i>The risk</i>	<i>Our response</i>
	assets at fair value through profit or loss, and (ii) a selection of derivatives based on criteria such as materiality, complexity and remaining period to maturity.
	<b>Assessing disclosures:</b>  We assessed the accounting policies in note 2 and disclosures in notes 3, 4, 7, 14, 16 and 17 for compliance with applicable requirements of FRS 102.

## *Our application of materiality and an overview of the scope of our audit*

Materiality for the financial statements as a whole was set at \$11,212,000, determined with reference to a benchmark of unadjusted total assets of \$1,121,222,871, of which it represents approximately 1.0% (2018: 1.0%).

We reported to the Board of Directors any corrected or uncorrected identified misstatements exceeding \$560,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

## *We have nothing to report on going concern*

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

## *Other information*

The Directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



# Independent Auditor's Report to the Members of CRANE Investments Limited (continued)

## *We have nothing to report on other matters on which we are required to report by exception*

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company; or
- the Company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## *Respective responsibilities*

### *Directors' responsibilities*

As explained more fully in their statement set out on page 3, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### *Auditor's responsibilities*

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## *The purpose of this report and restrictions on its use by persons other than the Company's members, as a body*

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Brian Bethell**

**For and on behalf of KPMG Channel Islands Limited**

*Chartered Accountants*

*Jersey*

17 April 2020



## CRANE INVESTMENTS LIMITED

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### STATEMENT OF FINANCIAL POSITION

AS AT 30TH SEPTEMBER 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss	3,16	876,099,183	941,351,646
Derivative financial assets	4	9,852,628	16,761,225
		<hr/>	<hr/>
		885,951,811	958,112,871
<b>CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss	3,16	224,894,227	409,476,647
Derivative financial assets	4	9,240,728	11,349,395
Other receivables	5	3,650	2,550
Cash and cash equivalents	6	519,716	2,133,707
		<hr/>	<hr/>
		234,658,321	422,962,299
<b>CURRENT LIABILITIES</b>			
Derivative financial liabilities	4	( 10,282,287)	( 3,256,585)
Financial liabilities at fair value through profit or loss	7,17	( 223,852,668)	( 417,569,458)
Other payables	8	( 481,910)	( 2,095,670)
		<hr/>	<hr/>
		( 234,616,865)	( 422,921,713)
<b>NET CURRENT ASSETS</b>			
		<hr/>	<hr/>
		41,456	40,586
<b>NON CURRENT LIABILITIES</b>			
Derivative financial liabilities	4	( 12,895,140)	( 17,260,447)
Financial liabilities at fair value through profit or loss	7,17	( 873,056,671)	( 940,852,423)
		<hr/>	<hr/>
		( 885,951,811)	( 958,112,870)
<b>NET ASSETS</b>			
		<hr/>	<hr/>
		US\$ 41,456	US\$ 40,587
<b>CAPITAL AND RESERVES</b>			
Share capital	9	20	20
Capital redemption reserve	10	4,082	4,082
Retained earnings		37,354	36,485
		<hr/>	<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>			
		<hr/>	<hr/>
		US\$ 41,456	US\$ 40,587

The financial statements on pages 8 to 35 were approved and authorised for issue by the Board of Directors on 15th April 2020 and were signed on its behalf by:

  
Director: Angelo Orosco

*(The notes on pages 12 to 35 form integral part of these financial statements)*

## CRANE INVESTMENTS LIMITED

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### STATEMENT OF COMPREHENSIVE INCOME

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>INCOME</b>			
<b>Net (loss)/gain on financial instruments</b>			
Financial assets at fair value through profit or loss	3	102,842,408	( 4,500,425)
Financial liabilities at fair value through profit or loss	7	( 88,751,872)	( 20,516,136)
Derivatives at fair value through profit or loss	4	( 14,090,536)	25,016,561
		<u>-</u>	<u>-</u>
<b>INTEREST AND SIMILAR ITEMS</b>			
Transaction fee income		100	800
Corporate benefit fee income		1,000	1,000
Bank interest income		1	3,629
Other income		296	529
		<u>1,397</u>	<u>5,958</u>
<b>EXPENDITURE</b>			
Bank charges		136	1,073
Net loss on foreign exchange		392	118
		<u>528</u>	<u>1,191</u>
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>US\$ 869</u>	<u>US\$ 4,767</u>

#### Other comprehensive income

There were no items of other comprehensive income in either the current or the prior years.

#### Continuing operations

All items dealt with in arriving at the profit for the years ended 30th September 2019 and 2018 relate to continuing operations.

*(The notes on pages 12 to 35 form integral part of these financial statements)*

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## CRANE INVESTMENTS LIMITED

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### STATEMENT OF CHANGES IN EQUITY

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	Share capital	Capital redemption reserve	Retained earnings	Total
Balance at 30th September 2017	20	4,082	31,718	35,820
Profit and total comprehensive income for the year	-	-	4,767	4,767
Balance at 30th September 2018	20	4,082	36,485	40,587
Profit and total comprehensive income for the year	-	-	869	869
Balance at 30th September 2019	US\$ 20	US\$ 4,082	US\$ 37,354	US\$ 41,456

*(The notes on pages 12 to 35 form integral part of these financial statements)*

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## CRANE INVESTMENTS LIMITED

### STATEMENT OF CASH FLOWS

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities</b>			
Profit and total comprehensive income for the year		869	4,767
(Increase)/decrease in other receivables		( 1,100)	1,055,379
Decrease in other payables		( 1,613,760)	( 12,165,647)
Net loss/(gain) on financial instruments			
- Financial assets at fair value through profit or loss	3	( 102,842,408)	4,500,425
- Financial liabilities at fair value through profit or loss	7	88,751,872	20,516,136
- Derivatives at fair value through profit or loss	4	14,090,536	( 25,016,561)
Investment income received	3	56,160,925	47,332,711
Swap income received	4	47,027,254	38,121,818
Swap expense paid	4	( 49,440,131)	( 47,332,711)
Note interest paid	7	( 52,647,754)	( 38,121,818)
<b>Net cash used in operating activities</b>		<b>( 513,697)</b>	<b>( 11,105,501)</b>
<b>Cash flows from investing activities</b>			
Purchase of financial assets at fair value through profit or loss	3	( 141,100,294)	( 376,265,279)
Disposal of financial assets at fair value through profit or loss	3	437,616,660	155,240,768
Receipts on termination of derivative financial instruments	4	-	15,821,790
<b>Net cash generated from/(used in) investing activities</b>		<b>296,516,366</b>	<b>( 205,202,721)</b>
<b>Cash flows from financing activities</b>			
Issue of financial liabilities at fair value through profit or loss	7	140,000,000	376,265,279
Redemption of financial liabilities at fair value through profit or loss	7	( 437,616,660)	( 171,062,558)
<b>Net cash (used in)/generated from financing activities</b>		<b>( 297,616,660)</b>	<b>205,202,721</b>
<b>Net decrease in cash and cash equivalents</b>		<b>( 1,613,991)</b>	<b>( 11,105,501)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>2,133,707</b>	<b>13,239,208</b>
<b>Cash and cash equivalents at the end of the year</b>	6	US\$ 519,716	US\$ 2,133,707

*(The notes on pages 12 to 35 form integral part of these financial statements)*

# CRANE INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 1. REPORTING ENTITY

CRANE Investments Limited (the "Company") is incorporated in Jersey, Channel Islands as a registered public company under the Companies (Jersey) Law, 1991 with registration number 71793. The registered office of the Company is IFC 5, St Helier, Jersey JE1 1ST.

The principal activity of the Company is the issue of Secured Floating Rate Notes, Secured Fixed Rate Notes and Credit-Linked Notes (together, the "Notes") under the terms and conditions of a US\$ 10 billion Secured Note Programme. The proceeds of the Notes are used to purchase securities (the "Eligible Investments") and to enter into Swap Agreements with the Swap Counterparty, Credit Suisse International, which are designed to allow the Company to meet its obligations to the Noteholders.

#### 2. ACCOUNTING POLICIES

##### Statement of compliance

The financial statements have been prepared in accordance with United Kingdom (UK) Accounting Standards, including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies (Jersey) Law 1991.

##### Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain financial assets and financial liabilities including derivative financial instruments which have been measured at fair value.

The principal accounting policies are set out below and have been applied consistently during the current year and all the years presented, unless otherwise stated. The changes in FRS 102 which are effective from 1st January 2019 are not expected to have significant impact on the Company's financial statements.

##### Going concern

The Company's debt funding has been provided by the Noteholders, whose recourse to the assets of the Company is limited to those net assets comprising the collateral assets and swap agreements for the particular series of Notes held. The Noteholders have no right to petition for insolvency proceedings against the Company in the event that the net proceeds from the realisation of the collateral assets and settlement of swap agreements are insufficient to repay the principal amount of the Notes. From a Noteholder point of view, defaults on any one particular series cannot impact any other series.

##### Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Given the nature of the Company's financial instruments and volatility of markets, actual results are likely to differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

**Significant accounting judgements, estimates and assumptions - (continued)**

The estimates and assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources.

The Directors exercise judgement in estimating the fair values of the Company's financial instruments as set out below and in note 14 – Financial Instruments.

'Functional currency' is the currency of the primary economic environment in which the Company operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Directors have applied judgement in determining the Company's functional currency as the US Dollars (US\$) as explained more fully in the paragraph on functional currency and presentation currency.

**Financial instruments**

The Company has elected to apply the recognition and measurement provisions of International Financial Reporting Standard 9, "Financial Instruments" ("IFRS 9") as allowed by FRS 102.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). IFRS 9 classification is generally based on the business model in which the financial asset is managed and its contractual cash flows.

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- 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 on the principal amount outstanding.

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This selection is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

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

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

**Financial instruments - (continued)**

**Financial assets and liabilities held at fair value through profit or loss**

The financial instruments which have been recognised at fair value through profit or loss include:

- Eligible Investments
- Notes issued; and
- Swap Agreements.

In accordance with IFRS 9, the Company has designated its Eligible Investments and its Notes issued at fair value through profit or loss as this results in more relevant financial information because it eliminates, or significantly reduces, the measurement and recognition inconsistencies that would result from measuring its derivative financial instruments at fair value with the gains or losses, on such financial instruments being recognised in the statement of comprehensive income whilst measuring its Eligible Investments and Notes issued at amortised cost.

Purchases and sales of investments are recognised on trade date, the date on which the Company commits to purchase or sell the asset and are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are also recognised on trade date and are derecognised when the Company's obligations thereon have expired or when the Company has transferred substantially all of its financial obligations relating thereto. Financial instruments are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred.

Gains and losses arising from de-recognition of financial assets and financial liabilities at fair value through profit or loss are included in the statement of comprehensive income in the year in which they arise. Realised gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognised on early/partial disposals or redemptions.

**Derivative financial instruments**

Derivative financial instruments include Interest Rate Swaps ("IRS"), Credit Default Swaps ("CDS") and Cross Currency Swaps ("CCS") entered into with Credit Suisse International (the "Swap Counterparty"). The derivative financial instruments are stated at fair value, estimated using pricing models with inputs based on market related measures in accordance with FRS 102. Realised and unrealised gains and losses on the derivative financial instruments are recognised in the statement of comprehensive income. Derivative financial instruments are derecognised when the rights to receive cash flows from them have expired or the Company has substantially transferred all risks and rewards of ownership.

**Investment income, note interest expense, swap income and swap expense**

Investment income, note interest expense, swap income and swap expense are shown as part of net gain/(loss) on financial instruments. Investment income includes amounts received as income from investments and is recognised on a received basis with the accrued element included in the fair value of the investments at the year end. Interest income includes the interest flows from the underlying assets.

Note interest expense on the limited recourse Notes is recognised on a paid basis with the accrued element included in the fair value of the limited recourse Notes at the year end.

Swap income and expense are recognised on a received/paid basis. The accrued elements are included in the fair value of the derivative assets and liabilities respectively at the year end.

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

**Fair value estimation**

Fair value is the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction. The Company may invest in and/or issue financial instruments that are not traded in an active market. The fair value of such instruments is estimated by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of discounted cash flow analysis and other valuation techniques commonly used by market participants.

For financial instruments held at fair value in the statement of financial position, a financial institution shall disclose for each class of financial instrument, an analysis of the level in the following fair value hierarchy (as set out in paragraph 11.27) into which the fair value measurements are categorised. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Level 1: The unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Functional currency and presentation currency**

The financial statements are presented in US Dollars (US\$), which is the Company's functional and presentation currency. Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). It could be considered that the principal determinant of the Company's primary economic environment would be the currency in which the majority of its Notes are outstanding, for 2019 this is US\$. In the prior year majority of the notes outstanding were in US\$. However the Company does not have an investment strategy limited to one currency, as such the currency of the assets held and Notes in issue is expected to change periodically. The Directors consider the functional currency to be US\$, in line with prior year, as this is the currency that most faithfully represents the principal activity of the Company, which is the issuance of Notes under its US\$ 10 billion Note issuance programme.

**Foreign currencies**

Monetary assets and liabilities are translated at the rate of exchange ruling at the reporting date. Financial instruments measured at fair value are translated into the presentation currency at the rate of exchange ruling on the date fair value is estimated and any gain or loss on exchange is recorded as net gain/(loss) on financial instruments. Foreign currency transactions are translated at the rate of exchange ruling at the date of transaction. Profits and losses on exchange are recognised in the statement of comprehensive income.

**Offsetting financial instruments**

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



## CRANE INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 2. ACCOUNTING POLICIES - (CONTINUED)

##### Offsetting financial instruments - (continued)

In particular, the Company's derivative contracts allow for net settlement of the final payment amounts of both parties. The Directors have adopted a policy of showing the net gain or loss on the settlement of the derivatives upon termination.

##### Transaction fee and corporate benefit fee

The Company is entitled to receive a transaction fee of US\$ 100 for each separate series of Notes that it issues. These fees are recognised on an accruals basis immediately on the date a new series of such Notes is issued by the Company. The Company is also entitled to receive a corporate benefit fee of US\$ 1,000 per annum.

#### 3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<b>Fair value of Investments</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Balance brought forward	1,350,828,293	1,181,636,918
Disposal proceeds received	( 437,616,660)	( 155,240,768)
Net acquisitions during the year	141,100,294	376,265,279
Investment income received	( 56,160,925)	( 47,332,711)
Net gain/(loss) on financial assets	102,842,408	( 4,500,425)
Balance carried forward	US\$ <u>1,100,993,410</u>	US\$ <u>1,350,828,293</u>
<b>Of which:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Current	224,894,227	409,476,647
Non-current	876,099,183	941,351,646
	US\$ <u>1,100,993,410</u>	US\$ <u>1,350,828,293</u>

As at 30th September 2019, the collateral asset of Series 216 with a fair value of US\$ 147,627,668 consists of a cash account of US\$ 2,366,605 and a portfolio of securities selected from to time by the investment manager pursuant to the investment management deed.

The gain/(loss) on disposals, gain/(loss) on revaluation and foreign exchange retranslation are recognised in the net gain/(loss) on financial assets at fair value through profit or loss in the statement of comprehensive income.

#### 4. DERIVATIVE FINANCIAL INSTRUMENTS

The Company has entered into an ISDA Master Agreement dated 14th November 2003 (the "Master Agreement") with the Swap Counterparty. The Swap Counterparty has issued confirmations confirming the terms of the swaps entered into for each of the series (the "Confirmations", and together with the Master Agreement, the "Swap Agreement").

Under the terms of the IRS Agreements (i) the Swap Counterparty will pay to the Company the interest payable on the Notes for value on each Interest Payment Date; and (ii) the Company will pay to the Swap Counterparty an amount equal to all scheduled amounts of interest receivable from the Eligible Investments. On the scheduled termination dates, the Company will pay to the Swap Counterparty a final exchange amount and the Swap Counterparty will pay to the Company a final exchange amount.

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 4. DERIVATIVE FINANCIAL INSTRUMENTS - (CONTINUED)

Under the terms of the CDS Agreements (i) the Swap Counterparty will pay to the Company a fixed rate amount on certain payment dates based on the Reference Entity Notional Amount; and, (ii) the Company will pay to the Swap Counterparty a floating rate amount to be determined by the Liquidation Agent following the receipt of a Credit Event Notice in respect of a Reference Entity. The following credit events apply to these transactions: failure to pay, bankruptcy and restructuring.

Under the terms of the CCS Agreements, (i) the Swap Counterparty will pay to the Company an initial exchange amount equal to the currency of the principal and interest payable on the Notes on each Interest Payment Date; and, (ii) the Company will pay to the Swap Counterparty an initial exchange amount and amounts equal to the interest and principal receivable from the Eligible Investments, save that: (a) following an Early Redemption Event, the Company will deliver the Eligible Investment (or redemption proceeds thereof) to the Swap Counterparty and the Swap Counterparty will pay the Cash Settlement Amount to the Company; or, (b) following a Collateral Default Event, the Swap Agreement will terminate and no further payments will be made under it. On the scheduled maturity dates, in the absence of any early termination, the Company will pay to the Swap Counterparty a final exchange amount and the Swap Counterparty will pay to the Company a final exchange amount.

There have been no credit default events during the year.

<b>Fair value of derivative instruments</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Balance brought forward	7,593,588	( 10,812,076)
Net termination receipt	-	( 15,821,790)
Swap income received	( 47,027,254)	( 38,121,818)
Swap expense paid	49,440,131	47,332,711
Net (loss)/gain on derivatives	( 14,090,536)	25,016,561
	<hr/>	<hr/>
Balance carried forward	US\$ ( 4,084,071)	US\$ 7,593,588
	<hr/> <hr/>	<hr/> <hr/>
<b>Of which:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Derivative financial assets</b>		
Current	9,240,728	11,349,395
Non-current	9,852,628	16,761,225
	<hr/>	<hr/>
	19,093,356	28,110,620
	<hr/>	<hr/>
<b>Derivative financial liabilities</b>		
Current	( 10,282,287)	( 3,256,585)
Non-current	( 12,895,140)	( 17,260,447)
	<hr/>	<hr/>
	( 23,177,427)	( 20,517,032)
	<hr/>	<hr/>
<b>Net derivative (liabilities)/assets</b>	US\$ ( 4,084,071)	US\$ 7,593,588
	<hr/> <hr/>	<hr/> <hr/>

The gain/(loss) on termination of swap, swap income received, swap expense paid, gain/(loss) on revaluation and foreign exchange retranslation are recognised in the net gain/(loss) on derivatives at fair value through profit or loss in the statement of comprehensive income.

## CRANE INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

<b>5. OTHER RECEIVABLES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Transaction fee receivable	1,400	1,300
Corporate benefit fee receivable	2,250	1,250
	<hr/>	<hr/>
	US\$ 3,650	US\$ 2,550
	<hr/>	<hr/>
<b>6. CASH AND CASH EQUIVALENTS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Royal Bank of Scotland - GBP	4,745	5,174
Royal Bank of Scotland - US\$	31,187	31,185
Bank of New York	483,784	2,097,348
	<hr/>	<hr/>
	US\$ 519,716	US\$ 2,133,707
	<hr/>	<hr/>

#### 7. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company issued Notes under the terms of a US\$ 10 billion Secured Note Programme. Notes Series 140, 204 and 214 are listed on the Euronext Dublin. Note Series 198 was delisted from the Euronext Dublin effective 4th February 2019 and redeemed on 4th February 2019. The rest of the Notes are not listed on any recognised stock exchange. Further details of the financial liabilities at fair value through profit or loss are set out in note 17.

The Notes are due to redeem at par on their scheduled maturity date. The Notes may be redeemed prior to the scheduled maturity date if the Calculation Agent has deemed that an Early Redemption Event has occurred. If an Early Redemption Event has occurred the Company will pay to the Noteholders the greater of zero and the Post-Event Amount. The Post-Event Amount is equal to the Cash Settlement Amount divided by the number of Notes outstanding.

The recourse of the Noteholders against the Company is limited to amounts receivable from the Eligible Investments and net amounts receivable or payable under the Swap Agreement.

<b>Fair value of Notes</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Balance brought forward	1,358,421,881	1,170,824,842
Redemption amount paid	( 437,616,660)	( 171,062,558)
Notes issued during the year	140,000,000	376,265,279
Note interest paid	( 52,647,754)	( 38,121,818)
Net loss on financial liabilities	88,751,872	20,516,136
	<hr/>	<hr/>
Balance carried forward	US\$ 1,096,909,339	US\$ 1,358,421,881
	<hr/>	<hr/>

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**CRANE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 30TH SEPTEMBER 2019****7. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)****Fair value of Notes - (continued)**

<b>Of which:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Current	223,852,668	417,569,458
Non-current	873,056,671	940,852,423
	<u>US\$ 1,096,909,339</u>	<u>US\$ 1,358,421,881</u>

The loss/(gain) on Notes redeemed, Note interest paid, loss/(gain) on revaluation and foreign exchange retranslation are recognised in the net loss/(gain) on financial liabilities at fair value through profit or loss in the statement of comprehensive income.

**8. OTHER PAYABLES**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Other swap amounts payable	US\$ 481,910	US\$ 2,095,670

The other swap amounts payable relates to Notes Series 158.

**9. SHARE CAPITAL**

	<b><u>2019</u></b>	<b><u>2018</u></b>
AUTHORISED:		
1,500,000 shares of US\$ 1 each	US\$ 1,500,000	US\$ 1,500,000
ISSUED AND FULLY PAID:		
20 ordinary shares of US\$ 1 each	US\$ 20	US\$ 20

All ordinary shares rank equally with regards to the Company's residual assets. Holders of ordinary shares are entitled to dividends as declared from time to time and to one vote per share at general meetings of the Company.

**10. CAPITAL REDEMPTION RESERVE**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Balance brought forward and balance carried forward	US\$ 4,082	US\$ 4,082

The capital redemption reserve relates to the redemption of 4,082 non-voting redeemable preference shares of US\$ 1 each in prior years.

## **CRANE INVESTMENTS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

#### **FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

##### **11. TAXATION**

Profits arising in the Company are subject to Jersey Income Tax, currently at the rate of 0% (2018: 0%).

##### **12. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

The Company is owned by Sanne Trustee Services Limited as Trustee of The Boats Rated Trust, which is a charitable trust constituted under the laws of Jersey, Channel Islands. The Directors consider Sanne Trustee Services Limited to be the ultimate controlling party of the Company.

##### **13. RELATED PARTIES**

During the year, Sanne Fiduciary Services Limited ("SFSL") and Sanne Secretaries Limited ("SSL") provided administration and/or secretarial services respectively to the Company at commercial rates. Each of SSL and SFSL is a member of the "Sanne Group" (where the "Sanne Group" means Sanne Group PLC and all of its subsidiaries and affiliates). Each of A. Orosco, S. Hopkins, J.D. Wiseman, J.N. Pendergast and R. Go is an employee of SFSL and should be regarded as interested in any transaction with any member of the Sanne Group.

The Company's administration expenses for the current and prior years were settled by Credit Suisse and are therefore not recognised within these financial statements.

Credit Suisse International ("CSI") acts as arranger for the transactions entered into by the Company and is counterparty to the swaps disclosed in note 4. CSI are also responsible for the Company's operating expenses of which US\$ 124,852 (2018: US\$ 168,038) were incurred during the year.

During the year, the Company earned US\$ 1,000 (2018: US\$ 1,000) in respect of corporate benefit and US\$ 100 (2018: US\$ 800) in respect of transaction fees from CSI. At 30th September 2019, transaction fees receivable amounted to US\$ 1,400 (2018: US\$ 1,300) and corporate benefit fees receivable amounted to US\$ 2,250 (2018: US\$ 1,250), as disclosed in note 5.

As at the year end, the Company held various Collateral assets in Credit Suisse Group entities with a fair value of approximately US\$ 70,187,125 (2018: US\$ 67,025,784). Credit Suisse did not hold any series of Notes issued by the Company as at the year end (2018: US\$ nil).

The Company did not post Collateral assets with CSI and the latter did not post Collateral assets with the Company in 2019 and 2018. Refer to note 14 under credit risk for further details.

##### **14. FINANCIAL INSTRUMENTS**

The principal activity of the Company is the issue of the Notes under the terms and conditions of a US\$ 10 billion Secured Note Programme. The proceeds of the Notes are used to purchase Eligible Investments and enter into Swap Agreements with the Swap Counterparty. The role of financial assets and financial liabilities is therefore central to the activities of the Company.

The strategies used by the Company in achieving its objectives regarding the use of their financial assets and liabilities were set when the Company entered into the transactions. The Company has attempted to match the properties of its financial liabilities to its financial assets to avoid significant elements of risk generated by mismatches of maturity.

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 14. FINANCIAL INSTRUMENTS - (CONTINUED)

##### Interest rate risk

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

The Company finances its operations through the issue of Notes. Where a mismatch occurs between the interest rate payable on the Notes and the interest rate receivable on the Eligible Investments, the Company has entered into Swap Agreements in order to eliminate such mismatches. Accordingly, the Directors believe that there is no significant net interest rate risk to the Company and all interest rate risk is ultimately borne by the Noteholders and swap counterparty.

	Effective interest	<u>2019</u> US\$	Effective interest	<u>2018</u> US\$
	rate	Amount	rate	Amount
<b>Financial assets:</b>	%		%	
Financial assets at fair value through profit or loss	1.84%	1,100,993,410	2.10%	1,350,828,293
Derivative financial assets	See note 4	19,093,356	See note 4	28,110,620
Cash and cash equivalents	0.00%	519,716	0.00%	2,133,707
Other receivables	n/a	3,650	n/a	2,550
		<u>1,120,610,132</u>		<u>1,381,075,170</u>
<b>Financial liabilities:</b>				
Financial liabilities at fair value through profit or loss	1.84%	( 1,096,909,339)	2.10%	( 1,358,421,881)
Derivative financial liabilities	See note 4	( 23,177,427)	See note 4	( 20,517,032)
Other payables	n/a	( 481,910)	n/a	( 2,095,670)
		<u>( 1,120,568,676)</u>		<u>( 1,381,034,583)</u>

##### Currency risk

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

Where the Company has issued Notes denominated in a currency different from the currency of the underlying investments related to such series of Notes, the Company has matched its foreign currency obligations by entering into Swap Agreements whereby the proceeds received from its Eligible Investments will always be exactly matched by the currency required to make payments due under the Notes issued. Consequently, the Directors believe that there is no material net currency risk to the Company. Any currency risk is borne by the Swap Counterparty.

##### Credit risk

Credit risk is the risk that the Eligible Investments fail to make payments on the scheduled payment dates and/or the risk that the Swap Counterparty, fails to fulfil its obligations under the Swap Agreement. Credit risk also relates to the Company's and Noteholders' exposure to credit risk associated with the reference entities under the credit default swaps disclosed in note 4. As the obligations under the Notes are exactly matched and limited in recourse to the amounts receivable from the Eligible Investments and under the Swap Agreements, in the opinion of the Directors, the Company therefore does not have a significant net exposure to credit risk. All credit risk is ultimately borne by the Swap Counterparty and Noteholders.

## CRANE INVESTMENTS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 14. FINANCIAL INSTRUMENTS - (CONTINUED)

##### Credit risk - (continued)

The Company and the Swap Counterparty have entered into a Credit Support Annex ("CSA") in respect of each series. The CSA is a two-way title transfer whereby: i) in the event that the valuation of the Swap Agreement is in the Company's favour, the Swap Counterparty is obliged to post Collateral to the Company; and ii) conversely, in the event that the valuation of the Swap Agreement is in the Swap Counterparty's favour, the Company is obliged to post Collateral to the Swap Counterparty. The Company did not post Collateral assets with CSI and the latter did not post Collateral assets with the Company in 2019 and 2018.

The Swap Counterparty has a long term credit rating of A1 (2018: A1) from Moody's, A+ (2018: A) from Standard and Poor's and A- (2018: A-) from Fitch, and a short term credit rating of P-1 (2018: P-1) from Moody's, A- (2018: BBB+) from Standard and Poor's and F1 (2018: F1) from Fitch. Given these ratings, the Directors do not expect the Swap Counterparty to fail to meet its obligations.

The Company's maximum exposure to credit risk before taking into account the impact of the swap agreement and limited recourse nature of the Notes is as follows:

	<u>2019</u> US\$	<u>2018</u> US\$
Financial assets at fair value through profit or loss	1,100,993,410	1,350,828,293
Derivative financial instruments	19,093,356	28,110,620
Cash and cash equivalents	519,716	2,133,707
Other receivables	3,650	2,550
	<u>1,120,610,132</u>	<u>1,381,075,170</u>

As at the year end, the Company did not hold any financial assets that were either past due or impaired (2018: US\$ Nil).

##### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. All substantial risks and rewards associated with the Company's financial assets and liabilities are ultimately borne by the Noteholders.

FRS 102 requires the maturity profile to disclose the gross undiscounted cash flows payable on the Company's financial liabilities at maturity. However, where the amount payable at maturity is dependent upon the performance of the relevant collateral, it is not possible to accurately estimate such cash flows. Instead, in the opinion of the Directors, the liquidity risk of the Company is best assessed by comparing the fair values of the Company's financial liabilities to the fair values of the Company's financial assets as at the reporting date, as disclosed in the maturity analysis below.

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 14. FINANCIAL INSTRUMENTS - (CONTINUED)

##### Liquidity risk - (continued)

Accrued amounts receivable and payable on the Company's financial instruments are recognised within the fair values of the relevant financial instruments and have not been presented separately in the maturity analysis below. For each Series, the aggregate of any such accrued amounts receivable is at all times equal and opposite to the aggregate of any such accrued amounts payable. The maturity profile of the Company's financial assets and liabilities, excluding accrued interest, is presented net of all applicable derivative transactions in order to present a useful comparison against the Company's liabilities. In addition, it excludes cash and cash equivalents, receivables and payables. The amounts presented are the fair values of the financial liabilities alongside the fair values of the financial assets and the related derivatives because of the limited recourse nature of the Notes. Estimation of contractual amounts related to the derivative financial instruments is not possible as the value of those derivatives could change from asset to liabilities from one period to another. Accordingly, the Directors believe that the contractual amount due to the Noteholders is best represented by the net amount of the fair values of the asset and the derivatives.

<b>2019</b>	<b>Financial Assets US\$</b>	<b>Derivatives US\$</b>	<b>Financial Liabilities US\$</b>
In one year or less	224,894,228	( 1,041,560)	( 223,852,668)
In more than one year, but not more than three years	594,253,239	8,456,437	( 602,709,676)
In more than three years, but not more than five years	101,681,800	( 374,913)	( 101,306,887)
In more than five years	180,164,143	( 11,124,035)	( 169,040,108)
	<u>1,100,993,410</u>	<u>( 4,084,071)</u>	<u>( 1,096,909,339)</u>
<b>2018</b>	<b>Financial Assets US\$</b>	<b>Derivatives US\$</b>	<b>Financial Liabilities US\$</b>
In one year or less	409,476,647	8,092,810	( 417,569,457)
In more than one year, but not more than three years	631,684,656	( 1,081,414)	( 630,603,242)
In more than three years, but not more than five years	144,139,998	550,063	( 144,690,061)
In more than five years	165,526,992	32,129	( 165,559,121)
	<u>1,350,828,293</u>	<u>7,593,588</u>	<u>( 1,358,421,881)</u>



## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 14. FINANCIAL INSTRUMENTS - (CONTINUED)

##### Fair values

The fair values of the Company's financial assets and financial liabilities are set out below.

	<u>2019</u>		<u>2018</u>	
	Carrying value US\$	Fair value US\$	Carrying value US\$	Fair value US\$
Financial assets at fair value through profit or loss	1,100,993,410	1,100,993,410	1,350,828,293	1,350,828,293
Cash and cash equivalents	519,716	519,716	2,133,707	2,133,707
Other receivables	3,650	3,650	2,550	2,550
Derivative financial assets	19,093,356	19,093,356	28,110,620	28,110,620
Derivative financial liabilities	( 23,177,427)	( 23,177,427)	( 20,517,032)	( 20,517,032)
Financial liabilities at fair value through profit or loss	( 1,096,909,339)	( 1,096,909,339)	( 1,358,421,881)	( 1,358,421,881)
Other payables	( 481,910)	( 481,910)	( 2,095,670)	( 2,095,670)
	<u>41,456</u>	<u>41,456</u>	<u>40,587</u>	<u>40,587</u>

All fair values used in the preparation of these financial statements have been provided to the Directors by CSI, the arranging investment bank, upon whom the Directors rely as an expert provider of such valuations. The fair value of the investments is based on quoted market prices or other publicly available information. The Company's financial liabilities and derivatives are not traded in an active market and therefore no quoted market prices exist for these instruments. The fair value of the derivative financial instruments is estimated based on a form of a discounted cash flow technique. The fair value of the Notes is derived from the net fair value of the Investments and the derivatives. The actual realisable value of the Company's financial instruments may differ from such fair values.

Where derivatives can be valued using observable inputs such as foreign exchange rates and interest rates, the derivatives are classified as level 2. Where unobservable inputs such as the expected credit default rate forms a significant input, the derivatives are classified as level 3. An increase in the expected credit default rates would result in a decrease in the fair value of level 3 derivatives. A decrease in expected credit default rates would have the opposite effect.

The Directors applied judgement in assessing the level of activity in the markets in which financial assets are priced. This assessment has been used to determine whether the financial assets are to be classified as level 1 or 2.

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

#### 14. FINANCIAL INSTRUMENTS - (CONTINUED)

##### Fair value hierarchy

As at 30th September 2019 and 30th September 2018, the fair value measurement of financial instruments at fair value through profit or loss are categorised in the tables below:

<b>30th September 2019</b>	<b>Level 1 US\$</b>	<b>Level 2 US\$</b>	<b>Level 3 US\$</b>	<b>Total US\$</b>
Financial assets at fair value through profit or loss	<u>532,197,801</u>	<u>559,086,773</u>	<u>9,708,836</u>	<u>1,100,993,410</u>
Derivative financial assets	<u>-</u>	<u>13,787,985</u>	<u>5,305,371</u>	<u>19,093,356</u>
Derivative financial liabilities	<u>-</u>	<u>( 23,177,427)</u>	<u>-</u>	<u>( 23,177,427)</u>
Financial liabilities at fair value through profit or loss	<u>-</u>	<u>( 1,075,878,705)</u>	<u>( 21,030,634)</u>	<u>( 1,096,909,339)</u>
<b>30th September 2018</b>	<b>Level 1 US\$</b>	<b>Level 2 US\$</b>	<b>Level 3 US\$</b>	<b>Total US\$</b>
Financial assets at fair value through profit or loss	<u>589,412,324</u>	<u>761,415,969</u>	<u>-</u>	<u>1,350,828,293</u>
Derivative financial assets	<u>-</u>	<u>22,456,784</u>	<u>5,653,836</u>	<u>28,110,620</u>
Derivative financial liabilities	<u>-</u>	<u>( 13,801,208)</u>	<u>( 6,715,824)</u>	<u>( 20,517,032)</u>
Financial liabilities at fair value through profit or loss	<u>-</u>	<u>( 1,212,427,983)</u>	<u>( 145,993,898)</u>	<u>( 1,358,421,881)</u>

##### Sensitivity analysis

FRS 102 Section 34.29 requires disclosure of "a sensitivity analysis for each type of market risk (e.g. interest rate risk, currency risk, other price risk) that the Company is exposed to, showing the impact on profit or loss and equity."

Whilst the financial instruments held by the Company are separately exposed to interest rate risk, currency rate risk and market price risk, the profit or loss and equity of the Company is not exposed to any significant net interest rate, net currency or market price risk. Therefore, in the Directors' opinion, no sensitivity analysis is required to be disclosed.

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**14. FINANCIAL INSTRUMENTS - (CONTINUED)**

**Brexit risk**

Brexit risk is the risk that the Company will be adversely affected by Brexit. The rights of Noteholders in respect of each separate Series are limited in recourse only to the financial instruments comprising each such Note Series (the "Series Collateral") and therefore it is the Noteholders rather than the Company itself who might be adversely affected by Brexit if it should transpire that Brexit adversely affects the value of, or the cash flows arising from, the relevant Series Collateral. As all substantial risks and rewards associated with the Company's financial assets and financial liabilities are ultimately borne by the Noteholders, the Company itself is unlikely to be materially affected by Brexit.

**15. SUBSEQUENT EVENTS**

**Coronavirus disease (COVID-19)**

The current worldwide Coronavirus outbreak commenced in China after the reporting date, being notified to the World Health Organisation ("WHO") by China on 31st December 2019, and the situation has continued to evolve throughout the period since the reporting date, being declared by the WHO as a Public Health Emergency of International Concern on 30th January 2020 and as a worldwide pandemic on 11th March 2020.

The Directors consider the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. In the opinion of the Directors, although the Coronavirus outbreak may have a material adverse impact on the assets held by the holders, it is not likely to have a material adverse effect on the overall financial position and/or net results of the Company due to the fact that the Company has attempted to match the properties of its financial liabilities to those of its financial assets to mitigate significant elements of risk generated by mismatches of investment performance caused by market risks and/or any other risks such as credit risks against its obligations. Accordingly, the risks associated with the Company's financial assets and financial liabilities are ultimately borne by the holders of the Notes. No adjustment has been made in these financial statements for the impact of the Coronavirus outbreak on the Company's financial assets or financial liabilities as, in the Directors opinion, the conditions (i.e. worldwide pandemic) that may have a material impact thereon did not exist as at 30th September 2019.

As the Directors believe that the Coronavirus outbreak is not likely to have a material adverse effect on the overall financial position and/or net results of the Company, the Coronavirus outbreak has had no material impact on the Directors' going concern assessment. Consequently, these financial statements have been prepared on a going concern basis.

**Significant transactions after year end**

Subsequent to the year end, the following Note Series matured:

Series 131: USD 10,000,000 Secured Floating Rate Notes due 2020 on 22nd January 2020

Series 132: JPY 300,000,000 Credit Linked Notes due 2019 on 27th December 2019

Series 133: JPY 1,500,000,000 Secured Floating Rate Note due 2020 on 22nd January 2020

Series 134: JPY 2,000,000,000 Secured Floating Rate Note due 2020 on 22nd January 2020

Series 136: USD 20,000,000 Secured Floating Rate Notes due 2019 on 7th November 2019

Series 139: JPY 2,000,000,000 Credit Linked Notes due 2019 on 20th December 2019

Series 140: USD 20,000,000 Credit Linked Notes due 2019 on 20th December 2019

Series 205: JPY 1,100,000,000 Secured Fixed Rate Notes due 2019 on 19th November 2019

There were no other subsequent events as at the year end.

**CRANE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Related Note issue	Nominal	Ccy	Maturity date	Description	Coupon	Fair value at	
						2019	2018
Series 108	980,000,000	JPY	24/09/2021	Japan Government Series 318 1.00% Bonds	1.000%	9,314,000	8,911,000
Series 115	-	JPY	25/03/2019	Japan Government Series 299 1.30% Bonds	1.300%	-	90,720,000
Series 131	7,500,000	EUR	15/01/2020	Fixed Rate to Index Linked Interest Notes issued by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.	Index linked	8,217,000	8,772,000
Series 132	300,000,000	JPY	20/12/2019	Japanese Government Series 305 Notes	1.300%	2,793,094	2,699,047
Series 133	11,000,000	EUR	15/01/2020	Notes issued by Rabobank Nederland	Index linked	12,036,183	12,876,707
Series 134	14,500,000	EUR	15/01/2020	Notes issued by Rabobank Nederland	Index linked	15,865,163	16,973,341
Series 135	30,000,000	USD	16/10/2024	Step-up Callable Subordinated Notes issued by Nippon Life Insurance Company	5.100%	33,312,000	31,188,000
Series 136	20,000,000	USD	30/10/2019	Fixed Rate Notes issued by Chiba Bank Ltd	2.550%	20,216,000	20,006,000
Series 137	30,000,000	USD	28/10/2024	Step-up Callable Perpetual Subordinated Notes issued by Dai-ichi Life Insurance Co Ltd	5.100%	33,180,000	31,146,000
Series 139	2,000,000,000	JPY	16/12/2019	Bonds Credit Suisse AG Tokyo Branch	0.390%	18,528,159	17,688,787
Series 140	1,200,000,000	JPY	16/12/2019	Bonds Credit Suisse AG Tokyo Branch	0.392%	11,131,378	10,603,623
Series 140	1,200,000,000	JPY	16/12/2019	Bonds Credit Suisse AG Tokyo Branch	0.124%	11,104,622	10,508,377
Series 141	-	CHF	23/10/2018	Senior Notes issued by Royal Bank of Canada	0.750%	-	8,057,579
Series 142	25,000,000	CAD	23/07/2020	Bonds issued by National Australia Bank	5.000%	19,414,000	20,106,000
Series 143	10,000,000	CAD	23/07/2020	Bonds issued by Commonwealth Bank of Australia	5.000%	7,767,200	7,999,200
Carried forward						US\$ 202,878,799	US\$ 298,255,661

**CRANE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

Related Note issue	Nominal	Ccy	Maturity date	Description	Coupon	Fair value at	
						2019	2018
Brought forward						202,878,799	298,255,661
Series 146	250,000,000	MXN	03/09/2022	Fixed Rate Notes issued by General Electric Capital Corporation	8.350%	12,932,170	13,276,282
Series 147	-	CHF	09/04/2019	Bonds issued by Royal Bank of Canada	0.625%	-	11,912,400
Series 149	5,195,000	CHF	06/11/2020	Bonds issued by JP Morgan Chase & Co	1.125%	5,363,050	5,518,700
Series 151	9,050,000	USD	28/10/2024	Step-up Callable Perpetual Subordinated Notes issued by Dai-ichi Life Insurance Co Ltd	5.100%	10,010,000	9,395,000
Series 152	10,000,000	CAD	05/08/2020	Bonds issued by National Australia Bank	5.000%	7,748,153	8,018,995
Series 152	5,000,000	CAD	05/08/2020	Bonds issued by National Australia Bank	5.000%	3,889,447	4,025,405
Series 153	-	CHF	23/10/2018	Bonds issued by Royal Bank of Canada	0.750%	-	10,717,300
Series 157	3,730,000,000	JPY	20/06/2020	Japan Government Bonds	1.100%	34,989,000	33,627,000
Series 158	18,100,000	USD	28/03/2023	Step-up Callable Subordinated Notes issued by Sampo Japan Insurance Inc	5.325%	19,474,000	18,774,000
Series 161	-	USD	20/06/2019	Floating rate notes of Landmark Capital S.A.	3 month USD LIBOR + 0.50%	-	225,900,000
Series 164	10,000,000	CAD	22/07/2020	Fixed Rate Notes issued by Commonwealth Bank of Australia	5.100%	7,764,300	7,990,200
Series 165	2,500,000,000	JPY	17/07/2020	Bonds issued by Credit Suisse AG Tokyo	0.508%	23,240,000	22,136,000
Carried forward						US\$ 328,288,919	US\$ 669,546,943

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

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

Related Note issue	Nominal	Ccy	Maturity date	Description	Coupon	Fair value at	
						2019	2018
Brought forward						328,288,919	669,546,943
Series 166	19,000,000	USD	25/01/2021	Bonds issued by Morgan Stanley	5.750%	20,078,000	20,170,000
Series 167	19,000,000	USD	10/05/2021	Bonds issued by JP Morgan Chase & Co	4.625%	20,092,000	19,958,000
Series 169	7,799,000	EUR	18/11/2020	Fixed Rate/Inflation-Linked Notes issued by Bank of America Corporation	Index linked	8,832,637	9,548,562
Series 171	-	USD	22/05/2019	Senior Notes issued by Barclays Bank Plc	6.750%	-	3,608,082
Series 174	10,000,000	USD	20/08/2020	Bonds issued by Deutsche Bank AG	2.950%	10,057,000	9,886,000
Series 176	18,400,000	USD	20/10/2025	Subordinate Notes issued by Meiji Yasuda Life Insurance	5.200%	20,744,000	19,124,000
Series 181	9,000,000	USD	05/01/2021	Bonds issued by Bank of America Corporation	5.875%	9,543,000	9,637,000
Series 183	-	AUD	27/11/2018	Fixed Rate Notes issued by Anglo American Capital plc	5.750%	-	19,246,556
Series 184	9,200,000	USD	01/08/2025	Bonds issued by Bank of America Corporation	3.875%	9,985,307	9,206,522
Series 185	4,500,000	USD	16/04/2021	Bonds issued by Credit Suisse Group Funding (Guernsey) Limited	3.450%	4,637,588	4,555,241
Series 186	1,500,000	USD	16/04/2021	Bonds issued by Credit Suisse Group Funding	3.450%	1,545,378	1,533,756
Series 189	20,000,000	USD	30/07/2026	Step up Callable Perpetual Subordinated Notes issued by The Dai-ichi Life Insurance	4.000%	20,848,000	18,938,000
Series 190	1,080,000,000	JPY	28/12/2022	Bonds issued by Japanese Government	0.800%	10,399,000	9,882,000
Series 193	7,932,000	USD	09/11/2027	Bonds issued by RICOH USA Inc.	7.3% & 6.75%	9,708,836	8,421,470
Carried forward						US\$ 474,759,665	US\$ 833,262,132

## CRANE INVESTMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

#### FOR THE YEAR ENDED 30TH SEPTEMBER 2019

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

Related Note issue	Nominal	Ccy	Maturity date	Description	Coupon	Fair value at	
						2019	2018
Brought forward						474,759,665	833,262,132
Series 194		- AUD	27/03/2019	Bonds issued by National Bank of Abu Dhabi	4.750%	-	8,474,335
Series 195		- AUD	08/04/2019	Notes issued by First Gulf Bank P.J.S.C.	5.000%	-	8,444,378
Series 197	9,000,000	EUR	21/06/2023	Notes issued by Republic of Indonesia	2.650%	10,777,000	11,041,000
Series 198		- NZD	04/02/2019	Bonds issued by Lloyds Bank PLC	6.000%	-	15,244,600
Series 199		- AUD	04/06/2019	Notes issued by ADCB Finance (Cayman) Limited	4.750%	-	13,373,643
Series 200		- AUD	15/05/2019	Notes issued by Emirate NBD PJSC	5.750%	-	9,022,374
Series 201	13,600,000	USD	18/01/2023	Notes issued by Olam International Limited	4.375%	13,602,080	12,996,976
Series 204	20,000,000	USD	11/05/2027	Notes issued by State Grid Overseas Investment Ltd	3.500%	21,284,000	19,368,000
Series 205	10,000,000	USD	19/11/2019	Notes issued by SDSC International Finance	3.625%	10,133,529	10,094,221
Series 206	12,000,000	SGD	01/11/2022	Notes issued by Olam International Limited	6.000%	9,386,133	9,452,346
Series 208	1,650,000,000	JPY	27/06/2022	Bonds issued by the Government of Japan	0.100%	15,469,500	14,631,000
Series 2017-1	23,300,000	EUR	19/06/2023	Bonds issued by Republic of Indonesia	2.625%	27,861,586	28,610,795
Series 210	13,000,000	SGD	25/10/2022	Notes issued by Olam International Limited	6.000%	10,182,000	10,231,000
Series 211	29,750,000	USD	22/03/2021	Notes issued by No Va Land Investment Group Corporation	Variable	29,729,175	34,366,500
Series 212	3,200,000	GBP	28/05/2021	Fixed Rate Subordinated Notes issued by Barclays Bank Plc	10.000%	4,595,978	5,081,693
Series 213	300,000,000	USD	19/01/2021	Notes issued by CIFI Holdings Group Co. Ltd	Variable	299,160,000	281,520,000
Series 214	20,000,000	USD	22/09/2027	Bonds issued by Commonwealth Bank of Australia	3.150%	21,092,000	18,740,000
Carried forward						US\$ 948,032,646	US\$ 1,343,954,993

**CRANE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 30TH SEPTEMBER 2019****16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)**

Related Note issue	Nominal	Ccy	Maturity date	Description	Coupon	Fair value at	
						<u>2019</u>	<u>2018</u>
Brought forward						948,032,646	1,343,954,993
Series 215	5,950,000	USD	22/03/2021	Notes issued by No Va Land Investment Group Corporation	Variable	5,945,835	6,873,300
Series 216	143,034,000	USD	05/11/2020	Investments comprising a portfolio of securities and cash	Variable	147,014,929	-
						<u>US\$ 1,100,993,410</u>	<u>US\$ 1,350,828,293</u>



**CRANE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**17. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

Related Note issue	Nominal	Ccy	Issue date	Maturity date	Description	Coupon	Fair value at	
							2019	2018
Series 108	10,000,000	USD	05/11/2013	24/09/2021	Secured Floating Rate Notes due 2021	Variable	10,131,000	10,157,000
Series 115	-	USD	24/03/2014	25/03/2019	Secured Floating Rate Notes due 2019	Variable	-	100,150,000
Series 131	10,000,000	USD	12/09/2014	22/01/2020	Secured Floating Rate Notes due 2020	Variable	10,063,000	10,067,000
Series 132	300,000,000	JPY	30/10/2014	27/12/2019	Credit Linked Notes due 2019	1.70%	2,798,364	2,710,677
Series 133	1,500,000,000	JPY	05/11/2014	22/01/2020	Secured Floating Rate Note due 2020	Variable	13,873,927	13,193,900
Series 134	2,000,000,000	JPY	07/11/2014	22/01/2020	Secured Floating Rate Note due 2020	0.47%	18,541,104	17,690,549
Series 135	30,000,000	USD	18/11/2014	23/10/2024	Secured Floating Rate Notes due 2024	Variable	31,050,000	31,251,000
Series 136	20,000,000	USD	18/11/2014	07/11/2019	Secured Floating Rate Notes due 2019	Variable	20,098,000	20,070,000
Series 137	30,000,000	USD	11/12/2014	05/11/2024	Secured Floating Rate Notes due 2024	Variable	30,717,000	30,990,000
Series 139	2,000,000,000	JPY	23/01/2015	20/12/2019	Credit Linked Notes due 2019	Variable	18,494,871	17,616,537
Series 140	20,000,000	USD	23/01/2015	20/12/2019	Credit Linked Notes due 2019	Variable	20,032,000	20,066,000
Series 141	-	JPY	27/02/2015	30/10/2018	Secured Floating Rate Notes due 2018	Variable	-	8,816,199
Series 142	20,000,000	USD	11/03/2015	30/07/2020	Secured Credit Linked Notes due 2020	Variable	20,180,000	20,272,000
Series 143	8,000,000	USD	11/03/2015	30/07/2020	Secured Credit Linked Notes due 2020	Variable	8,066,400	8,052,000
Series 146	2,000,000,000	JPY	20/03/2015	12/09/2022	Secured Floating Rate Notes Due 2022	Variable	18,232,270	17,609,489
Series 147	-	USD	26/03/2015	16/04/2019	Credit Linked Notes Due 2019	Variable	-	12,115,200
Series 149	5,500,000	USD	26/03/2015	16/11/2020	Credit Linked Notes Due 2020	Variable	5,557,750	5,566,000
Series 151	10,000,000	USD	01/05/2015	05/11/2024	Secured Floating Rate Notes due 2024	Variable	10,090,000	10,108,000
Series 152	12,000,000	USD	18/05/2015	12/08/2020	Credit Linked Notes due 2020	Variable	12,055,200	12,079,200
Series 153	-	USD	22/06/2015	30/10/2018	Japan Credit-linked Notes due 2018	Variable	-	11,063,800
Carried forward							US\$ 249,980,886	US\$ 379,644,551

**CRANE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

Related Note issue	Nominal	Ccy	Issue date	Maturity date	Description	Coupon	Fair value at	
							<u>2019</u>	<u>2018</u>
Brought forward							249,980,886	379,644,551
Series 157	30,000,000	USD	29/06/2015	26/06/2020	Secured Floating Rate notes due 2020	Variable	30,138,000	30,231,000
Series 158	20,000,000	USD	10/07/2015	03/04/2023	Secured Floating Rate Notes due 2023	Variable	20,274,000	20,426,000
Series 161	-	USD	30/06/2015	20/06/2019	Japan Credit-linked Notes due 2019	Variable	-	224,617,500
Series 164	9,000,000	USD	24/07/2015	29/07/2020	Secured Floating Rate Notes due 2020	Variable	9,095,400	8,964,900
Series 165	20,000,000	USD	07/08/2015	27/07/2020	Japan Credit-linked Notes due 2020	Variable	20,164,000	20,228,000
Series 166	20,000,000	USD	13/08/2015	01/02/2021	Secured Floating Rate Notes due 2021	Variable	20,276,000	20,374,000
Series 167	20,000,000	USD	21/08/2015	17/05/2021	Japan Credit Linked Notes due 2021	Variable	20,262,000	20,424,000
Series 169	1,100,000,000	JPY	27/08/2015	27/11/2020	Secured Floating Rate Notes due 2020	Variable	10,144,717	9,635,790
Series 171	-	CNY	27/08/2015	30/05/2019	Secured Fixed Rate Notes due 2019	3.55%	-	3,707,644
Series 174	10,000,000	USD	30/09/2015	27/08/2020	Japan Credit-linked Notes due 2020	Variable	10,067,000	10,101,000
Series 176	20,000,000	USD	12/11/2015	27/10/2025	Secured Floating Rate Notes due 2025	Variable	20,514,000	20,572,000
Series 181	10,000,000	USD	24/02/2016	13/01/2021	Japan Credit-linked Notes due 2021	Variable	10,220,000	10,341,000
Series 183	-	JPY	16/05/2016	04/12/2018	Basis Arbitrage Repackaged Notes due 2018	0.21%	-	17,644,732
Series 184	1,000,000,000	JPY	19/05/2016	08/08/2025	Japan Credit-linked notes due 2025	0.50%	9,316,784	8,692,846
Series 185	500,000,000	JPY	23/06/2016	23/06/2021	Fixed Rate Leveraged Skew Notes due 2021	1.55%	4,766,576	4,587,401
Series 186	10,000,000	CNY	19/07/2016	23/04/2021	Secured Fixed Rate Notes due 2021	4.26%	1,445,076	1,482,176
Series 189	20,000,000	USD	30/11/2016	30/07/2026	Secured Fixed Rate Notes due 2026	Variable	19,878,000	20,066,000
Series 190	10,000,000	USD	13/01/2017	28/12/2022	Credit Linked Notes due 2022	Variable	10,206,000	10,176,000
Carried forward						US\$	<u>466,748,439</u>	US\$ <u>841,916,540</u>

**CRANE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

**FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

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

Related Note issue	Nominal	Ccy	Issue date	Maturity date	Description	Coupon	Fair value at	
							2019	2018
Brought forward							466,748,439	841,916,540
Series 193	1,000,000,000	JPY	08/03/2017	09/11/2027	Secured Fixed Rate notes due 2027	0.85%	8,684,323	7,489,275
Series 194	-	JPY	29/03/2017	27/03/2019	Secured Fixed Rate notes due 2019	0.20%	-	8,815,317
Series 195	-	JPY	29/03/2017	08/04/2019	Secured Fixed Rate notes due 2019	0.24%	-	8,615,310
Series 197	10,000,000	USD	25/04/2017	21/06/2023	Secured Floating Rate Notes due 2023	Variable	10,218,000	9,969,000
Series 198	-	USD	26/05/2017	04/02/2019	People's Republic of China Credit-linked Notes due 2023	Variable	-	14,121,800
Series 199	-	JPY	24/05/2017	04/06/2019	Secured Fixed Rate Notes due 2019	0.20%	-	13,213,725
Series 200	-	JPY	05/06/2017	15/05/2019	Secured Fixed Rate Notes due 2019	0.20%	-	8,810,031
Series 201	1,500,000,000	JPY	10/07/2017	18/01/2023	Secured Fixed Rate Notes due 2023	1.20%	13,409,290	12,683,748
Series 204	20,000,000	USD	24/07/2017	11/05/2027	Morgan Stanley Credit-linked Notes due 2027	Variable	19,100,000	18,262,000
Series 205	1,100,000,000	JPY	27/07/2017	19/11/2019	Secured Fixed Rate Notes due 2019	0.30%	10,185,402	9,630,944
Series 206	1,000,000,000	JPY	14/08/2017	01/11/2022	Secured fixed rate Notes due 2022	1.30%	9,153,122	8,564,205
Series 208	15,000,000	USD	15/09/2017	27/06/2022	Telekom Malaysia Bhd Credit-linked Notes due 2022	Variable	15,214,500	15,126,000
Series 2017-1	3,000,000,000	JPY	28/09/2017	19/06/2023	Republic of Indonesia Government Bond Secured Repackaged Loan Series 2017-1	Variable	28,022,476	26,046,818
Series 210	10,000,000	USD	04/10/2017	01/11/2022	Secured Floating Rate Notes due 2022	Variable	10,024,000	9,967,000
Series 211	29,750,000	USD	24/11/2017	29/03/2021	Secured Loan Repackaged Notes due 2021	Variable	29,729,175	34,366,500
Series 212	500,000,000	JPY	27/11/2017	28/05/2021	Secured Fixed Rate Notes due 2021	0.30%	4,609,848	4,302,368
Carried forward						US\$	625,098,575	US\$ 1,051,900,581

**CRANE INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 30TH SEPTEMBER 2019****17. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS - (CONTINUED)**

Related Note issue	Nominal	Ccy	Issue date	Maturity date	Description	Coupon	Fair value at	
							<u>2019</u>	<u>2018</u>
Brought forward							625,098,575	1,051,900,581
Series 213	300,000,000	USD	11/01/2018	26/01/2021	Secured Loan Repackaged Notes due 2021	Variable	299,160,000	281,520,000
Series 214	20,000,000	USD	22/12/2017	22/09/2027	People's Republic of China Credit-linked Notes due 2027	Variable	19,690,000	18,128,000
Series 215	5,950,000	USD	29/12/2017	29/03/2021	Secured Loan Repackaged Notes due 2021	Variable	5,945,835	6,873,300
Series 216	140,000,000	USD	05/11/2018	05/11/2020	Secured Loan Repackaged Notes due 2020	Variable	147,014,929	-
							<u>US\$ 1,096,909,339</u>	<u>US\$ 1,358,421,881</u>