

**Encore Issuances S. A.**  
**Société Anonyme**

Audited annual accounts  
as of December 31, 2021

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

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## 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 2021, and the profit and loss account for the year then ended, 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 2021, and of the results of its operations for the year then ended 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

Luxembourg, 28 July 2022

**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** <sup>01</sup> 01/01/2021 **to** <sup>02</sup> 31/12/2021 (in <sup>03</sup> 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	19.735.927,00	3.936.122,00
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

	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
III. Financial assets	1135	19.735.927,00	3.936.122,00
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	5.454.927,00	3.936.122,00
6. Other loans	1147	14.281.000,00	0,00
<b>D. Current assets</b>	1151	7.268.852,00	5.729.837,00
I. Stocks	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
II. Debtors	1163	0,00	67.359,00
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	0,00	35.161,00
a) becoming due and payable within one year	1173	0,00	35.161,00
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	177	178
a) becoming due and payable within one year	1179	179	180
b) becoming due and payable after more than one year	1181	181	182
4. Other debtors	1183	77.680,00	32.198,00
a) becoming due and payable within one year	1185	77.680,00	32.198,00
b) becoming due and payable after more than one year	1187	187	188

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	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>7.191.172,00</u>	198 <u>5.662.478,00</u>
<b>E. Prepayments</b>	1199 <u>7</u>	199 <u>1.070,00</u>	200 <u>1.070,00</u>
<b>TOTAL (ASSETS)</b>		201 <u>27.005.849,00</u>	202 <u>9.667.029,00</u>

<b>CAPITAL, RESERVES AND LIABILITIES</b>
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	Reference(s)		Current year		Previous year
<b>A. Capital and reserves</b>			30.000,00		30.000,00
I. Subscribed capital	1301	301	30.000,00	302	30.000,00
	8	303	30.000,00	304	30.000,00
II. Share premium account	1305	305		306	
III. Revaluation reserve	1307	307		308	
IV. Reserves	1309	309		310	
1. Legal reserve	1311	311		312	
2. Reserve for own shares	1313	313		314	
3. Reserves provided for by the articles of association	1315	315		316	
4. Other reserves, including the fair value reserve	1429	429		430	
a) other available reserves	1431	431		432	
b) other non available reserves	1433	433		434	
V. Profit or loss brought forward	1319	319		320	
VI. Profit or loss for the financial year	1321	321		322	
VII. Interim dividends	1323	323		324	
VIII. Capital investment subsidies	1325	325		326	
<b>B. Provisions</b>	1331	331	8.924,00	332	4.280,00
1. Provisions for pensions and similar obligations	1333	333		334	
2. Provisions for taxation	9	335	8.924,00	336	4.280,00
3. Other provisions	1337	337		338	
<b>C. Creditors</b>	1435	435	26.966.925,00	436	9.632.749,00
1. Debenture loans	1437	437	26.769.128,00	438	9.619.287,00
a) Convertible loans	1439	439		440	
i) becoming due and payable within one year	1441	441		442	
ii) becoming due and payable after more than one year	1443	443		444	
b) Non convertible loans	10	1445	26.769.128,00	1446	9.619.287,00
i) becoming due and payable within one year	1447	447	209.229,00	448	0,00
ii) becoming due and payable after more than one year	1449	449	26.559.899,00	450	9.619.287,00
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>108.740,00</b> _____	380 <b>661,00</b> _____
a) becoming due and payable within one year	1381 _____	381 <b>108.740,00</b> _____	382 <b>661,00</b> _____
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>89.057,00</b> _____	452 <b>12.801,00</b> _____
a) Tax authorities	1393 _____	393 _____	394 _____
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 <b>89.057,00</b> _____	398 <b>12.801,00</b> _____
i) becoming due and payable within one year	1399 _____	399 <b>89.057,00</b> _____	400 <b>12.801,00</b> _____
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>27.005.849,00</b> _____	406 <b>9.667.029,00</b> _____

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RCSL Nr. :B237728

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**PROFIT AND LOSS ACCOUNT**

**Financial year from** <sup>01</sup> 01/01/2021 **to** <sup>02</sup> 31/12/2021 (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>99.717,00</b> _____	714 <b>35.161,00</b> _____
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____	671 <b>-822.646,00</b> _____	672 <b>-415.076,00</b> _____
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 <b>14</b> _____	603 <b>-822.646,00</b> _____	604 <b>-415.076,00</b> _____
<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 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 _____	622 _____

	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	721 772.548,00	722 491.560,00
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725 15	725 772.548,00	726 491.560,00
<b>11. Other interest receivable and similar income</b>	1727	727 548.184,00	728 19.070.713,00
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731 16	731 548.184,00	732 19.070.713,00
<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 4	665 0,00	666 -18.924.609,00
<b>14. Interest payable and similar expenses</b>	1627	627 -593.160,00	628 -252.666,00
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631 17	631 -593.160,00	632 -252.666,00
<b>15. Tax on profit or loss</b>	1635	635	636
<b>16. Profit or loss after taxation</b>	1667	667 4.643,00	668 5.083,00
<b>17. Other taxes not shown under items 1 to 16</b>	1637 18	637 -4.643,00	638 -5.083,00
<b>18. Profit or loss for the financial year</b>	1669	669 0,00	670 0,00

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**NOTE 1 – GENERAL INFORMATION**

Encore Issuances S.A. (the "Company") was incorporated on September 23, 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").

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, 2021

(continued)

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

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, 2021);
- Compartment 6 was created on April 1, 2021;
- Compartment 8 was created on August 31, 2021;
- Compartment 12 was created on September 30, 2021.

**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 2021, 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, 2021

(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, 2021

(continued)

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

2.9. Consolidation

The Company will be included in the consolidated accounts of Encore Holding S.à r.l. which forms the smallest and largest group of consolidated undertakings. The consolidated accounts will be available at the registered seat of Encore Holding S.à r.l. 6, Rue Eugène Ruppert, L-2453 Luxembourg.

2.10. 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, 2021

(continued)

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

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		-	-
III. Financial assets	4	-	-
5. Investments held as fixed assets		-	-
6. Other loans		-	-
<b>D. Current assets</b>		<b>174.682</b>	<b>46.672</b>
II. Debtors		-	35.161
2. Amounts owed by affiliated undertakings	5	-	35.161
a) becoming due and payable within one year		-	35.161
IV. Cash at bank and in hand		174.682	11.511
<b>E. Prepayments</b>	7	1.070	1.070
<b>TOTAL (ASSETS)</b>		<b>175.752</b>	<b>47.742</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	<b>30.000</b>	<b>30.000</b>
I. Subscribed capital		30.000	30.000
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	<b>8.924</b>	<b>4.280</b>
1. Provisions for taxation		8.924	4.280
<b>C. Creditors</b>		<b>136.828</b>	<b>13.462</b>
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	108.740	661
a) becoming due and payable within one year		108.740	661
8. Other creditors	12	28.088	12.801
a) Tax authorities		-	-
c) Other creditors		28.088	12.801
i) becoming due and payable within one year		28.088	12.801
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<b>175.752</b>	<b>47.742</b>
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	275.481	183.825
<b>5. Raw materials and consumables and other external expenses</b>		<b>(270.424)</b>	<b>(178.492)</b>
b) other external expenses	14	(270.424)	(178.492)
<b>7. Value adjustments</b>		-	-
b) in respect of current Assets		-	-
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	-	-
b) other income not included under a)		-	-
<b>11. Other interest receivable and similar income</b>	16	-	-
b) other interest and similar income		-	-
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	-
<b>14. Interest payable and similar expenses</b>	17	<b>(414)</b>	<b>(251)</b>
b) other interest and similar expenses		(414)	(251)
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		<b>4.643</b>	<b>5.082</b>
<b>17. Other taxes not shown under items 1 to 16</b>	18	<b>(4.643)</b>	<b>(5.082)</b>
<b>18. Profit or loss for the financial year</b>		<b>-</b>	<b>-</b>

## Encore Issuances S.A.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		<b>3.942.712</b>	<b>3.936.122</b>
III. Financial assets	4	3.942.712	3.936.122
5. Investments held as fixed assets		3.942.712	3.936.122
6. Other loans		-	-
<b>D. Current assets</b>		<b>5.455.891</b>	<b>5.482.698</b>
II. Debtors		14.667	32.198
2. Amounts owed by affiliated undertakings	5	-	-
a) becoming due and payable within one year		-	-
4. Other debtors	6	14.667	32.198
a) becoming due and payable within one year		14.667	32.198
IV. Cash at bank and in hand		5.441.224	5.450.500
<b>E. Prepayments</b>	7	-	-
<b>TOTAL (ASSETS)</b>		<b>9.398.603</b>	<b>9.418.820</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	-	-
I. Subscribed capital		-	-
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	-	-
1. Provisions for taxation		-	-
<b>C. Creditors</b>		<b>9.398.603</b>	<b>9.418.820</b>
1. Debenture loans		9.398.603	9.418.820
b) Non convertible loans	10	9.398.603	9.418.820
i) becoming due and payable within one year		-	-
ii) becoming due and payable after more than one year		9.398.603	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>9.398.603</b>	<b>9.418.820</b>
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	-	-
<b>5. Raw materials and consumables and other external expenses</b>		<b>(231.891)</b>	<b>(221.221)</b>
b) other external expenses	14	(231.891)	(221.221)
<b>7. Value adjustments</b>		-	<b>(9.658)</b>
b) in respect of current Assets		-	(9.658)
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	<b>166.307</b>	<b>127.669</b>
b) other income not included under a)		166.307	127.669
<b>11. Other interest receivable and similar income</b>	16	<b>266.558</b>	<b>13.447.647</b>
b) other interest and similar income		266.558	13.447.647
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	(13.096.469)
<b>14. Interest payable and similar expenses</b>	17	<b>(200.974)</b>	<b>(247.968)</b>
b) other interest and similar expenses		(200.974)	(247.968)
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		-	-
<b>17. Other taxes not shown under items 1 to 16</b>	18	-	-
<b>18. Profit or loss for the financial year</b>		<b>-</b>	<b>-</b>

## Encore Issuances S.A.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		-	-
III. Financial assets	4	-	-
5. Investments held as fixed assets		-	-
6. Other loans		-	-
<b>D. Current assets</b>		<b>82.708</b>	<b>200.467</b>
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		82.708	200.467
<b>E. Prepayments</b>	7	-	-
<b>TOTAL (ASSETS)</b>		<b>82.708</b>	<b>200.467</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	-	-
I. Subscribed capital		-	-
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	-	-
I. Provisions for taxation		-	-
<b>C. Creditors</b>		<b>82.708</b>	<b>200.467</b>
1. Debenture loans		82.708	200.467
b) Non convertible loans	10	82.708	200.467
i) becoming due and payable within one year		-	-
ii) becoming due and payable after more than one year		82.708	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>82.708</b>	<b>200.467</b>
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	-	-
<b>5. Raw materials and consumables and other external expenses</b>		<b>(119.692)</b>	<b>(164.028)</b>
b) other external expenses	14	(119.692)	(164.028)
<b>7. Value adjustments</b>		-	-
b) in respect of current Assets		-	-
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	-	<b>363.891</b>
b) other income not included under a)		-	363.891
<b>11. Other interest receivable and similar income</b>	16	<b>120.277</b>	<b>18.729.193</b>
b) other interest and similar income		120.277	18.729.193
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	(18.924.609)
<b>14. Interest payable and similar expenses</b>	17	<b>(585)</b>	<b>(4.447)</b>
b) other interest and similar expenses		(585)	(4.447)
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		-	-
<b>17. Other taxes not shown under items 1 to 16</b>	18	-	-
<b>18. Profit or loss for the financial year</b>		<b>-</b>	<b>-</b>

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT (continued)****Compartment 6**

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		<b>8.281.000</b>	-
III. Financial assets	4	8.281.000	-
5. Investments held as fixed assets		-	-
6. Other loans		8.281.000	-
<b>D. Current assets</b>		<b>256.492</b>	-
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		256.492	-
<b>E. Prepayments</b>	7	-	-
<b>TOTAL (ASSETS)</b>		<b>8.537.492</b>	-
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	-	-
I. Subscribed capital		-	-
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	-	-
I. Provisions for taxation		-	-
<b>C. Creditors</b>		<b>8.537.492</b>	-
1. Debenture loans		8.476.523	-
b) Non convertible loans	10	8.476.523	-
i) becoming due and payable within one year		150.248	-
ii) becoming due and payable after more than one year		8.326.275	-
6. Amounts owed to affiliated undertakings	11	-	-
a) becoming due and payable within one year		-	-
8. Other creditors	12	60.969	-
a) Tax authorities		-	-
c) Other creditors		60.969	-
i) becoming due and payable within one year		60.969	-
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<b>8.537.492</b>	-
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	-	-
<b>5. Raw materials and consumables and other external expenses</b>		<b>(232.276)</b>	-
b) other external expenses	14	(232.276)	-
<b>7. Value adjustments</b>		-	-
b) in respect of current Assets		-	-
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	<b>359.535</b>	-
b) other income not included under a)		359.535	-
<b>11. Other interest receivable and similar income</b>	16	<b>160.995</b>	-
b) other interest and similar income		160.995	-
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	-
<b>14. Interest payable and similar expenses</b>	17	<b>(288.254)</b>	-
b) other interest and similar expenses		(288.254)	-
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		-	-
<b>17. Other taxes not shown under items 1 to 16</b>	18	-	-
<b>18. Profit or loss for the financial year</b>		-	-

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT (continued)****Compartment 8**

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		<b>1.512.215</b>	-
III. Financial assets	4	1.512.215	-
5. Investments held as fixed assets		1.512.215	-
6. Other loans		-	-
<b>D. Current assets</b>		<b>1.217.120</b>	-
II. Debtors		5.513	-
2. Amounts owed by affiliated undertakings	5	-	-
a) becoming due and payable within one year		-	-
4. Other debtors	6	5.513	-
a) becoming due and payable within one year		5.513	-
IV. Cash at bank and in hand		1.211.607	-
<b>E. Prepayments</b>	7	-	-
<b>TOTAL (ASSETS)</b>		<b>2.729.335</b>	-
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	-	-
I. Subscribed capital		-	-
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	-	-
1. Provisions for taxation		-	-
<b>C. Creditors</b>		<b>2.729.335</b>	-
1. Debenture loans		2.729.335	-
b) Non convertible loans	10	2.729.335	-
i) becoming due and payable within one year		-	-
ii) becoming due and payable after more than one year		2.729.335	-
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>2.729.335</b>	-
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	-	-
<b>5. Raw materials and consumables and other external expenses</b>		<b>(6.037)</b>	-
b) other external expenses	14	(6.037)	-
<b>7. Value adjustments</b>		-	-
b) in respect of current Assets		-	-
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	<b>26.417</b>	-
b) other income not included under a)		26.417	-
<b>11. Other interest receivable and similar income</b>	16	<b>354</b>	-
b) other interest and similar income		354	-
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	-
<b>14. Interest payable and similar expenses</b>	17	<b>(20.734)</b>	-
b) other interest and similar expenses		(20.734)	-
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		-	-
<b>17. Other taxes not shown under items 1 to 16</b>	18	-	-
<b>18. Profit or loss for the financial year</b>		-	-

## Encore Issuances S.A.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**NOTE 3 – BALANCE SHEET AND PROFIT AND LOSS ACCOUNT PER COMPARTMENT (continued)****Compartment 12**

(denominated in EUR)

	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>C. Fixed assets</b>		<b>6.000.000</b>	-
III. Financial assets	4	6.000.000	-
5. Investments held as fixed assets		-	-
6. Other loans		6.000.000	-
<b>D. Current assets</b>		<b>81.959</b>	-
II. Debtors		57.500	-
2. Amounts owed by affiliated undertakings	5	-	-
a) becoming due and payable within one year		-	-
4. Other debtors	6	57.500	-
a) becoming due and payable within one year		57.500	-
IV. Cash at bank and in hand		24.459	-
<b>E. Prepayments</b>	7	-	-
<b>TOTAL (ASSETS)</b>		<b>6.081.959</b>	-
<b>CAPITAL, RESERVES AND LIABILITIES</b>			
<b>A. Capital and reserves</b>	8	-	-
I. Subscribed capital		-	-
V. Profit and loss brought forward		-	-
VI. Profit or loss for the financial year		-	-
<b>B. Provisions</b>	9	-	-
I. Provisions for taxation		-	-
<b>C. Creditors</b>		<b>6.081.959</b>	-
1. Debenture loans		6.081.959	-
b) Non convertible loans	10	6.081.959	-
i) becoming due and payable within one year		58.981	-
ii) becoming due and payable after more than one year		6.022.978	-
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>6.081.959</b>	-
<b>PROFIT AND LOSS ACCOUNT</b>			
		<b>01/01/2021-</b>	<b>02/09/2019-</b>
		<b>31/12/2021</b>	<b>31/12/2020</b>
<b>4. Other operating income</b>	13	-	-
<b>5. Raw materials and consumables and other external expenses</b>		<b>(138.090)</b>	-
b) other external expenses	14	(138.090)	-
<b>7. Value adjustments</b>		-	-
b) in respect of current Assets		-	-
<b>8. Other operating expenses</b>		-	-
<b>10. Income from other investments and loans forming part of the fixed assets</b>	15	<b>220.289</b>	-
b) other income not included under a)		220.289	-
<b>11. Other interest receivable and similar income</b>	16	-	-
b) other interest and similar income		-	-
<b>13. Value adjustment in respects of financial assets and of investments held as current assets as current assets</b>	4	-	-
<b>14. Interest payable and similar expenses</b>	17	<b>(82.199)</b>	-
b) other interest and similar expenses		(82.199)	-
<b>15. Tax on profit and loss</b>		-	-
<b>16. Profit or loss after taxation</b>		-	-
<b>17. Other taxes not shown under items 1 to 16</b>	18	-	-
<b>18. Profit or loss for the financial year</b>		-	-

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

For the fiscal year 2021 the numbers were as follows:

	<b>Comp 1</b>	<b>Comp 3</b>	<b>Comp 6</b>	<b>Comp 8</b>	<b>Comp 12</b>	<b>Total</b>
	<b>EUR</b>	<b>EUR</b>				<b>EUR</b>
<b><u>Costs of acquisition</u></b>						
Opening Balance	17.025.529	18.924.609	-	-	-	35.950.138
Additions	-	-	8.281.000	1.550.000	6.000.000	15.831.000
Disposals	-	-	-	(37.785)	-	(37.785)
Foreign Exchange	-	-	-	-	-	-
<b>Closing Balance</b>	<b>17.025.529</b>	<b>18.924.609</b>	<b>8.281.000</b>	<b>1.512.215</b>	<b>6.000.000</b>	<b>51.743.353</b>
<b><u>Value adjustments</u></b>						
Opening Balance	(13.096.469)	(18.924.609)	-	-	-	(32.021.078)
Additions/Disposals	-	-	-	-	-	-
Closing Balance	(13.096.469)	(18.924.609)	-	-	-	(32.021.078)
<b>Discount and premium. net of amortisation</b>	<b>13.653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.653</b>
<b>Net carrying value</b>	<b>3.942.712</b>	<b>-</b>	<b>8.281.000</b>	<b>1.512.215</b>	<b>6.000.000</b>	<b>19.735.927</b>

For the fiscal year 2020 the numbers were as follows:

	<b>Comp 1</b>	<b>Comp 3</b>	<b>Total</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.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

**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. The loan has been partially impaired.

**Compartment 2**

The compartment has not been established yet.

**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. The Loan has been completely impaired.

**Compartment 4**

The compartment was created on September 20, 2019. No transaction has yet occurred as of December 31, 2021.

**Compartment 5**

The compartment has not been established yet.

**Compartment 6**

The compartment was created on April 1, 2021 to grant two loans to Gesco Deuda Hipotecaria, S.L. (registered in the Commercial Registry of Madrid with company number B87454179 and having its registered office at Calle Almagro, 1, Madrid, 28010, Madrid (Spain)). The loans pay an interest of 10% p.a. and have a maturity on March 30, 2031, but can be extended.

**Compartment 7**

The compartment has not been established yet.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

**Compartment 8**

The compartment was created on August 31, 2021 to purchase the components of the Private Debt Opportunity Basket. The purchase limit is EUR 10.000.000.

**Compartment 9**

The compartment has not been established yet.

**Compartment 10**

The compartment has not been established yet.

**Compartment 11**

The compartment has not been established yet.

**Compartment 12**

The compartment was created on September 30, 2021 to grant a loan to CapRate Malmö 2 AB. The loan pays an interest of 4.60% and is secured by a lien. The purchase limit is EUR 6.000.000.

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

The Position is composed of amounts owed by Chartered Investment Germany GmbH EUR 0 (2020: EUR 35.161).

**NOTE 6 – OTHER DEBTORS**

As of December 31, 2021, other debtors amounting to EUR 77.680 (2020: EUR 32.198) are composed of interest receivables from investments held as fixed assets.

As of December 31, 2021, no value adjustments were recognized in respect of interest receivables from investments held as fixed assets (2020: EUR 9.658).

**NOTE 7 – PREPAYMENTS**

Prepayments are composed of tax prepayments of the General Compartment amounting to EUR 1.070 (2020: EUR 1.070).

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(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, 2021, provisions are composed of net wealth tax provisions amounting to EUR 8.924 (2020: EUR 4.280).

**NOTE 10 – NON CONVERTIBLE LOANS**

As of December 31, 2021, 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	(13.330.736)	-	9.398.603
<b>Comp. 3</b>	18.916.169	(18.833.461)	-	82.708
<b>Comp. 6</b>	8.479.420	(153.145)	150.248	8.476.523
<b>Comp. 8</b>	2.708.602	20.733	-	2.729.335
<b>Comp. 12</b>	5.999.785	23.193	58.981	6.081.959
<b>Total</b>	<b>58.833.315</b>	<b>(32.273.416)</b>	<b>209.229</b>	<b>26.769.128</b>

\* Including amortized discount/premium.

As of December 31, 2020, the non convertible loans were 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 amortized discount/premium.

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

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

**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. The Notes have been partially impaired.

**Compartment 2**

Compartment 2 has not been established yet.

**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. The Notes have been impaired in total.

**Compartment 4**

The compartment was created on September 20, 2019. No transaction has yet occurred as of December 31, 2021.

**Compartment 5**

The compartment has not been established yet.

**Compartment 6**

On April 7, 2021, the Compartment issued two notes EUR 8% p.a. Private Debt 2.0 Loan Bond (2031) (Series 2) and EUR 6% p.a. Private Debt 2.0 Loan Bond (2031) (Series 1) that are linked to loans granted to Gesco Deuda Hipotecaria, S.L. The notes pay a fixed coupon of 8% and 6% and mature on April 7, 2031.

**Compartment 7**

The compartment has not been established yet.

**Compartment 8**

On September 7, 2021, the Compartment issued the Private Debt Opportunity Basket Bond. The bond pays no coupon and the redemption amount will be dependent on the value of the Reference Basket. Maturity date is September 7, 2026.

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

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

**Compartment 9**

The compartment has not been established yet.

**Compartment 10**

The compartment has not been established yet.

**Compartment 11**

The compartment has not been established yet.

**Compartment 12**

On October 6, 2021, the Compartment issued the Malmö II Real Estate Bond. The bond pays coupon of 4.60% p.a. and the redemption amount will be also be adjusted for inflation. Maturity date is October 18, 2023, but can be extended by one year.

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

As of December 31, 2021, amounts owed to affiliated undertakings are composed of payables to Chartered Investment Germany GmbH amounting to EUR 108.740 (2020: EUR 661).

**NOTE 12 – OTHER CREDITORS**

As of December 31, 2021, other creditors are composed of audit fee accruals amounting to EUR 21.191 (2020: EUR 12.801), administration fees amounting to EUR 3.647 (2020: EUR 0), custody fees amounting to EUR 3.250 (2020: EUR 0) and asset management fees amounting to EUR 60.969 (2020: EUR 0).

**NOTE 13 – OTHER OPERATING INCOME**

As of December 31, 2021 other operating income amounts to EUR 275.481 (2020: EUR 183.825).

In the General Compartment, other operating income amounting to EUR 275.481 (2020: 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 175.764 (2020: EUR 148.664) and expense reimbursements amounting to EUR 99.717 (2020: 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 175.764 (2020: EUR 148.664) has been eliminated in the combined profit and loss account.

## NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**NOTE 14 – OTHER EXTERNAL EXPENSES**

As of December 31, 2021 other external expenses are composed of:

	<b>Total 2021</b>	<b>Total 2020</b>
Asset Management Fees	543.937	236.584
Issuer Fees	175.764	148.664
Other sundry external charges	143.240	-
Bank Charges	61.091	34.919
Administration Fees	44.352	92.557
Audit Fees	21.192	12.801
Legal Fees	8.484	28.247
Regulatory fees	350	140
Tax advisory fees	-	9.828
	<u><b>998.410</b></u>	<u><b>563.740</b></u>

In the combined profit and loss account the intercompartment charges of EUR 175.764 (2020: EUR 148.664) have been eliminated.

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

As of December 31, 2021, income from other investments and loans forming part of the fixed assets amounting to EUR 772.548 (2020: EUR 491.560) are composed of interest income on loans amounting to EUR 579.824 (2020: EUR 363.891) and interest income on bonds amounting to EUR 192.724 (2020: EUR 127.669).

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

As of December 31, 2021, other interest and similar income amounting to EUR 548.184 (2020: EUR 19.070.713) is composed of equalisation provision on notes issued amounting to EUR 291.121 (2020: EUR 32.026.221), realized foreign exchange gains amounting to EUR 242.591 (2020: EUR 143.562) and amortization on discounts amounting to EUR 14.472 (2020: EUR 7.057).

Due to intercompartment transactions, the amount of EUR 0 (2020 : EUR13.026.221) has been eliminated in the combined profit and loss account.

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

As of December 31, 2021, other interest and similar expenses amounting to EUR 593.160 (2020: EUR 252.666) are mainly composed of interest on notes issued, losses realized on securities, equalisation provision on notes issued, realized foreign exchange losses and negative interest on bank accounts amounting to EUR 593.160 (2020: EUR 252.666).

NOTES TO THE ANNUAL ACCOUNTS

December 31, 2021

(continued)

**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, 2021, 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, 2021, the Company has not purchase any of its own shares.

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

During the financial year ended December 31, 2021, the Company has not entered into in any off-balance sheet commitments.

**NOTE 24 – SUBSEQUENT EVENTS**

In February 2022, several countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24 February 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Directors of the Company regards these events for the Company as non-adjusting events after the reporting period.

Although neither the Company's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Directors of the Company continue to monitor the evolving situation and its impact on the financial position of the Company.

There have been no other significant subsequent events that require disclosure.