

**Encore Issuances S.A.**  
**(formerly incorporated as Ruvercap Issuances S.A.)**  
**Société Anonyme**

Audited annual accounts  
for the period from September 2, 2019 (date of incorporation)  
to December 31, 2020

6, Rue Eugène Ruppert  
L-2453 Luxembourg  
R.C.S Luxembourg B 237.728

## TABLE OF CONTENTS

	Page(s)
Audit report	1-3
Balance Sheet	4-8
Profit and Loss Account	9-10
Notes to the Annual Accounts	11-24

## Independent auditor's report

To the Shareholders of  
Encore Issuances S.A.  
6, rue Eugène Ruppert  
L-2453 Luxembourg

### Opinion

We have audited the annual accounts of Encore Issuances S.A. (the "Company"), which comprise the balance sheet as at 31 December 2020, and the profit and loss account for the period from 2 September 2019 (date of incorporation) to 31 December 2020, and the notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2020, and of the results of its operations for the period from 2 September 2019 (date of incorporation) to 31 December 2020 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

### Basis for Opinion

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

### Responsibilities of the Board of Directors for the annual accounts

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

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the “réviseur d'entreprises agréé” for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of 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 report of the “réviseur d'entreprises agréé” to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Ernst & Young  
Société anonyme  
Cabinet de révision agréé



Oliver Cloess  
Jul 8, 2021

Oliver Cloess

Luxembourg, 8 July 2021

**Annual Accounts Helpdesk :**

**Tel. : (+352) 247 88 494**  
**Email : centralebilans@statec.etat.lu**

RCSL Nr. : B237728

Matricule : 2019 2205 574

**BALANCE SHEET**

**Financial year from** 01 02/09/2019 **to** 02 31/12/2020 (in 03 EUR )

Encore Issuances S.A.

6, Rue Eugène Ruppert

L-2453 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	3.936.122,00	110
I. Intangible assets	1111	111	112
1. Costs of development	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible assets under development	1123	123	124
II. Tangible assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130

RCSL Nr. : B237728

Matricule : 2019 2205 574

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
<b>III. Financial assets</b>	1135 _____	<b>3.936.122,00</b>	136 _____
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____ <b>4</b>	145 <b>3.936.122,00</b>	146 _____
6. Other loans	1147 _____ <b>4</b>	147 <b>0,00</b>	148 _____
<b>D. Current assets</b>	1151 _____	<b>5.729.837,00</b>	152 _____
<b>I. Stocks</b>	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
<b>II. Debtors</b>	1163 _____	<b>67.359,00</b>	164 _____
1. Trade debtors	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 _____	172 _____
a) becoming due and payable within one year	1173 _____	173 _____	174 _____
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____ <b>5</b>	177 <b>35.161,00</b>	178 _____
a) becoming due and payable within one year	1179 _____	179 <b>35.161,00</b>	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____ <b>6</b>	183 <b>32.198,00</b>	184 _____
a) becoming due and payable within one year	1185 _____	185 <b>32.198,00</b>	186 _____
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

RCSL Nr. : B237728

Matricule : 2019 2205 574

	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 <u>5.662.478,00</u>	198 _____
<b>E. Prepayments</b>	1199 <u>7</u>	199 <u>1.070,00</u>	200 _____
<b>TOTAL (ASSETS)</b>		201 <u>9.667.029,00</u>	202 _____

<b>CAPITAL, RESERVES AND LIABILITIES</b>
--

	Reference(s)		Current year		Previous year
<b>A. Capital and reserves</b>	<b>8</b>		<b>30.000,00</b>		
I. Subscribed capital	1301	301	30.000,00	302	
II. Share premium account	1303	303	30.000,00	304	
III. Revaluation reserve	1305	305		306	
IV. Reserves	1307	307		308	
1. Legal reserve	1309	309		310	
2. Reserve for own shares	1311	311		312	
3. Reserves provided for by the articles of association	1313	313		314	
4. Other reserves, including the fair value reserve	1315	315		316	
a) other available reserves	1429	429		430	
b) other non available reserves	1431	431		432	
V. Profit or loss brought forward	1433	433		434	
VI. Profit or loss for the financial year	1319	319		320	
VII. Interim dividends	1321	321		322	
VIII. Capital investment subsidies	1323	323		324	
	1325	325		326	
<b>B. Provisions</b>	<b>9</b>		<b>4.280,00</b>		
1. Provisions for pensions and similar obligations	1331	331	4.280,00	332	
2. Provisions for taxation	1333	333	4.280,00	334	
3. Other provisions	1335	335		336	
	1337	337		338	
<b>C. Creditors</b>			<b>9.632.749,00</b>		
1. Debenture loans	1435	435	9.632.749,00	436	
a) Convertible loans	1437	437	9.619.287,00	438	
i) becoming due and payable within one year	1439	439		440	
ii) becoming due and payable after more than one year	1441	441		442	
b) Non convertible loans	1443	443		444	
i) becoming due and payable within one year	1445	445	9.619.287,00	446	
ii) becoming due and payable after more than one year	1447	447	0,00	448	
ii) becoming due and payable after more than one year	1449	449	9.619.287,00	450	
2. Amounts owed to credit institutions	1355	355		356	
a) becoming due and payable within one year	1357	357		358	
b) becoming due and payable after more than one year	1359	359		360	

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ <b>11</b>	379 _____ <b>611,00</b>	380 _____
a) becoming due and payable within one year	1381 _____	381 _____ <b>611,00</b>	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____ <b>12</b>	451 _____ <b>12.801,00</b>	452 _____
a) Tax authorities	1393 _____	393 _____	394 _____
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 _____ <b>12.801,00</b>	398 _____
i) becoming due and payable within one year	1399 _____	399 _____ <b>12.801,00</b>	400 _____
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
<b>D. Deferred income</b>	1403 _____	403 _____	404 _____
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 _____ <b>9.667.029,00</b>	406 _____

**Annual Accounts Helpdesk :**

**Tel.** : (+352) 247 88 494  
**Email** : centralebilans@statec.etat.lu

RCSL Nr. : B237728

Matricule : 2019 2205 574

**PROFIT AND LOSS ACCOUNT**

**Financial year from** <sup>01</sup> 02/09/2019 **to** <sup>02</sup> 31/12/2020 (in <sup>03</sup> EUR )

Encore Issuances S.A.  
 6, Rue Eugène Ruppert  
 L-2453 Luxembourg

**PROFIT AND LOSS ACCOUNT**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703 _____	703 _____	704 _____
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705 _____	705 _____	706 _____
<b>4. Other operating income</b>	1713 _____ <b>13</b>	713 _____ <b>35.161,00</b>	714 _____
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____	671 _____ <b>-415.076,00</b>	672 _____
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ <b>14</b>	603 _____ <b>-415.076,00</b>	604 _____
<b>6. Staff costs</b>	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 _____ <b>0,00</b>	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____ <b>6</b>	661 _____ <b>0,00</b>	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 _____	622 _____

RCSL Nr. : B237728

Matricule : 2019 2205 574

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

Encore Issuance S.A.  
NOTES TO THE ANNUAL ACCOUNTS  
December 31, 2020

**NOTE 1 – GENERAL INFORMATION**

Encore Issuances S.A. (formerly incorporated as Ruvercap Issuances S.A.) (the "Company") was incorporated on September 2, 2019 as a société anonyme and is organized under the Laws of the Grand Duchy of Luxembourg as a public limited liability company for an unlimited period and is subject to the Law of March 22, 2004 on securitisation (the "Securitisation Law").

With effective date December 23, 2020, the name of the Company was changed from Ruvercap Issuances S.A. to Encore Issuances S.A.

The Company has its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg. The Company is registered in the Luxembourg register of commerce and companies under Section B, number B 237.728.

The Company's financial year starts on January 1 and ends on December 31 of each year, except for the first financial period which began on September 2, 2019 (date of incorporation) and ended on December 31, 2020.

The corporate object of the Company is to act as an issuing entity in the context of one or several securitisation operations governed by and under the Securitisation Law.

The Company may enter into execute, deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions. Without prejudice to the generality of the previous sentence, the Company may also generally employ any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

Compartments

The Board of Directors is entitled to create one or more compartments, each corresponding to a separate part of the Company's estate.

The rights of holders of instruments issued in respect of a compartment and the rights of creditors that relate to or have arisen in connection with the creation, the operation or the liquidation of a compartment are limited to the assets of that compartment.

The assets of each compartment are exclusively available to satisfy the rights of the holders of instruments issued in respect of that compartment and the rights of creditors that have arisen in connection with the creation, the operation or the liquidation of that compartment.

Notwithstanding the foregoing, if following the redemption or repayment in full of the instruments issued in respect of a compartment and the satisfaction in full and termination of all obligations of the Company to the creditors, whose claims have arisen in connection with the creation, operation or liquidation of that compartment, there remain assets in such compartment, the Board of Directors may allocate such assets to another compartment or to the general estate of the Company.

The Board of Directors shall establish and maintain separate accounting records for each of the compartments of the Company for the purpose of ascertaining the assets affected to each compartment, such accounting records to be conclusive evidence of the assets contained in each compartment in the absence of manifest error.

Claims which are not incurred in relation to the creation, operation or liquidation of a specific compartment may be paid out of the general estate of the Company or may be apportioned by the Board of Directors between the Company's compartments on a pro rata basis of the assets of those compartments or on such other basis as it may deem more appropriate.

The liquidation of a compartment may be decided by the Board of Directors.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 1 – GENERAL INFORMATION (continued)**

The Company does not need to consolidate and it is not included in any consolidated accounts.

The following Compartments have been set up until the balance sheet date:

- Compartment 1 was created on September 9, 2019;
- Compartment 3 was created on September 20, 2019;
- Compartment 4 was created on September 20, 2019 (not active as per December 31, 2020).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

2.1. General principles

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Law of December 19, 2002, as amended, determined, and applied by the Board of Directors.

During the year, the Board of Directors has further assessed the impact of COVID-19 on the estimates and based on the assessment made believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Board of Directors continues to closely monitor developments of COVID-19 and their impact on the Company. The Board of Directors has made an assessment of the Company's ability to continue its activities as a going concern. Considering the structure of the Company and the cashflows during the year 2020, the Board of Directors therefore concludes that for the period of at least the next 12 months as of the date of the approval of these annual accounts, it is reasonable to assess that the Company will be able to continue as a going concern.

2.2. Financial instruments

2.2.1. Financial fixed assets

Investments held as fixed assets / other loans are valued at purchase price / nominal value (other loans) including the expenses incidental thereto. In case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

2.2.2. Discount and Premium

Discounts and premiums arising from the issuance of notes or purchase of financial fixed assets or hedging instruments are amortized on a straight-line basis over the life of the underlying note, financial asset or hedging instrument. The amortization is accounted for with the value of the corresponding asset or liability.

2.2.3. Non convertible loans

The Company issues notes through its compartments. The pay-off can be contingent to the performance of certain underlyings such as interest rates, indices or securities. The notes are recorded at cost and the difference between the nominal value and the cost is recognized as a discount or premium which is then amortized over the life of the notes using the straight line method and recorded in the profit and loss account.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

2.2.4. Equalisation provision

Due to the limited recourse nature of the notes issued, losses during the year as a result from sales, default, lower market values or cost may reduce the value of the notes issued. Such shortfalls are normally borne by the note holders in inverse order of the priority of payments.

Consequently, a provision for diminution in value will be made and deducted from the amount repayable of the notes issued. Correspondingly, such amounts will be mirrored in the profit and loss account as equalisation provision in "Other interest and similar income". Gains during the year as a result of reversal value adjustments, realized profit or exceptional gains may cause a partial increase in value of the notes issued. Such excesses for value increases will be added to the issued notes and recorded in the profit and loss account as equalisation provision in "Other interest and similar expenses"

2.3. Debtors

Debtors are recorded at their reimbursement value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have been ceased to apply.

2.4. Prepayments and Deferred income

Prepayments include expenditure incurred during the financial year but relating to a subsequent financial year.

Deferred income includes income received during the financial year but relating to a subsequent financial year.

2.5. Translation of foreign currencies

The Company maintains its accounts in Euro ("EUR") and the annual accounts are expressed in this currency.

Amounts in foreign currencies are translated into EUR on the following basis:

Assets and liabilities items denominated in a currency other than EUR are translated at the exchange rate prevailing on the balance sheet date with the exception of long-term assets and notes issued which are maintained at their historical foreign exchange rate.

Income and expenses denominated in a currency other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

2.6. Value adjustments

Value adjustments are deducted directly from the related asset, i.e., using the net book value disclosure.

2.7. Revenue / Expense Reporting

Income and expenses are recognized on an accrual basis.

Payments of a compartment to cover general and administrative expenses of the Company as well as remaining assets are recognized as revenues when they are paid from a compartment to the general estate of the Company according to the terms of the notes issued by such compartment.

2.8. Intercompartment eliminations

Transactions between compartments are eliminated in the combined balance sheet and in the combined profit and loss account.

Encore Issuances S.A.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

2.9. Rounding Differences

Amounts are rounded to EUR in each balance. Sum may deviate by +/- 1 EUR.

## Encore Issuances S.A.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT****General Compartment**

(denominated in EUR)

	Note	31/12/2020
<b>ASSETS</b>		
C. Fixed assets		-
III. Financial assets		-
5. Investments held as fixed assets	4	-
6. Other loans	4	-
D. Current assets		46 672
II. Debtors		35 161
2. Amounts owed by affiliated undertakings	5	35 161
a) becoming due and payable within one year		35 161
4. Other debtors	6	-
a) becoming due and payable within one year		-
IV. Cash at bank and in hand		11 511
E. Prepayments	7	1 070
<b>TOTAL (ASSETS)</b>		<u><u>47 742</u></u>
<b>CAPITAL, RESERVES AND LIABILITIES</b>		
A. Capital and reserves	8	30 000
I. Subscribed capital		30 000
V. Profit or loss brought forward		-
VI. Profit or loss for the financial year		-
B. Provisions	9	4 280
2. Provisions for taxation		4 280
C. Creditors		13 462
1. Debenture loans		-
b) Non convertible loans	10	-
i) becoming due and payable within one year		-
ii) becoming due and payable after more than one year		-
6. Amounts owed to affiliated undertakings	11	661
a) becoming due and payable within one year		661
8. Other creditors	12	12 801
a) Tax authorities		-
c) Other creditors		12 801
i) becoming due and payable within one year		12 801
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<u><u>47 742</u></u>
<b>PROFIT AND LOSS ACCOUNT</b>		
		<b>02/09/2019- 31/12/2020</b>
4. Other operating income	13	183 825
5. Raw materials and consumables and other external expenses		(178 492)
b) Other external expenses	14	(178 492)
7. Value adjustments		-
b) in respect of current Assets	6	-
10. Income from other investments and loans forming part of the fixed assets	15	-
11. Other interest receivable and similar income		-
b) other interest and similar income	16	-
13. Value adjustments in respect of financial assets and of investments held as current assets	4	-
14. Interest payable and similar expenses		(251)
b) other interest and similar expenses	17	(251)
15. Tax on profit or loss		-
16. Profit or loss after taxation		5 083
17. Other taxes not shown under items 1 to 16	18	(5 083)
18. Profit or loss for the financial year		-

## Encore Issuances S.A.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT (continued)****Compartment 1**

(denominated in EUR)

	Note	31/12/2020
<b>ASSETS</b>		
C. Fixed assets		3 936 122
III. Financial assets		3 936 122
5. Investments held as fixed assets	4	3 936 122
6. Other loans	4	-
D. Current assets		5 482 698
II. Debtors		32 198
2. Amounts owed by affiliated undertakings	5	-
a) becoming due and payable within one year		-
4. Other debtors	6	32 198
a) becoming due and payable within one year		32 198
IV. Cash at bank and in hand		5 450 500
E. Prepayments	7	-
<b>TOTAL (ASSETS)</b>		<b>9 418 820</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>		
A. Capital and reserves	8	-
I. Subscribed capital		-
V. Profit or loss brought forward		-
VI. Profit or loss for the financial year		-
B. Provisions	9	-
2. Provisions for taxation		-
C. Creditors		9 418 820
I. Debenture loans		9 418 820
b) Non convertible loans	10	9 418 820
i) becoming due and payable within one year		-
ii) becoming due and payable after more than one year		9 418 820
6. Amounts owed to affiliated undertakings	11	-
a) becoming due and payable within one year		-
8. Other creditors	12	-
a) Tax authorities		-
c) Other creditors		-
i) becoming due and payable within one year		-
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<b>9 418 820</b>
<b>PROFIT AND LOSS ACCOUNT</b>		
		<b>09/09/2019- 31/12/2020</b>
4. Other operating income	13	-
5. Raw materials and consumables and other external expenses		(221 220)
b) Other external expenses	14	(221 220)
7. Value adjustments		(9 658)
b) in respect of current Assets	6	(9 658)
10. Income from other investments and loans forming part of the fixed assets	15	127 669
11. Other interest receivable and similar income		13 447 647
b) other interest and similar income	16	13 447 647
13. Value adjustments in respect of financial assets and of investments held as current assets	4	(13 096 469)
14. Interest payable and similar expenses		(247 968)
b) other interest and similar expenses	17	(247 968)
15. Tax on profit or loss		-
16. Profit or loss after taxation		-
17. Other taxes not shown under items 1 to 16	18	-
18. Profit or loss for the financial year		-

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT (continued)****Compartment 3**

(denominated in EUR)

	Note	31/12/2020
<b>ASSETS</b>		
C. Fixed assets		-
III. Financial assets		-
5. Investments held as fixed assets	4	-
6. Other loans	4	-
D. Current assets		200 467
II. Debtors		-
2. Amounts owed by affiliated undertakings	5	-
a) becoming due and payable within one year		-
4. Other debtors	6	-
a) becoming due and payable within one year		-
IV. Cash at bank and in hand		200 467
E. Prepayments	7	-
<b>TOTAL (ASSETS)</b>		<b>200 467</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>		
A. Capital and reserves	8	-
I. Subscribed capital		-
V. Profit or loss brought forward		-
VI. Profit or loss for the financial year		-
B. Provisions	9	-
2. Provisions for taxation		-
C. Creditors		200 467
1. Debenture loans		200 467
b) Non convertible loans	10	200 467
i) becoming due and payable within one year		-
ii) becoming due and payable after more than one year		200 467
6. Amounts owed to affiliated undertakings	11	-
a) becoming due and payable within one year		-
8. Other creditors	12	-
a) Tax authorities		-
c) Other creditors		-
i) becoming due and payable within one year		-
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<b>200 467</b>
<b>PROFIT AND LOSS ACCOUNT</b>		
		<b>20/09/2019-</b>
		<b>31/12/2020</b>
4. Other operating income	13	-
5. Raw materials and consumables and other external expenses		(164 028)
b) Other external expenses	14	(164 028)
7. Value adjustments		-
b) in respect of current Assets	6	-
10. Income from other investments and loans forming part of the fixed assets	15	363 891
11. Other interest receivable and similar income		18 729 193
b) other interest and similar income	16	18 729 193
13. Value adjustments in respect of financial assets and of investments held as current assets	4	(18 924 609)
14. Interest payable and similar expenses		(4 447)
b) other interest and similar expenses	17	(4 447)
15. Tax on profit or loss		-
16. Profit or loss after taxation		-
17. Other taxes not shown under items 1 to 16	18	-
18. Profit or loss for the financial year		-

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 4 – INVESTMENTS HELD AS FIXED ASSETS AND OTHER LOANS**

For the fiscal year 2020 the numbers were as follows:

	<b>Comp 1</b>	<b>Comp 3</b>	<b>Total</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b><u>Costs of acquisition</u></b>			
Opening Balance	-	-	-
Additions	17 025 529	18 924 609	35 950 138
Disposals	-	-	-
Foreign Exchange	-	-	-
<b>Closing Balance</b>	<b>17 025 529</b>	<b>18 924 609</b>	<b>35 950 138</b>
<b><u>Value adjustments*</u></b>			
Opening Balance	-	-	-
Additions/Disposals	(13 096 469)	(18 924 609)	(32 021 078)
Closing Balance	(13 096 469)	(18 924 609)	(32 021 078)
<b>Discount and premium, net of amortisation</b>	<b>7 063</b>	<b>-</b>	<b>7 063</b>
<b>Net carrying value</b>	<b>3 936 122</b>	<b>-</b>	<b>3 936 122</b>

\* Due to intercompartment transactions the amount of EUR 13.096.469 has been eliminated in the combined profit and loss account.

**Compartment 1**

The compartment was created on September 9, 2019 to purchase the Perpetual Tracker Bonds in CHF linked to the ruver working capital CHF Basket. The Investment Component is one or more Ruver Note(s) which are notionally held by the Notional Investor. The Cash Component is an amount of cash held by the Notional Investor in a money market account. The interest amount payable under the Bonds will reflect the distributions received by the Issuer under the Hedge Instrument during the relevant period (less costs). The purchase limit is CHF 100.000.000.

**Compartment 2**

The compartment has not been established yet.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 4 – INVESTMENTS HELD AS FIXED ASSETS AND OTHER LOANS (continued)**

**Compartment 3**

The compartment was created on September 20, 2019 to purchase Tracker Notes in CHF linked to the Series Loan represented by a permanent global bearer certificate and will comprise any Note issued by the Issuer on the same terms and conditions. The interest amounts payable under the Notes will reflect the distributions received by the Issuer under the Series Loan during the relevant period (less costs). The Loan will mature on October 22, 2024 and has a purchase limit of CHF 100.000.000.

**Compartment 4**

The compartment was created on September 20, 2019. No transaction has yet occurred as of December 31, 2020.

**NOTE 5 – AMOUNTS OWED BY AFFILIATED UNDERTAKINGS**

The Position is composed of amounts owed by Chartered Investment Germany GmbH (EUR 35.161).

**NOTE 6 – OTHER DEBTORS**

As of December 31, 2020, other debtors amounting to EUR 32.198 are composed of interest receivables from investments held as fixed assets.

As of December 31, 2020, value adjustments amounting to EUR 9,658 were recognized in respect of interest receivables from investments held as fixed assets. Due to intercompartment transactions the amount of EUR 9,658 has been eliminated in the combined profit and loss accounts.

**NOTE 7 – PREPAYMENTS**

Prepayments are composed of tax prepayments for the financial year 2021 of the General Compartment amounting to EUR 1.070.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 8 – CAPITAL AND RESERVES**Subscribed capital

The subscribed capital amounts to EUR 30,000 and is divided into 30.000 shares with a nominal value of EUR 1 each.

Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income until this reserve equals 10% of the subscribed capital. The reserve may not be distributed.

**NOTE 9 – PROVISIONS**

As of December 31, 2020, provisions are composed of net wealth tax provisions amounting to EUR 4.280.

**NOTE 10 – NON CONVERTIBLE LOANS**

As of December 31, 2020, the non convertible loans are composed of:

<b>Comp</b>	<b>Notes Outstanding*</b>	<b>Equalisation Provision**</b>	<b>Accrued Interest</b>	<b>Net Value</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Comp. 1</b>	22 729 339	(13 310 519)	-	9 418 820
<b>Comp. 3</b>	18 916 169	(18 715 702)	-	200 467
<b>Total</b>	<b>41 645 508</b>	<b>(32 026 221)</b>	<b>-</b>	<b>9 619 287</b>

\* Including amortised discount/premium.

\*\* Due to intercompartment transactions the amount of EUR 13.106.127 has been eliminated in the combined profit and loss account.

**Compartment 1**

On September 18, 2019 the compartment issued the Perpetual Tracker Bonds in CHF linked to the ruver working capital CHF basket. The Bonds are not principal protected, and the redemption amount depends on the value of the Reference Basket on the relevant date. The Bonds pay a variable interest and have no fixed redemption date.

**Compartment 2**

Compartment 2 has not been established yet.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 10 – NON CONVERTIBLE LOANS (continued)**

**Compartment 3**

On October 22, 2019 the compartment issued the Tracker Notes in CHF, linked to a Loan granted to HAFAG AG. The Notes are not principal protected, and the redemption amount depends on the payments under the Loan on the relevant date. The Notes pay a variable interest and will mature on October 22, 2024.

**Compartment 4**

The compartment was created on September 20, 2019. No transaction has yet occurred as of December 31, 2020.

**NOTE 11 – AMOUNTS OWED TO AFFILIATED UNDERTAKINGS**

As of December 31, 2020, amounts owed to affiliated undertakings are composed of payables to Chartered Investment Germany GmbH (EUR 611).

**NOTE 12 – OTHER CREDITORS**

As of December 31, 2020, other creditors are composed of audit fee accruals (EUR 12.801).

**NOTE 13 – OTHER OPERATING INCOME**

As of December 31, 2020, other operating income amounts to EUR 183.825.

In the General Compartment, other operating income amounting to EUR 183.825 is composed of annual fees, handling fees and set up fees received from the other compartments depending on the principal amounts issued by the respective compartments amounting to EUR 148.664 and expense reimbursements amounting to EUR 35.161 to which the Company is entitled under the Service Level Agreement entered into with Chartered Investment Germany GmbH.

Due to intercompartment transactions, the amount of EUR 148.664 has been eliminated in the combined profit and loss account.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 14 – OTHER EXTERNAL EXPENSES**

As of December 31, 2020, other external expenses are composed of:

	<b>Total 2020</b>
Asset Management Fees	236 584
Issuer Fees	148 664
Administration Fees	92 557
Bank Charges	34 919
Legal Fees	28 246
Audit Fees	12 801
Tax advisory fees	9 828
CSSF Fees	140
	<hr/> <b>563 740</b> <hr/>

In the combined profit and loss account the intercompartment charges of EUR 148.664 have been eliminated.

**NOTE 15 – INCOME FROM OTHER INVESTMENTS AND LOANS FORMING PART OF THE FIXED ASSETS**

As of December 31, 20120, income from other investments and loans forming part of the fixed assets amounting to EUR 491.560 are composed of interest income on loans amounting to 363.891 and interest income on bonds amounting to EUR 127.669.

**NOTE 16 – OTHER INTEREST AND SIMILAR INCOME**

As of December 31, 2020, other interest and similar income amounting to EUR 32.176.840 is composed of equalisation provision on notes issued amounting to EUR 32.026.221, realized foreign exchange gains amounting to EUR 143.562 and amortization on discounts amounting to EUR 7.057.

Due to intercompartment transactions EUR 13.106.127 have been eliminated in the combined profit and loss account.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 17 – OTHER INTEREST AND SIMILAR EXPENSES**

As of December 31, 2020, other interest and similar expenses amounting to EUR 252.666 are mainly composed of interest on notes issued, losses realized on securities, equalisation provision, realized foreign exchange losses and negative interest on bank accounts amounting to EUR 252.666.

**NOTE 18 – TAXATION**

The Company is subject to all Luxembourg tax regulations as applicable to companies subject to the Securitisation Law.

**NOTE 19 – STAFF**

The Company did not employ any staff during the year.

**NOTE 20 – EMOLUMENTS GRANTED TO MEMBERS OF THE MANAGING AND SUPERVISING BODIES AND COMMITMENTS IN RESPECT OF RETIREMENT PENSIONS FOR FORMER MEMBERS OF THOSE BODIES.**

In the year ended December 31, 2020 the Directors of the Company received no remuneration from the Company.

**NOTE 21 – ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES**

During the financial year, no loan or advance was granted to members of the Board of Directors or other administrative bodies.

**NOTE 22 – OWN SHARES**

During the financial year ended December 31, 2020 the Company has not purchase any of its own shares.

**NOTE 23 – OFF-BALANCE SHEET COMMITMENTS**

During the financial year ended December 31,2020, the Company has not entered into in any off-balance sheet commitments.

Encore Issuances S.A.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2020

(continued)

**NOTE 23 – SUBSEQUENT EVENTS**

No significant events took place until the date of the signature of the annual accounts.