

**SILVER ARROW S.A.**

Annual Accounts  
for the year ended  
December 31, 2022

(with the Report of the Réviseur  
d'Entreprises agréé thereon)

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## SUMMARY OF COUNTERPARTIES

Directors	Mr. Claudio Chirco Mr. Luigi Maula Mr. Michele Barbieri
Corporate Service Provider	Intertrust (Luxembourg) S.à.r.l (“Intertrust”)
Seller, Servicer and Subordinated Loan Provider	Mercedes-Benz Bank AG (Compartment 9, 10, 11, 12, 13, 14)  Mercedes-Benz Financial Services UK Limited (Compartment UK 2020-1, UK 2020-2, UK 2021-1, UK 2021-2, UK 2022-1)
Issuer Account Bank, Paying Agent, Interest Determination Agent, Calculation Agent, Custodian	Elavon Financial Services Ltd
Joint Lead Managers	HSBC Bank Plc (compartment 10) UniCredit Bank AG (Compartment 9, 12, 13) Credit Agricole Corporate and Investment Bank (Compartment 12, 13) Landesbank Baden-Württemberg (Compartment 11) Commerzbank AG (Compartment 9, UK 2020-1) BofA Securities Europe S.A. (Compartment 14) ING Bank N.V. (Compartment 10, 14) BNP Paribas London (Compartment 11) Santander Corporate and Investment Banking (Compartment UK 2020-2) Royal Bank of Canada (Compartment UK 2021-1) Merrill Lynch International (Compartment UK 2021-2)
Swap Counterparties	DZ BANK AG Deutsche Zentral Genossenschaftsbank (Compartment 9, 11, 12, 13, 14, 2020-1, 2020-2) Royal Bank of Canada (Compartment 10, UK 2021-1) Skandinaviska Enskilda Banken AB (Compartment UK 2021-2) ING Bank N.V. (Compartment UK 2022-1)
Rating Agencies	DBRS Inc. (compartment 9, 11, 12, UK 2020-1, UK 2020-2, UK 2021-1, UK 2021-2, UK 2022-1) Fitch Deutschland GmbH (Compartment 10, 11, UK 2020-2, UK 2022-1) S&P Global Ratings Europe Limited (Compartment 10, 14) Moody’s Deutschland GmbH (Compartment 9, 12, 13, 2020-1, UK 2021-1, UK 2021-2) Fitch Ratings Ireland Limited (Compartment 14)
Trustee	Wilmington Trust SP Services (Frankfurt) GmbH

**Silver Arrow S.A.**  
Director's report  
For the year ended December 31, 2022

Dear Shareholders,

The Board of Directors is pleased to present the annual accounts of SILVER ARROW S.A. (the "Company") for the financial year ended December 31, 2022.

**1. Activities and development of the business**

The Company is a limited liability company ("Société Anonyme") incorporated on October 21, 2005, which has the status of a securitization company under the law of March 22, 2004 on securitization.

The Company's business purpose is the securitization, within the meaning of the Luxembourg law of March 22, 2004 on securitizations which shall apply to the Company, of receivables (the "Permitted Assets"). The Company shall not actively source Permitted Assets but shall only securitize those Permitted Assets that are proposed to it by one or several originators. The Board of Directors of the Company may, in accordance with the terms of the law of March 22, 2004 create one or more compartments within the Company and to securitize Permitted Assets for such compartments. Each compartment shall be treated as a separate entity.

In the year 2018, the Company created the compartment 9, approved by the Board of Directors on July 23, 2018. In respect of the compartment 9, the Company issued Class A Notes for a nominal amount of EUR 750,000,000 and Class B Notes for a nominal amount of EUR 56,500,000 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. On 11 November 2021 the transaction was terminated, and the notes have been fully redeemed. Following the termination of the transaction, the Board of Directors approved the liquidation of Compartment 9 in December 2022.

In the year 2019, the Company created the compartment 10, approved by the Board of Directors on July 16, 2019. In respect of the compartment 10, the Company issued Class A Notes for a nominal amount of EUR 1,162,500,000, Class B Notes – EUR 52,500,000, Class C Notes – EUR 17,500,000, Class D Notes – EUR 11,200,000 and Class Z Notes – EUR 6,300,000 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. As at December 31, 2022 the outstanding amount of Class A Notes were NIL, class B Notes – EUR 48,731,623, class C Notes – EUR 17,500,000, class D Notes – EUR 11,200,000 and class Z Notes – EUR 1.

In the year 2020, the Company created the compartment 11, approved by the Board of Directors on May 22, 2020. In respect of the compartment 11, the Company issued Class A Notes for a nominal amount of EUR 1,748,200,000 and Class B Notes – EUR 141,700,000 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. As at December 31, 2022 the outstanding amount of Class A Notes were EUR 247,755,823 and class B Notes – EUR 141,700,000.

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**1. Activities and development of the business (continued)**

In the year 2020, the Company created the compartment 12, approved by the Board of Directors on November 24, 2020. In respect of the compartment 12, the Company issued Class A Notes for a nominal amount of EUR 688,000,000 and Class B Notes – EUR 61,900,000 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. As at December 31, 2022 the outstanding amount of Class A Notes were EUR 229,610,203 and class B Notes – EUR 61,900,000.

In the year 2020, the Company created the compartment Silver Arrow UK 2020-1, approved by the Board of Directors on February 14, 2020. In respect of the compartment UK 2020-1, the Company issued Class A Notes for a nominal amount of GBP 497,000,000 (EUR 567,578,370) and Class B Notes – GBP 181,201,000 (EUR 206,933,135) linked to the performance of Lease receivables originated by Mercedes-Benz Financial Services UK Limited. As at April 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-1 during the year 2023.

In the year 2020, the Company created the compartment Silver Arrow UK 2020-2, approved by the Board of Directors on October 28, 2020. In respect of the compartment Silver Arrow UK 2020-2, the Company issued Class A Notes for a nominal amount of GBP 500,000,000 (EUR 562,208,354) and Class B Notes – GBP 176,000,000 (EUR 197,897,341) linked to the performance of Lease receivables originated by Mercedes-Benz Financial Services UK Limited. As at October 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-2 during the year 2023.

In the year 2021, the Company created the compartment 13, approved by the Board of Directors on March 2, 2021. In respect of the compartment 13, the Company issued EUR 692,000,000 Class A Compartment 13 Notes due 2028 and EUR 57,900,000 Class B Compartment 13 Notes due 2028 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. As at December 31, 2022 the outstanding amount of Class A Notes were EUR 314,049,371 and class B Notes – EUR 57,900,000.

In the year 2021 the Company created the compartment Silver Arrow UK 2021-1, approved by the Board of Directors on April 1, 2021. In respect of the compartment Silver Arrow UK 2021-1, the Company issued GBP 750,000,000 Class A Compartment Silver Arrow UK 2021-1 Notes due 2027 and GBP 239,500,000 Class B Compartment Silver Arrow UK 2021-1 Notes due 2027 linked to the performance of Lease receivables originated by Mercedes-Benz Financial Services UK Limited. As at December 31, 2022 the outstanding amount of Class A Notes were GBP 112,075,921 (EUR 126,363,885) and class B Notes – GBP 239,500,000 (EUR 270,032,584).

In the year 2021 the Company created the compartment Silver Arrow UK 2021-2, approved by the Board of Directors on September 7, 2021. In respect of the compartment Silver Arrow UK 2021-2, the Company issued GBP 400,000,000 Class A Compartment Silver Arrow UK 2021-2 Notes due 2027 and GBP 129,800,000 Class B Compartment Silver Arrow UK 2021-2 Notes due 2027 linked to the performance of Lease receivables originated by Mercedes-Benz Financial Services UK Limited. As at December 31, 2022 the outstanding amount of Class A Notes were GBP 160,234,516 (EUR 180,661,964) and class B Notes – GBP 129,800,000 (EUR 146,347,513).

In the year 2022 the Company created the compartment 14, approved by the Board of Directors on January 27, 2022. In respect of the compartment 14, the Company issued EUR 691,800,000 Class A Compartment 14 Notes due 2029 and EUR 58,200,000 Class B Compartment 14 Notes due 2029 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG. As at

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**Director's report**  
**For the year ended December 31, 2022**

**1. Activities and development of the business (continued)**

December 31, 2022 the outstanding amount of Class A Notes were EUR 509,116,414 and class B Notes EUR 58,200,000.

In the year 2022 the Company created the compartment Silver Arrow UK 2022-1, approved by the Board of Directors on March 17, 2022. In respect of the compartment Silver Arrow UK 2022-1, on May 6, 2022 the Company borrowed GBP 1,000,000,000 Class A Compartment Silver Arrow UK 2022-1 Schuldschein Loans and GBP 280,000,000 Class B Compartment Silver Arrow UK 2022-1 Schuldschein Loans linked to the performance of Lease receivables originated by Mercedes-Benz Financial Services UK Limited. As at December 31, 2022 the outstanding amount of Class A Loan were GBP 1,000,000,000 (EUR 1,127,484,694) and class B Loan GBP 388,900,000 (EUR 438,478,798).

The portfolio of assets has been purchased from two counterparties. The Company receives monthly reports from Mercedes-Benz Bank AG which disclose the monthly purchases, redemptions and other important information which serve as basis of accounting and control.

<b>Movements in number of active compartments:</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening (active compartments)	8	6
Number of compartments created	2	3
Number of compartments redeemed/cancelled	2	1
Closing (active compartments)	8	8
Capital compartments	1	1
Empty compartments (to be liquidated)	2	1
Total number of compartments	11	10
<i>Financial highlights</i>	<b>2022</b>	<b>2021</b>
	<b>EUR</b>	<b>EUR</b>
Total Assets	4,246,507,864.00	4,476,882,696.00
Notes Issued	3,909,601,2500.00	4,406,333,647.00
Net Profit or (Loss) for the financial year	-	-

*Acquisition of own shares*

During the year ended December 31, 2022, the Company has not purchased any of its own shares.

*Research and development activities*

The Company was not involved or participating in any kind of research or development activities during the year ended December 31, 2022.

*Branches of the Company*

The Company does not have any branches.

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**2. Principal risks and uncertainties**

The Company was incorporated for the business purpose is the securitization, within the meaning of the Luxembourg law of March 22, 2004 on securitisations which shall apply to the Company, of receivables (the "Permitted Assets"). The Company shall not actively source Permitted Assets but shall only securitise those Permitted Assets that are proposed to it by one or several originators.

The Company has exposure to the following risks from its use of financial instruments and does not have any externally imposed capital requirements, other than the minimum capital requirements of the Commercial Law in Luxembourg.

i - Credit risk

The Company may be exposed to a credit risk with third parties with whom it trades and may also bear the risk of settlement default.

ii - Counterparty risk

Some of the assets and derivatives will expose the Company to the risk of Counterparty default.

iii - Interest rate risk

The Receivables bear interest at fixed rates while the Notes will bear interest at floating rates based on 1-month Euribor, 1-month Libor or Sonia. The Company will hedge afore-described interest rate risk related to the notes and will use payments made by the swap counterparties to make payments on the Notes on each Payment date.

iii - Interest rate risk

The liquidity risk, market risk, currency risk and the price risk are not defined as the Directors of the Company believe that these risks are not applicable for the Company or are not deemed as principal risks to the Company as a whole.

**3. Directors and their interests**

The Directors who held office on December 31, 2022 did not hold any shares in the Company or in any group company at that date, or during the financial year. There were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, at any time during the year.

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#### **4. Corporate Governance Statement**

##### *Introduction*

The Company is subject to and complies with the Commercial Law of Luxembourg, the Securitization Law, the Law of Transparency and the Listing Rules of the Luxembourg Stock Exchange. The Company does not apply additional requirements in addition to those required by the above.

The Company has no employees. Corporate and domiciliation services are provided by Intertrust, a regulated service provider, which is supervised by the CSSF.

Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

##### *Financial Reporting Process*

The Board of Directors (the "Board") is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Corporate Service Provider, Intertrust, to maintain the accounting records of the Company independently of the Arranger and the Custodian.

For services provided by the Corporate Service Provider, the four eyes principle is established. The Corporate Service Provider is contractually obliged to maintain proper books and records as required by the service agreement. To that end the Corporate Service Provider performs reconciliations of its records to those of the Arranger and the Custodian. The Corporate Service Provider is also contractually obliged to prepare for review and approval by the Board the Annual Accounts providing a true and fair view of the financial situation of the Company.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board also examines and evaluates the external auditor's performance, qualifications and independence. The Corporate Service Provider has operating responsibility for internal control in relation to the financial reporting process.

##### *Risk Management and Internal Control*

The Board of Directors has overall responsibility for the Company's system of internal control and risk management, incident to the day-to-day control of the Company's business, the internal control and the preparation of the annual accounts.

The Company has an embedded risk management and reporting process which ensures that risks are identified, assessed and mitigated are an executed level and reported to the Board of Directors.

The results of risk management activities are consolidated and reviewed by the Board of Directors



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**4. Corporate Governance Statement (continued)**

The system of internal control is designed to manage the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company's systems of internal control ensure key risks are managed through:

- The management structure with delegated authority levels, segregation of duties, functional reporting lines and accountability;
- Authorization processes for all capital expenditure, other purchases and expenses are subject to appropriate authorization procedures;
- Formal reporting to the Board of Directors on specific areas of financial and operational risk.

The Board of Directors conducts reviews of the risk management process and system of internal controls. To achieve this, the Board of Directors receives regular updates on key risks and control priorities such as business controls, business continuity planning, tone at the top and anti-fraud procedures. The Board of Directors reviews the results of all internal and external audits performed over systems of internal controls and tracks management's response to any identified control issues.

The effectiveness of the system of internal control and risk management process is reviewed annually by the Board.

*Rules governing the appointment and replacement of Board Members*

The Company is managed by a Board of Directors comprising of at least three members. The Directors are appointed by the General Meeting of Shareholders for a period not exceeding six years and are re-eligible. They may be removed at any time by a resolution of the general meeting of shareholders. A Director will remain in function until his successor has been appointed. In case a Director is elected without mention of the term of his mandate, he is deemed to be elected for six years from the date of his election. In the event of vacancy of a member of the Board of Directors because of death, retirement, or otherwise, the remaining Directors thus appointed may meet and elect, by majority vote, a Director to fill such vacancy until the next general meeting of shareholders which will be asked to ratify such election.

*Amendment of Articles of Associations*

Follows the legal requirements in Luxembourg.

*General powers of the Board of Directors*

The Board of Directors is vested with the broadest powers to perform all acts of administration and disposition in the Company's interests. All powers not expressly reserved by law to the general

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**4. Corporate Governance Statement (continued)**

meeting of shareholders fall within the competence of the Board of Directors. The Board of Directors is authorised to transfer, assign and dispose of the assets of the Company in accordance with the Securitisation Law and in such manner as the Board of Directors deems appropriate as well as, for the avoidance of doubt, in accordance with the terms and conditions of the securities issued by the Company in the context of the securitisation of the relevant assets.

It is not foreseen to buy back any issued shares.

*Voting rights*

Each issued share holds one vote in a meeting of shareholders. No special voting rights exist. The Company is managed by the Board of Directors composed of three members, represented by:

- Luigi Maula, Director since August 14, 2018
- Claudio Chirco, Director since May 5, 2020
- Jurate Misonyte, Director since May 6, 2021 until August 12, 2022
- Michele Barbieri, Director since August 12, 2022

The current Board of Directors were appointed on the General Meeting of Shareholders of the Company after resignation of the prior Board of Directors.

**5. Shares and shareholders**

The fully paid subscribed capital amounts to EUR 31,000 which is divided into 3,100 ordinary shares in registered form with a nominal value of EUR 10 each. Stichting Bertdan and Stichting Cannelle each hold 1,550 shares of the Company.

The shares may be represented, at the owner's option, by certificates representing single shares or certificates representing two or more shares.

**6. Subsequent events**

Subsequent to the year end, on January 11, 2023 the transaction of the Compartment 10 was terminated, and the notes have been fully redeemed.

In January 11, 2023 the Company created the Compartment 15, approved by the Board of Directors. In respect to the Compartment 15, the Company issued EUR 700,000,000 Class A Compartment 15 Notes due 2030 and EUR 56,000,000 Class B Compartment 15 Notes due 2030 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG.

In April 2023, the Board of Directors approved the transaction to issue EUR 700,000,000 Class A Notes and EUR 56,000,000 Class B Notes due 2030, on behalf of its Compartment 15.

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Director's report  
For the year ended December 31, 2022

**6. Subsequent events (continued)**

On June 8, 2023, the board of the Company approved the Clean-Up Call of Compartment UK 2021-1 and the notes amounted on GBP 750,000,000 Class A have been redeemed on 20 June 2023.

In August 10, 2023, the Board of Directors resolved to unwind the Compartment 2020-1.

In August 16, 2023, the Board of Directors approved the creation of Compartment 16 to carry out through the securitization the securitization of certain receivables originated by Mercedes-Benz Bank AG.

In September 12, 2023, the Board of Directors approved the Clean Up Call of Compartment 11 and the notes has been redeemed on 15 September 2023.

**7. Audit Committee**

The Company has not established an Audit Committee.

The sole business of the Company relates to the issuing of asset-backed securities. The Company also enters into certain derivatives to hedge out interest rate and currency risk exposures arising between asset and liability mismatches.

Under the Art.52 5 c) of the Law of 23 July 2016 on Audit Profession as amended, such a Company may avail itself of an exemption from the requirement to establish an audit committee.

Given the limited recourse nature of the securities issued by the Company and the independency of all the Directors, the Board of Directors has concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process. Accordingly, the Board of Directors resolved to apply according to Art. 52 5 c) of the Law of 23 July 2016 on Audit Profession the exemption from the requirements to set up an audit committee, as it acts as issuer of asset-backed securities as defined in point (5) of Article 2 of Commission Regulation (EC) No 809/2004, which is deemed appropriate given the defined business activities of the Company.

**8. Statement of Director's responsibilities**

To the best of our knowledge, and in accordance with the applicable reporting principles, the Annual Accounts give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the Director's report and the Corporate Governance Declaration include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.



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Luigi Maula  
Director



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Claudio Chirco  
Director



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Michele Barbieri  
Director



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To the Shareholders of  
Silver Arrow S.A.  
6, rue Eugène Ruppert  
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Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

### ***Report on the audit of the annual accounts***

#### ***Opinion***

We have audited the annual accounts of Silver Arrow S.A. (the "Company"), which comprise the balance sheet as at 31 December 2022, and the profit and loss account for the year then ended, and 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 2022 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 EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("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 EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "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.

#### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



### ***Completeness, existence and accuracy of Company's Financial Assets (Other loans)***

#### ***a) Why the matter was considered to be one of most significance in our audit of the annual accounts for the year ended 31 December 2022***

As at 31 December 2022, "Other loans" amount to EUR 3,988 million, representing collectively 94% of total assets of the Company.

Financial assets classified as "Other loans" are composed of portfolio of lease receivables which are measured at acquisition cost less any provision for value adjustments and write-offs.

The Company acquired its portfolio of lease receivables from Mercedes-Benz Bank AG (hereafter "MBB") and Mercedes-Benz Financial Services UK Limited (hereafter "MBFS") and the same counterparties also act as servicers of the acquired lease receivables with the purpose of collecting principal and interests.

The collection of principals and interests is reported by the servicer to the Company through a monthly investor report. The servicer also reports additional purchases of lease receivables and defaults, if any, in the monthly investor report.

Due to the significance of "Other loans" balance and the fact that servicing of lease receivables is outsourced by the Company, we consider completeness, existence and accuracy of Company's financial assets as a key audit matter.

We refer to the accounting policies in Note 2 "Significant accounting policies" and Note 4 "Financial Assets" to the annual accounts.

#### ***b) How the matter was addressed in our audit***

As the Company acquired lease receivables from MBB and MBFS, who also act as servicers of lease receivables, we involved KPMG Germany and KPMG UK respectively to assist us in our audit of the Company.

Our procedures over completeness, existence and accuracy of Company's Financial Assets (Other loans) included but were not limited to:

- We obtained understanding of credit underwriting and loan origination process through inquiries made by KPMG Germany and KPMG UK to the management of MBB and MBFS being the seller of the lease receivables and reviewing the related process documents of MBB and MBFS;
- We obtained the results of the work performed by KPMG Germany in respect of tests of design and operating effectiveness of relevant controls over interest calculation, principal and interest collection;
- We performed a reconciliation of monthly purchases, collections and write-offs as reported in the monthly investor report with an amount recorded in the general ledger of the Company and investigated any difference;
- We obtained confirmations from MBB and MBFS for outstanding balances of lease receivables and investigated any difference;

We reviewed the work performed by KPMG Germany and KPMG UK in respect of completeness, existence and accuracy of lease receivables and challenged them where deemed necessary.



### ***Other information***

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our report of the “réviseur d'entreprises agréé” thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

The Board of Directors is responsible for the preparation and fair presentation of the 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***

The objectives of our audit 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 EU Regulation N° 537/2014, 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 EU Regulation N° 537/2014, 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 the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 to communicate with 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.



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

We have been appointed as “réviseur d'entreprises agréé” by the Board of Directors on 15 July 2022 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is ten years.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Luxembourg, 5 October 2023

KPMG Audit S.à r.l.  
Cabinet de révision agréé

A handwritten signature in blue ink, appearing to read 'M. Weber', written in a cursive style.

M. Weber  
Partner



Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494

Email : centralebilans@statec.etat.lu

RCSL Nr. : B111345

Matricule : 2005,2224,064

**BALANCE SHEET**Financial year from <sup>01</sup> 01/01/2022 to <sup>02</sup> 31/12/2022 (in <sup>03</sup> EUR )

Silver Arrow S.A.

6 rue Eugène Ruppert

L-2453 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>			
I. Subscribed capital not called	1101 _____	101 _____ <b>0.00</b>	102 _____ <b>0.00</b>
II. Subscribed capital called but unpaid	1103 _____	103 _____ <b>0.00</b>	104 _____ <b>0.00</b>
	1105 _____	105 _____ <b>0.00</b>	106 _____ <b>0.00</b>
<b>B. Formation expenses</b>	1107 _____	107 _____ <b>0.00</b>	108 _____ <b>0.00</b>
<b>C. Fixed assets</b>			
I. Intangible assets	1109 _____	109 _____ <b>3,987,744,717.00</b>	110 _____ <b>4,401,860,084.00</b>
1. Costs of development	1111 _____	111 _____ <b>0.00</b>	112 _____ <b>0.00</b>
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1113 _____	113 _____ <b>0.00</b>	114 _____ <b>0.00</b>
a) acquired for valuable consideration and need not be shown under C.I.3	1115 _____	115 _____ <b>0.00</b>	116 _____ <b>0.00</b>
b) created by the undertaking itself	1117 _____	117 _____ <b>0.00</b>	118 _____ <b>0.00</b>
3. Goodwill, to the extent that it was acquired for valuable consideration	1119 _____	119 _____ <b>0.00</b>	120 _____ <b>0.00</b>
4. Payments on account and intangible assets under development	1121 _____	121 _____ <b>0.00</b>	122 _____ <b>0.00</b>
II. Tangible assets	1123 _____	123 _____ <b>0.00</b>	124 _____ <b>0.00</b>
1. Land and buildings	1125 _____	125 _____ <b>0.00</b>	126 _____ <b>0.00</b>
2. Plant and machinery	1127 _____	127 _____ <b>0.00</b>	128 _____ <b>0.00</b>
	1129 _____	129 _____ <b>0.00</b>	130 _____ <b>0.00</b>

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B111345

Matricule : 2005,2224,064

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	0.00	0.00
4. Payments on account and tangible assets in the course of construction	1133	0.00	0.00
III. Financial assets	1135	3,987,744,717.00	4,401,860,084.00
1. Shares in affiliated undertakings	1137	0.00	0.00
2. Loans to affiliated undertakings	1139	0.00	0.00
3. Participating interests	1141	0.00	0.00
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	0.00	0.00
5. Investments held as fixed assets	1145	0.00	0.00
6. Other loans	1147	4 3,987,744,717.00	4,401,860,084.00
<b>D. Current assets</b>	1151	258,763,147.00	75,022,612.00
I. Stocks	1153	0.00	0.00
1. Raw materials and consumables	1155	0.00	0.00
2. Work in progress	1157	0.00	0.00
3. Finished goods and goods for resale	1159	0.00	0.00
4. Payments on account	1161	0.00	0.00
II. Debtors	1163	219,819,061.00	26,898,113.00
1. Trade debtors	1165	0.00	0.00
a) becoming due and payable within one year	1167	0.00	0.00
b) becoming due and payable after more than one year	1169	0.00	0.00
2. Amounts owed by affiliated undertakings	1171	14,610,818.00	8,496,523.00
a) becoming due and payable within one year	1173	5.1 14,610,818.00	8,496,523.00
b) becoming due and payable after more than one year	1175	0.00	0.00
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	0.00	0.00
a) becoming due and payable within one year	1179	0.00	0.00
b) becoming due and payable after more than one year	1181	0.00	0.00
4. Other debtors	1183	205,208,243.00	18,401,590.00
a) becoming due and payable within one year	1185	5.2 205,208,243.00	18,401,590.00
b) becoming due and payable after more than one year	1187	0.00	0.00

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: **B111345**Matricule: **2005,2224,064**

	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	198
<b>E. Prepayments</b>	1199	199	200
		201	202
<b>TOTAL (ASSETS)</b>			

**0.00****0.00****0.00****0.00****38,944,086.00****0.00****4,246,507,864.00****4,476,882,696.00**

**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301	301 <b>53,172.00</b>	302 <b>53,172.00</b>
I. Subscribed capital	1303 <b>7</b>	303 <b>31,000.00</b>	304 <b>31,000.00</b>
II. Share premium account	1305 <b>8</b>	305 <b>100,000.00</b>	306 <b>100,000.00</b>
III. Revaluation reserve	1307	307 <b>0.00</b>	308 <b>0.00</b>
IV. Reserves	1309 <b>9</b>	309 <b>3,100.00</b>	310 <b>3,100.00</b>
1. Legal reserve	1311	311 <b>3,100.00</b>	312 <b>3,100.00</b>
2. Reserve for own shares	1313	313 <b>0.00</b>	314 <b>0.00</b>
3. Reserves provided for by the articles of association	1315	315 <b>0.00</b>	316 <b>0.00</b>
4. Other reserves, including the fair value reserve	1429	429 <b>0.00</b>	430 <b>0.00</b>
a) other available reserves	1431	431 <b>0.00</b>	432 <b>0.00</b>
b) other non available reserves	1433	433 <b>0.00</b>	434 <b>0.00</b>
V. Profit or loss brought forward	1319	319 <b>-80,928.00</b>	320 <b>-80,928.00</b>
VI. Profit or loss for the financial year	1321	321 <b>0.00</b>	322 <b>0.00</b>
VII. Interim dividends	1323	323 <b>0.00</b>	324 <b>0.00</b>
VIII. Capital investment subsidies	1325	325 <b>0.00</b>	326 <b>0.00</b>
<b>B. Provisions</b>	1331	331 <b>0.00</b>	332 <b>0.00</b>
1. Provisions for pensions and similar obligations	1333	333 <b>0.00</b>	334 <b>0.00</b>
2. Provisions for taxation	1335	335 <b>0.00</b>	336 <b>0.00</b>
3. Other provisions	1337	337 <b>0.00</b>	338 <b>0.00</b>
<b>C. Creditors</b>	1435	435 <b>4,246,454,692.00</b>	436 <b>4,476,829,524.00</b>
1. Debenture loans	1437 <b>10</b>	437 <b>3,990,886,919.00</b>	438 <b>4,407,239,513.00</b>
a) Convertible loans	1439	439 <b>0.00</b>	440 <b>0.00</b>
i) becoming due and payable within one year	1441	441 <b>0.00</b>	442 <b>0.00</b>
ii) becoming due and payable after more than one year	1443	443 <b>0.00</b>	444 <b>0.00</b>
b) Non convertible loans	1445 <b>10</b>	445 <b>3,990,886,919.00</b>	446 <b>4,407,239,513.00</b>
i) becoming due and payable within one year	1447	447 <b>81,285,669.00</b>	448 <b>905,866.00</b>
ii) becoming due and payable after more than one year	1449	449 <b>3,909,601,250.00</b>	450 <b>4,406,333,647.00</b>
2. Amounts owed to credit institutions	1355	355 <b>0.00</b>	356 <b>0.00</b>
a) becoming due and payable within one year	1357	357 <b>0.00</b>	358 <b>0.00</b>
b) becoming due and payable after more than one year	1359	359 <b>0.00</b>	360 <b>0.00</b>

RCSL Nr.: B111345

Matricule : 2005,2224,064

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361	0.00	0.00
a) becoming due and payable within one year	1363	0.00	0.00
b) becoming due and payable after more than one year	1365	0.00	0.00
4. Trade creditors	1367 <b>11</b>	200,246.00	145,564.00
a) becoming due and payable within one year	1369	200,246.00	145,564.00
b) becoming due and payable after more than one year	1371	0.00	0.00
5. Bills of exchange payable	1373	0.00	0.00
a) becoming due and payable within one year	1375	0.00	0.00
b) becoming due and payable after more than one year	1377	0.00	0.00
6. Amounts owed to affiliated undertakings	1379 <b>12</b>	255,333,627.00	68,648,008.00
a) becoming due and payable within one year	1381	211,700,805.00	20,648,257.00
b) becoming due and payable after more than one year	1383	43,632,822.00	47,999,751.00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	0.00	0.00
a) becoming due and payable within one year	1387	0.00	0.00
b) becoming due and payable after more than one year	1389	0.00	0.00
8. Other creditors	1451 <b>13</b>	33,900.00	796,439.00
a) Tax authorities	1393	11,127.00	0.00
b) Social security authorities	1395	0.00	0.00
c) Other creditors	1397	22,773.00	796,439.00
i) becoming due and payable within one year	1399	22,773.00	796,439.00
ii) becoming due and payable after more than one year	1401	0.00	0.00
<b>D. Deferred income</b>	1403	0.00	0.00
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>	405	<b>4,246,507,864.00</b>	<b>4,476,882,696.00</b>

The notes in the annex form an integral part of the annual accounts

Annual Accounts Helpdesk :

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RCSL Nr. : B111345

Matricule : 2005,2224,064

**PROFIT AND LOSS ACCOUNT**Financial year from <sup>01</sup> 01/01/2022 to <sup>02</sup> 31/12/2022 (in <sup>03</sup> EUR )

Silver Arrow S.A.

6 rue Eugène Ruppert

L-2453 Luxembourg

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____ <b>0.00</b>	702 _____ <b>0.00</b>
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703 _____	703 _____ <b>0.00</b>	704 _____ <b>0.00</b>
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705 _____	705 _____ <b>0.00</b>	706 _____ <b>0.00</b>
<b>4. Other operating income</b>	1713 _____	713 _____ <b>0.00</b>	714 _____ <b>0.00</b>
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____	671 _____ <b>-4,990,640.00</b>	672 _____ <b>-1,354,465.00</b>
a) Raw materials and consumables	1601 _____	601 _____ <b>0.00</b>	602 _____ <b>0.00</b>
b) Other external expenses	1603 <b>15</b> _____	603 _____ <b>-4,990,640.00</b>	604 _____ <b>-1,354,465.00</b>
<b>6. Staff costs</b>	1605 _____	605 _____ <b>0.00</b>	606 _____ <b>0.00</b>
a) Wages and salaries	1607 _____	607 _____ <b>0.00</b>	608 _____ <b>0.00</b>
b) Social security costs	1609 _____	609 _____ <b>0.00</b>	610 _____ <b>0.00</b>
i) relating to pensions	1653 _____	653 _____ <b>0.00</b>	654 _____ <b>0.00</b>
ii) other social security costs	1655 _____	655 _____ <b>0.00</b>	656 _____ <b>0.00</b>
c) Other staff costs	1613 _____	613 _____ <b>0.00</b>	614 _____ <b>0.00</b>
<b>7. Value adjustments</b>	1657 _____	657 _____ <b>0.00</b>	658 _____ <b>0.00</b>
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____ <b>0.00</b>	660 _____ <b>0.00</b>
b) in respect of current assets	1661 _____	661 _____ <b>0.00</b>	662 _____ <b>0.00</b>
<b>8. Other operating expenses</b>	1621 _____	621 _____ <b>-18,518.00</b>	622 _____ <b>-4,823.00</b>

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>			
	1715	0.00	0.00
a) derived from affiliated undertakings	1717	0.00	0.00
b) other income from participating interests	1719	0.00	0.00
<b>10. Income from other investments and loans forming part of the fixed assets</b>			
	1721	219,486,304.00	208,159,100.00
a) derived from affiliated undertakings	1723	0.00	0.00
b) other income not included under a)	1725	219,486,304.00	208,159,100.00
<b>11. Other interest receivable and similar income</b>			
	1727	83,676,209.00	21,506,655.00
a) derived from affiliated undertakings	1729	18,607,037.00	4,709,142.00
b) other interest and similar income	1731	65,069,172.00	16,797,513.00
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>			
	1663	0.00	0.00
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>			
	1665	570,675.00	4,340,321.00
<b>14. Interest payable and similar expenses</b>			
	1627	-298,721,597.00	-232,646,788.00
a) concerning affiliated undertakings	1629	-181,573,428.00	-189,539,259.00
b) other interest and similar expenses	1631	-117,148,169.00	-43,107,529.00
<b>15. Tax on profit or loss</b>			
	1635	0.00	0.00
<b>16. Profit or loss after taxation</b>			
	1667	2,433.00	0.00
<b>17. Other taxes not shown under items 1 to 16</b>			
	1637	-2,433.00	0.00
<b>18. Profit or loss for the financial year</b>			
	1669	0.00	0.00

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**1 General**

Silver Arrow S.A. (the "Company") is a Luxembourg limited liability company ("Société Anonyme") incorporated on October 21, 2005 for an unlimited duration, which has the status of a securitization Company under the law of March 22, 2004 on securitization.

The registered office of the Company is established at 6, rue Eugène Ruppert, L-2453 Luxembourg.

The Company is registered with the trade and companies register of Luxembourg under number B 111 345.

The Company's financial year begins on January 1 and ends on December 31 of each year.

In accordance with the legal provisions in Title II of the amended Law of December 19, 2002, these annual accounts were presented on a non-consolidated basis for the approval of the shareholders during the Annual General Meeting.

The Company does not have any branches.

The Company's business purpose is the securitization, within the meaning of the Luxembourg law of March 22, 2004 on securitizations which shall apply to the Company, of receivables (the 'Permitted Assets'). The Company shall not actively source Permitted Assets but shall only securitize those Permitted Assets that are proposed to it by one or several originators.

The Board of Directors of the Company may, in accordance with the terms of the law of March 22, 2004 on securitization, and in particular its article 5, enter into one or more compartments within the Company. Each compartment of the Company shall be treated as a separate entity.

As at December 31, 2022, the Company has eight active compartments (2021: eight).

Compartment 9 ("Comp.9") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. 9 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated). As at November 15, 2021, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the Board of Directors approved the liquidation of Compartment 9 in December 2022.



**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**1 General (continued)**

Compartment 10 ("Comp.10") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp.10 Class A B, C and D Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class Z Notes are not listed at any stock exchange (regulated or unregulated).

Compartment 11 ("Comp.11") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. 11 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment 12 ("Comp.12") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. 12 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment 13 ("Comp.13") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. 13 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment 14 ("Comp.14") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. 14 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment UK 2020-1 ("Comp UK 2020-1") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. UK

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**1 General (continued)**

2020-1 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated). As at April 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-1 during the year 2023.

Compartment UK 2020-2 ("Comp UK 2020-2") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. UK 2020-2 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated). As at October 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-2 during the year 2023.

Compartment UK 2021-1 ("Comp UK 2021-1") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. UK 2021-1 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment UK 2021-2 ("Comp UK 2021-2") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. UK 2021-2 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

Compartment UK 2022-1 ("Comp UK 2022-1") has obtained financing from affiliated and non-affiliated undertakings, in the form of listed and non-listed notes and non-subordinated loans, to fund the purchase of auto loan receivables and maintenance of various cash reserves as required by the seller of lease receivables. The priority of payments describes the seniority of the Class A Noteholders, as the Comp. UK 2022-1 Class A Notes are listed on the official list and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Class B Notes are not listed at any stock exchange (regulated or unregulated).

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**1 General (continued)**

Based on Art. 52 (1) of the Law of July 23, 2016 concerning the audit profession, the Company is classified as public-interest entity and required to establish an audit committee. However, the Company's sole business is to act as issuer of asset-backed securities as defined in Art. 52 (5). Therefore, it is exempted from the audit committee obligation. The Company has concluded that the establishment of a dedicated audit committee is neither necessary nor appropriate for the nature and extend of the Company's business.

The Company is an "issuer" in accordance with the definition of article 1 Nr. 3 of the "Law on transparency requirements in relation to information about issuers whose securities are admitted to trading on regulated market" and has listed debt instruments on the Luxembourg Stock Exchange.

**2 Significant Accounting Policies**

**2.1 Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements on a going concern basis and under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the amended Law of December 19, 2002, determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and its results fairly.

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 aggression initiated by Russia against the Ukraine on 24 February 2022.

Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant volatility of the ruble against the US dollar and the euro. It is expected that these events may affect the activities of Russian enterprises in various sectors of the economy.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

## **2 Significant Accounting Policies (continued)**

### **2.1 Basis of preparation (continued)**

The Directors has considered the impact of the above on the going concern assumption of the Company and has concluded that it does not represent a material uncertainty in relation to the Company's ability to continue as going concern through the date of the issuance of these annual accounts.

The provisions of the law of December 18, 2015 on the annual accounts and consolidated accounts and the grand-ducal regulation of December 18, 2015 on the layout of balance sheet and profit and loss accounts, amending the law of December 19, 2002 have been transposed in the annual accounts.

### **2.2 Financial assets**

Financial assets classified as other loans are composed of portfolio of lease receivables acquired from Mercedes-Benz Bank AG (MBB) as originator and seller of these lease receivables of compartment 9, 10, 11, 12, 13 and 14 from Mercedes-Benz Financial Services UK Limited (MBFS UK) as originator and seller of compartment UK 2020-01, UK 2020-02, UK 2021-01, UK 2021-02 and UK 2022-01.

Other loans are stated at acquisition cost less any provision for value adjustments and write-offs, where, in the opinion of the Directors the recovery of the underlying receivable is considered doubtful.

Acute risks relating to receivables are covered by individual value adjustments. Individual value adjustments are recorded when the expected future cash flows are lower than the value of receivables. Collective value adjustments for latent risks are recognized through homogeneous pools on the basis of historical and solvency related risk parameters. This kind of value adjustment (collective value adjustment) takes into account the fact that there are loss events in the portfolio before they are detected. The collective value adjustment is calculated for all receivables for which no individual value adjustment has been recognized.

The collective value adjustment is calculated on the relevant contract by applying the probability of default upon the period between the occurrence and the recognition of the event of default. The criteria used to recognize a value adjustment is the day past due. The expected loss is determined and assigned as collective value adjustments to the individual contracts.

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

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

## **2 Significant Accounting Policies (continued)**

### **2.3 Foreign currency translation**

Fixed assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these items remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the financial year.

Other assets and liabilities are valued individually at the lower and the higher respectively, of their value at the historical exchange rate or their value determined at the exchange rates prevailing at the balance sheet date. Realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation. Only unrealised exchange losses are recorded in the profit and loss account. Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account and the net unrealised exchange gains are not recognised.

### **2.4 Final success fee payable**

The final success fee is calculated in accordance with the offering circular as an amount equal to the available funds less amounts necessary to service the Notes and certain expenses. The fees are paid to MBB for compartment 9, 10, 11, 12, 13 and 14 to MBFS UK for compartment UK 2020-1, UK 2020-2, UK 2021-1, UK 2021-2 and UK 2022-1 on a monthly basis and are accounted for as an expense.

### **2.5 General Reserve**

The general cash reserve account (General Reserve) forms part of the available distribution amount and provides protection against shortfalls in the amounts required to pay in respect of interest, principal and other payment obligations in accordance with the priority of payments.

The amounts standing to the credit of the General Reserve account over time will serve as liquidity for the Class A Compartment 9, 10, 11, 12, 13, 14, UK 2020-1, UK 2020-2, UK 2021-1, UK 2021-2 and UK 2022-1 notes and classes A, B, C and D for Compartment 10 throughout the life of the transaction and will eventually serve as credit enhancement to the Compartment 9, 10, 11, 12, 13, 14, UK 2020-1, UK 2020-2, UK 2021-1, UK 2021-2 and UK 2022-1 Notes.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**2 Significant Accounting Policies (continued)**

**2.6 Cash excess to servicer**

Gains during the year as a result from sales, interest and other financial income under specific conditions, may cause an excess spread.

Such amount is due to the seller of lease receivables in order of the priority of payments and shown under the Cash excess to servicer.

**2.7 Off-balance sheet transactions**

Interest rate swaps entered into as hedging instruments against interest rate fluctuations are reported off balance sheet at nominal value. Interest income and expense arising from these agreements are recorded on an accrual basis.

The fair value of swaps at year end, determining the price that would be received to sell the related asset or paid to transfer the related liability, is obtained from MBB and regular reconciliation of fair values with the swap counterparty is performed by MBB for Compartment 9, 10, 11, 12, 13, 14 and by MBFS UK for compartments UK-2020-1, UK-2020-2, UK-2021-1, UK-2021-2 and UK-2022-1. The fair value of swaps are reviewed and approved by the Board of Directors.

The fair values of swaps are disclosed in "Off-balance sheet" Note 21 to the Annual Accounts.

**2.8 Equalisation provision**

Due to the limited recourse nature of the securities issued, losses during the year as a result from default, lower market values or cost may reduce the non convertible loans repayable amount. 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 and booked in the profit and loss account as "Equalisation provision" under the "Interest receivable and similar income derived from affiliated undertakings" item.

Similarly, gains during the year may increase the non convertible loans repayable amount. An "Equalisation provision" is then booked in the profit and loss account under the "Interest payable and similar expenses concerning affiliated undertakings" item. Such amount of equalisation provision is booked as a gain or a loss at compartment level and reported as "Equalisation provision" under the balance sheet "Amounts owed to/by affiliated undertakings" item.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment**

As the Company has multiple Compartments, the Balance sheet and Profit and Loss Account are broken down per Compartment and presented in a form of Balance sheet and Profit and Loss Account representing each single Compartment active as at December 31, 2022 as well as those which were liquidated during the financial year ending December 31, 2022.

<b>BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2022</b>												
<b>ASSETS</b>	Capital	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	Combined
<b>C. Fixed assets</b>	-	88,125,190	386,722,930	289,582,667	369,583,337	564,361,156	-	-	396,396,469	327,009,478	1,565,963,490	3,987,744,717
<b>III. Financial assets</b>	-	88,125,190	386,722,930	289,582,667	369,583,337	564,361,156	-	-	396,396,469	327,009,478	1,565,963,490	3,987,744,717
6. Other loans	-	88,125,190	386,722,930	289,582,667	369,583,337	564,361,156	-	-	396,396,469	327,009,478	1,565,963,490	3,987,744,717
<b>D. Current assets</b>	231,301	1,830,931	13,223,751	6,434,971	7,001,215	7,710,054	110,543	198,997,515	9,987,277	3,212,968	10,022,621	258,763,147
<b>II. Debtors</b>	203,097	330,874	3,773,751	2,684,971	3,251,184	4,251,054	-	198,910,248	1,075,182	956,378	4,382,322	219,819,061
<b>2. Amounts owed by affiliated undertakings</b>	196,664	170,494	3,218,106	2,332,022	2,775,270	3,126,712	-	949,178	331,265	322,496	1,188,611	14,610,818
a) becoming due and payable within one year	196,664	170,494	3,218,106	2,332,022	2,775,270	3,126,712	-	949,178	331,265	322,496	1,188,611	14,610,818
<b>4. Other debtors</b>	6,433	160,380	555,645	352,949	475,914	1,124,342	-	197,961,070	743,917	633,882	3,193,711	205,208,243
a) becoming due and payable within one year	6,433	160,380	555,645	352,949	475,914	1,124,342	-	197,961,070	743,917	633,882	3,193,711	205,208,243
<b>IV. Cash at bank and at hand</b>	28,204	1,500,057	9,450,000	3,750,000	3,750,031	3,459,000	110,543	87,267	8,912,095	2,256,590	5,640,299	38,944,086
<b>Intercompartment balances</b>	(62,104)	57,091	2,506	-	-	-	2,507	-	-	-	-	-
<b>TOTAL ASSETS</b>	169,197	90,013,212	399,949,187	296,017,638	376,584,552	572,071,210	113,050	198,997,515	406,383,746	330,222,446	1,575,986,111	4,246,507,864

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment (continued)**

BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2022												
CAPITAL, RESERVES AND LIABILITIES	Capital	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	Combined
<b>A. Capital and reserves</b>	<b>53,172</b>	-	-	-	-	-	-	-	-	-	-	<b>53,172</b>
I. Subscribed capital	31,000	-	-	-	-	-	-	-	-	-	-	31,000
II. Share premium	100,000	-	-	-	-	-	-	-	-	-	-	100,000
IV 1. Legal reserve	3,100	-	-	-	-	-	-	-	-	-	-	3,100
V. Result brought forward	(80,928)	-	-	-	-	-	-	-	-	-	-	(80,928)
<b>C. Creditors</b>	<b>116,025</b>	<b>90,013,212</b>	<b>399,949,187</b>	<b>296,017,638</b>	<b>376,584,552</b>	<b>572,071,210</b>	<b>113,050</b>	<b>198,997,515</b>	<b>406,383,746</b>	<b>330,222,446</b>	<b>1,575,986,111</b>	<b>4,246,454,692</b>
<b>1. Debenture loans</b>	<b>-</b>	<b>77,554,836</b>	<b>389,801,914</b>	<b>291,798,135</b>	<b>372,330,552</b>	<b>567,998,807</b>	<b>-</b>	<b>-</b>	<b>396,524,350</b>	<b>327,292,971</b>	<b>1,567,585,354</b>	<b>3,990,886,919</b>
b) Non-convertible loans	-	77,554,836	389,801,914	291,798,135	372,330,552	567,998,807	-	-	396,524,350	327,292,971	1,567,585,354	3,990,886,919
i) becoming due and payable within one year	-	77,554,836	346,091	287,932	381,181	682,393	-	-	127,881	283,493	1,621,862	81,285,669
ii) becoming due and payable after more than one year	-	-	389,455,823	291,510,203	371,949,371	567,316,414	-	-	396,396,469	327,009,478	1,565,963,492	3,909,601,250
<b>4. Trade creditors</b>	<b>116,025</b>	<b>10,648</b>	<b>8,482</b>	<b>1,862</b>	<b>509</b>	<b>18,483</b>	<b>1,517</b>	<b>28,739</b>	<b>-</b>	<b>3,163</b>	<b>10,818</b>	<b>200,246</b>
a) becoming due and payable within one year	116,025	10,648	8,482	1,862	509	18,483	1,517	28,739	-	3,163	10,818	200,246
<b>6. Amounts owed to affiliated undertakings</b>	<b>-</b>	<b>12,443,378</b>	<b>10,132,014</b>	<b>4,217,641</b>	<b>4,253,491</b>	<b>4,053,920</b>	<b>111,533</b>	<b>198,968,776</b>	<b>9,836,623</b>	<b>2,926,312</b>	<b>8,389,939</b>	<b>255,333,627</b>
a) becoming due and payable within one year	-	6,068,378	682,014	467,641	503,491	594,920	111,533	198,968,776	929,494	671,343	2,703,215	211,700,805
b) becoming due and payable after more than one year	-	6,375,000	9,450,000	3,750,000	3,750,000	3,459,000	-	-	8,907,129	2,254,969	5,686,724	43,632,822
<b>8. Other creditors</b>	<b>-</b>	<b>4,350</b>	<b>6,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,773</b>	<b>-</b>	<b>-</b>	<b>33,900</b>
a) Tax authorities	-	4,350	6,777	-	-	-	-	-	-	-	-	11,127
c) Other creditors	-	-	-	-	-	-	-	-	22,773	-	-	22,773
i) becoming due and payable within one year	-	-	-	-	-	-	-	-	22,773	-	-	22,773
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>	<b>169,197</b>	<b>90,013,212</b>	<b>399,949,187</b>	<b>296,017,638</b>	<b>376,584,552</b>	<b>572,071,210</b>	<b>113,050</b>	<b>198,997,515</b>	<b>406,383,746</b>	<b>330,222,446</b>	<b>1,575,986,111</b>	<b>4,246,507,864</b>



**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment (continued)**

	PROFIT AND LOSS ACCOUNT PER COMPARTMENT FOR THE YEAR 2022												
	Capital	Comp. 9	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	UK 2020-1	UK 2020-2	UK 2021-1	UK 2021-2	UK 2022-1	Combined
5b. Other external expenses	(100)	(188,640)	(187,095)	(167,465)	(122,417)	(125,718)	(84,243)	(20,382)	(65,656)	(48,889)	(3,917,908)	(62,127)	(4,990,640)
8. Other operating expenses	-	-	(6,777)	(9,259)	-	(2,482)	-	-	-	-	-	-	(18,518)
10b. Other income from investments and loans forming part of the fixed assets	-	-	5,470,683	18,445,959	10,395,900	13,363,429	15,835,402	4,316,874	16,256,949	38,327,233	26,948,851	70,125,024	219,486,304
11a. Interest receivable and similar income derived from affiliated undertakings	100	188,640	5,647,537	-	127,253	689,053	3,126,711	677,346	2,235,216	2,829,992	1,896,578	1,188,611	18,607,037
11b. Other interest receivable and similar income	-	-	963,569	2,488,467	2,092,510	2,444,057	445,651	21,309,907	11,347,705	7,233,301	4,089,573	12,654,432	65,069,172
13. Value adjustments in respect of financial assets and of investments held as fixed assets	-	-	2,151,767	2,065,671	417,819	(217,342)	(3,761,244)	858,874	(70,690)	(148,690)	(370,105)	(355,385)	570,675
14a. Interest payable and similar expenses concerning affiliated undertakings	-	-	(12,421,852)	(17,637,066)	(9,529,591)	(12,045,063)	(9,977,856)	(4,449,561)	(15,258,778)	(34,965,409)	(19,193,733)	(46,094,519)	(181,573,428)
14b. Other interest payable and similar expenses	-	-	(1,617,832)	(5,184,557)	(3,381,474)	(4,105,251)	(5,584,421)	(22,693,058)	(14,444,746)	(13,227,538)	(9,453,256)	(37,456,036)	(117,148,169)
15. Tax on Profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>16. Profit or loss after taxation</b>	-	-	-	<b>1,750</b>	-	<b>683</b>	-	-	-	-	-	-	<b>2,433</b>
17. Other taxes	-	-	-	(1,750)	-	(683)	-	-	-	-	-	-	(2,433)
<b>18. Profit or loss for the financial year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment (continued)**

BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2021											
ASSETS	Capital	Comp. 9	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Combined
<b>C. Fixed assets</b>	-	-	308,929,251	866,101,425	494,998,837	591,962,991	279,169,101	426,752,325	849,967,672	583,978,481	4,401,860,084
<b>III. Financial assets</b>	-	-	308,929,251	866,101,425	494,998,837	591,962,991	279,169,101	426,752,325	849,967,672	583,978,481	4,401,860,084
6. Other loans	-	-	308,929,251	866,101,425	494,998,837	591,962,991	279,169,101	426,752,325	849,967,672	583,978,481	4,401,860,084
<b>D. Current assets</b>	329,924	90,016	7,244,710	15,864,413	7,263,533	7,449,299	8,035,252	8,941,228	14,322,641	5,481,596	75,022,612
<b>II. Debtors</b>	301,620	-	869,710	6,414,413	3,513,533	3,699,299	1,575,822	2,503,119	4,919,279	3,101,318	26,898,113
<b>2. Amounts owed by affiliated undertakings</b>	295,187	-	-	3,910,350	2,204,769	2,086,217	-	-	-	-	8,496,523
a) becoming due and payable within one year	295,187	-	-	3,910,350	2,204,769	2,086,217	-	-	-	-	8,496,523
<b>4. Other debtors</b>	6,433	-	869,710	2,504,063	1,308,764	1,613,082	1,575,822	2,503,119	4,919,279	3,101,318	18,401,590
a) becoming due and payable within one year	6,433	-	869,710	2,504,063	1,308,764	1,613,082	1,575,822	2,503,119	4,919,279	3,101,318	18,401,590
<b>IV. Cash at bank and at hand</b>	28,304	90,016	6,375,000	9,450,000	3,750,000	3,750,000	6,459,430	6,438,109	9,403,362	2,380,278	48,124,499
<b>Intercompartment balances</b>	(160,727)	98,623	57,091	2,506	-	-	2,507	-	-	-	-
<b>TOTAL ASSETS</b>	169,197	188,639	316,231,052	881,968,344	502,262,370	599,412,290	287,206,860	435,693,553	864,290,313	589,460,077	4,476,882,696

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment (continued)**

BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2021											
CAPITAL, RESERVES AND LIABILITIES	Capital	Comp. 9	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Combined
<b>A. Capital and reserves</b>	<b>53,172</b>	-	-	-	-	-	-	-	-	-	<b>53,172</b>
I. Subscribed capital	31,000	-	-	-	-	-	-	-	-	-	31,000
II. Share premium	100,000	-	-	-	-	-	-	-	-	-	100,000
IV 1. Legal reserve	3,100	-	-	-	-	-	-	-	-	-	3,100
V. Result brought forward	(80,928)	-	-	-	-	-	-	-	-	-	(80,928)
<b>C. Creditors</b>	<b>116,025</b>	<b>188,639</b>	<b>316,231,052</b>	<b>881,968,344</b>	<b>502,262,370</b>	<b>599,412,290</b>	<b>287,206,860</b>	<b>435,693,553</b>	<b>864,290,313</b>	<b>589,460,077</b>	<b>4,476,829,524</b>
<b>1. Debenture loans</b>	-	-	<b>303,662,287</b>	<b>870,853,576</b>	<b>497,547,850</b>	<b>594,631,266</b>	<b>279,320,409</b>	<b>426,895,998</b>	<b>850,213,202</b>	<b>584,114,925</b>	<b>4,407,239,513</b>
b) Non-convertible loans	-	-	303,662,287	870,853,576	497,547,850	594,631,266	279,320,409	426,895,998	850,213,202	584,114,925	4,407,239,513
i) becoming due and payable within one year	-	-	19,524	103,750	51,241	54,471	151,308	143,675	245,530	136,367	905,866
ii) becoming due and payable after more than one year	-	-	303,642,763	870,749,826	497,496,609	594,576,795	279,169,101	426,752,323	849,967,672	583,978,558	4,406,333,647
<b>4. Trade creditors</b>	<b>116,025</b>	-	-	-	-	-	-	<b>26,466</b>	-	<b>3,073</b>	<b>145,564</b>
a) becoming due and payable within one year	116,025	-	-	-	-	-	-	26,466	-	3,073	145,564
<b>6. Amounts owed to affiliated undertakings</b>	-	<b>188,639</b>	<b>12,483,737</b>	<b>10,910,614</b>	<b>4,592,540</b>	<b>4,630,740</b>	<b>7,882,250</b>	<b>8,770,489</b>	<b>13,966,042</b>	<b>5,222,956</b>	<b>68,648,008</b>
a) becoming due and payable within one year	-	188,639	6,108,737	1,460,614	842,540	880,740	1,425,236	2,334,539	4,564,414	2,842,797	20,648,257
b) becoming due and payable after more than one year	-	-	6,375,000	9,450,000	3,750,000	3,750,000	6,457,014	6,435,950	9,401,628	2,380,159	47,999,751
<b>8. Other creditors</b>	-	-	<b>85,028</b>	<b>204,154</b>	<b>121,980</b>	<b>150,284</b>	<b>4,201</b>	<b>600</b>	<b>111,069</b>	<b>119,123</b>	<b>796,439</b>
i) becoming due and payable within one year	-	-	85,028	204,154	121,980	150,284	4,201	600	111,069	119,123	796,439
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>	<b>169,197</b>	<b>188,639</b>	<b>316,231,052</b>	<b>881,968,344</b>	<b>502,262,370</b>	<b>599,412,290</b>	<b>287,206,860</b>	<b>435,693,553</b>	<b>864,290,313</b>	<b>589,460,077</b>	<b>4,476,882,696</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**3 Balance sheet and Profit and Loss Account per Compartment (continued)**

	PROFIT AND LOSS ACCOUNT PER COMPARTMENT FOR THE YEAR 2021												
	Capital	Comp. 8	Comp. 9	Comp. 10	Comp. 11	Comp. 12	Comp. 13	UK 2018-1	UK 2020-1	UK 2020-2	UK 2021-1	UK 2021-2	Combined
5b. Other external expenses	(15,625)	(85,224)	(145,422)	(222,632)	(164,533)	(119,430)	(93,791)	(99,920)	(103,707)	(157,177)	(69,260)	(77,744)	(1,354,465)
8. Other operating expenses	-	(1,608)	(1,608)	(1,607)	-	-	-	-	-	-	-	-	(4,823)
10b. Other income from investments and loans forming part of the fixed assets	-	-	3,418,187	14,050,759	36,318,645	17,225,865	15,041,925	-	27,508,826	40,217,234	44,838,171	9,539,488	208,159,100
11a. Interest receivable and similar income derived from affiliated undertakings	15,625	86,832	11,594	-	-	31,394	2,086,217	107,157	737,584	1,632,739	-	-	4,709,142
11b. Other interest receivable and similar income	-	-	237,315	2,650,806	5,796,179	3,208,426	2,220,540	-	107,701	205,344	2,313,932	57,270	16,797,513
13. Value adjustments in respect of financial assets and of investments held as fixed assets	-	-	2,623,933	2,941,691	921,429	(549,695)	(3,256,380)	-	2,431,281	(269,562)	(464,030)	(38,346)	4,340,321
14a. Interest payable and similar expenses concerning affiliated undertakings	-	-	(5,179,200)	(16,014,127)	(33,447,219)	(15,263,049)	(12,640,479)	-	(23,463,304)	(36,386,333)	(39,034,283)	(8,111,265)	(189,539,259)
14b. Other interest payable and similar expenses	-	-	(964,799)	(3,404,890)	(9,424,501)	(4,533,511)	(3,358,032)	(7,237)	(7,218,381)	(5,242,245)	(7,584,530)	(1,369,403)	(43,107,529)
15. Tax on Profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>16. Profit or loss after taxation</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>18. Profit or loss for the financial year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**4 Financial assets**

Financial assets classified as Other Loans are composed of portfolio of lease receivables acquired from Mercedes-Benz Bank AG as originator and seller of these lease receivables of compartments 9, 10, 11, 12, 13, 14 and portfolio of lease receivables acquired from Mercedes-Benz Financial Services UK Limited as originator and seller of these lease receivables of compartments UK 2020-1, UK 2020-2, UK 2021-1, 2021-2 and UK 2022-1. The Company used the net proceeds from the sale of the Notes to purchase a portfolio of auto loan receivables of Mercedes-Benz Bank AG and Mercedes-Benz Financial Services UK Limited. In return Mercedes-Benz Bank AG and Mercedes-Benz Financial Services UK Limited pay interest and principal collections on performing loan receivables.

The evolution of the Other loans for the year ended December 31, 2022 is as follows:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Opening balance	308,929,251	866,101,425	494,998,837	591,962,991	-	279,169,101	426,752,325	849,967,672	583,978,481	-	4,401,860,083	4,370,010,158
Purchases during the year	-	-	-	-	749,999,284	-	-	-	-	2,054,320,083	2,804,319,367	2,523,179,556
Re-purchases during the year	-	-	-	-	-	-	(197,961,070)	-	-	-	(197,961,070)	-
Actual cash collected	(219,696,351)	(477,388,916)	(203,848,611)	(220,647,600)	(181,401,200)	(278,828,706)	(228,357,267)	(452,497,480)	(256,343,770)	(487,826,793)	(3,006,836,695)	(2,479,962,908)
Receivables written off (note 18)	(1,639,788)	(3,905,087)	(2,137,795)	(1,979,823)	(1,281,670)	(340,395)	(433,988)	(1,073,722)	(625,233)	(529,800)	(13,947,301)	(15,884,187)
Value adjustment (note 18)	532,078	1,915,508	570,236	247,770	(2,955,258)	-	-	-	-	-	310,333	4,517,465
<b>Ending balance</b>	<b>88,125,190</b>	<b>386,722,930</b>	<b>289,582,667</b>	<b>369,583,337</b>	<b>564,361,156</b>	-	-	<b>396,396,469</b>	<b>327,009,478</b>	<b>1,565,963,490</b>	<b>3,987,744,717</b>	<b>4,401,860,084</b>

During the year 2022, EUR 13,947,301 (2021: EUR 15,884,187) of defaulted receivables were written-off and EUR 14,207,643 (2021: EUR 15,707,043) was subsequently recovered on previously written-off receivables (refer to note 18).

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**5 Debtors**

**5.1 Amounts owed by affiliated undertakings**

As at December 31, 2022, the balance is composed of:

In EUR	Capital Comp.	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Cash excess to servicer**	196,664	170,494	3,218,106	2,332,022	2,775,270	3,126,712	949,178	331,265	322,496	1,188,611	14,610,818	8,496,523
<b>Amounts owed by affiliated undertakings within one year</b>	<b>196,664</b>	<b>170,494</b>	<b>3,218,106</b>	<b>2,332,022</b>	<b>2,775,270</b>	<b>3,126,712</b>	<b>949,178</b>	<b>331,265</b>	<b>322,496</b>	<b>1,188,611</b>	<b>14,610,818</b>	<b>8,496,523</b>

\*\* The movement in cash excess to servicer for the year is presented as follows:

In EUR	Capital Comp.	Comp. 9	Comp. 10	Comp. 11	Comp.12	Comp.13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Cash excess payable - opening balance	-	(188,640)	(5,477,042)	-	-	-	-	(784,633)	(1,286,038)	(2,498,727)	(1,574,083)	-	(11,809,163)	(7,737,544)
Cash excess receivable - opening balance	295,187	-	-	3,910,350	2,204,769	2,086,217	-	-	-	-	-	-	8,496,523	9,918,525
Excess spread expense - Note 19	(98,523)	-	-	(692,244)	-	-	-	-	-	-	-	-	(790,767)	(9,952,633)
Excess spread income - Note 17	-	188,640	5,647,536	-	127,253	689,053	3,126,712	688,588	2,235,216	2,829,992	1,896,579	1,188,611	18,618,180	4,709,142
Repayment to servicer	1	-	-	-	-	-	-	-	-	-	-	-	1	(250,129)
Cash excess to servicer - payable - closing balance	-	-	-	-	-	-	-	(96,045)	-	-	-	-	(96,045)	(11,809,163)
Cash excess to services receivable - closing balance	196,664	-	170,494	3,218,106	2,332,022	2,775,270	3,126,712	-	949,178	331,265	322,496	1,188,611	14,610,818	8,496,523

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**5 Debtors (continued)**

**5.2 Other debtors**

As at December 31, 2022, the balance is composed of:

In EUR	Capital Comp.	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Accrued interest on interest rate swaps	-	-	-	-	-	381,498	-	146,608	-	-	528,106	649,215
Accrued interest on portfolio of auto Loan*	-	160,380	546,720	352,949	474,847	742,844	-	597,309	633,882	3,193,711	6,702,642	17,745,942
Tax and VAT receivables	6,433	-	-	-	-	-	-	-	-	-	6,433	6,433
Other debtors	-	-	8,925	-	1,067	-	197,961,070	-	-	-	197,971,062	-
<b>Other debtors becoming due and payable within one year</b>	<b>6,433</b>	<b>160,380</b>	<b>555,645</b>	<b>352,949</b>	<b>475,914</b>	<b>1,124,342</b>	<b>197,961,070</b>	<b>743,917</b>	<b>633,882</b>	<b>3,193,711</b>	<b>205,208,243</b>	<b>18,401,590</b>

\* The interest receivable for last collection period of the year 2022 was collected by the servicing agent and has been paid to the Company on the next interest payment date on January 16, 2023 for compartment 10, 11, 12, 13, 14 and on January 20, 2023 for compartment UK 2020-01, UK 2020-02, UK 2021-01, UK 2021-02 and UK 2022-01.

**6 Cash at bank and in hand**

As at December 31, 2022 the cash at bank is made up as follows:

In EUR	Capital Comp.	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Cash at bank	28,204	1,500,057	-	-	31	-	110,543	87,267	3,502	1,250	1,949	1,732,803	34,732
General reserve	-	-	9,450,000	3,750,000	3,750,000	3,459,000	-	-	8,908,593	2,255,340	5,638,350	37,211,283	48,089,767
<b>Total</b>	<b>28,204</b>	<b>1,500,057</b>	<b>9,450,000</b>	<b>3,750,000</b>	<b>3,750,031</b>	<b>3,459,000</b>	<b>110,543</b>	<b>87,267</b>	<b>8,912,095</b>	<b>2,256,590</b>	<b>5,640,299</b>	<b>38,944,086</b>	<b>48,124,499</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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## 7 Subscribed capital

The subscribed capital of EUR 31,000 is issued and fully paid, and is represented by 3,100 shares of EUR 10 each.

As at December 31, 2022, the Company does not hold any of its own shares.

## 8 Share premium

During the course of May 2012, the Company has received on its share capital account a total amount of EUR 100,000 from the Shareholders and the payment has been recognized as a share premium. As at December 31, 2022 the amount of share premium stayed EUR 100,000.

## 9 Legal reserve

Under Luxembourg law, the Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

## 10 Debenture loans – Non-convertible loans

The non-convertible loans as at December 31, 2022 comprise the following:

In EUR	Reference	2022	2021
Compartment 10	10.2	-	303,642,763
Compartment 11	10.3	389,455,823	870,749,826
Compartment 12	10.4	291,510,203	497,496,609
Compartment 13	10.5	371,949,371	594,576,795
Compartment 14	10.6	567,316,414	-
Compartment UK 2020-1	10.7	-	279,169,101
Compartment UK 2020-2	10.8	-	426,752,323
Compartment UK 2021-1	10.9	396,396,469	849,967,672
Compartment UK 2021-2	10.10	327,009,478	583,978,558
Compartment UK 2022-1	10.11	1,565,963,492	-
<b>Non-convertible loans - becoming due and payable after more than one year</b>		<b>3,909,601,250</b>	<b>4,406,333,647</b>
Non-convertible loans and accrued interest - becoming due and payable within one year		81,285,669	905,866
<b>Total</b>		<b>3,990,886,919</b>	<b>4,407,239,513</b>



**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**10 Debenture loans – Non-convertible loans (continued)**

**10.1 Compartment 9**

The Company created Compartment 9 on July 23, 2018 issuing two Classes A and B Notes, amounting to nominal of EUR 807,000,000 maturing in 2026. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at November 11, 2021, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, as disclosed in Note 1, the compartment has been liquidated during the year 2022.

**10.2 Compartment 10**

The Company created Compartment 10 on July 16, 2019 issuing Classes A, B, C, D and Z Notes, amounting to nominal of EUR 1,250,000,000 maturing in 2027. The priority of payment is mentioning the seniority of the Class A Noteholders over B, B Noteholders over C and so on in alphabetical order.

As at December 31, 2022 a total amount of EUR 222,442,762 Class A Notes were redeemed thus reducing the balance of A Notes from EUR 222,442,762 to NIL.

The Notes outstanding for Compartment 10 as at December 31, 2022 are comprised as follows:

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	Euribor + 0.50%	-	222,442,762
Class B	Euribor + 0.70%	48,731,623	52,500,000
Class C	Euribor + 1.35%	17,500,000	17,500,000
Class D	Euribor + 2.60%	11,200,000	11,200,000
Class Z	non-interest bearing	1	1
<b>Notes Issued</b>		<b>77,431,624</b>	<b>303,642,763</b>
Accrued interest		123,212	19,524
<b>Total</b>		<b>77,554,836</b>	<b>303,662,287</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.3 Compartment 11**

The Company created Compartment 11 on May 27, 2020 issuing two Classes A and B Notes, amounting to nominal of EUR 1,889,900,000 maturing in 2027. The priority of payment is mentioning the seniority of the Class A Noteholders.

AAs at December 31, 2022 a total amount of EUR 481,294,003 Class A Notes were redeemed thus reducing the balance from EUR 729,049,826 to EUR 247,755,823.

The Notes outstanding for Compartment 11 as at December 31, 2022 are comprised as follows:

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	Euribor + 0.70%	247,755,823	729,049,826
Class B	Fixed 1.00%	141,700,000	141,700,000
<b>Notes Issued</b>		<b>389,455,823</b>	<b>870,749,826</b>
Accrued interest		346,091	103,750
<b>Total</b>		<b>389,801,914</b>	<b>870,853,576</b>

**10.4 Compartment 12**

The Company created Compartment 12 on November 26, 2020 issuing two Classes A and B Notes, amounting to nominal of EUR 749,900,000 maturing in 2027. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of EUR 205,986,406 Class A Notes were redeemed thus reducing the balance from EUR 435,596,609 to EUR 229,610,203.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.4 Compartment 12 (continued)**

The Notes outstanding for Compartment 12 as at December 31, 2022 are comprised as follows (in EUR):

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	Euribor + 0.70%	229,610,203	435,596,609
Class B	Fixed 1.00%	61,900,000	61,900,000
<b>Notes Issued</b>		<b>291,510,203</b>	<b>497,496,609</b>
Accrued interest		287,932	51,241
<b>Total</b>		<b>291,798,135</b>	<b>497,547,850</b>

**10.5 Compartment 13**

The Company created Compartment 13 on April 29, 2021 issuing two Classes A and B Notes, amounting to nominal of EUR 749,900,000 maturing in 2028. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of EUR 222,627,424 Class A Notes were redeemed thus reducing the balance from EUR 536,676,795 to EUR 314,049,371.

The Notes outstanding for Compartment 13 as at December 31, 2022 are comprised as follows (in EUR):

**SILVER ARROW S.A.**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.5 Compartment 13 (continued)**

In EUR		Notes	Notes
Notes	Interest rate	2022	2021
Class A	Euribor + 0.70%	314,049,371	536,676,795
Class B	Fixed 1.00%	57,900,000	57,900,000
<b>Notes Issued</b>		<b>371,949,371</b>	<b>594,576,795</b>
Accrued interest		381,181	54,471
<b>Total</b>		<b>372,330,552</b>	<b>594,631,266</b>

**10.6 Compartment 14**

The Company created Compartment 14 on 5 April 2022 issuing two Classes A and B Notes, amounting to nominal of EUR 750,000,000 maturing in 2029. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of EUR 182,683,586 Class A Notes were redeemed thus reducing the balance from EUR 691,800,000 to EUR 509,116,414.

The Notes outstanding for Compartment 14 as at December 31, 2022 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2022	2021
Class A	Euribor + 0.70%	509,116,414	-
Class B	Fixed 1.00%	58,200,000	-
<b>Notes Issued</b>		<b>567,316,414</b>	-
Accrued interest		682,393	-
<b>Total</b>		<b>567,998,807</b>	-

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.7 Compartment UK 2020-1**

The Company created Compartment UK 2020-1 on April 09, 2020 issuing two Classes A and B Notes, amounting to nominal of GBP 678,201,000 maturing in 2025. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at April 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-1 during the year 2023.

The Notes outstanding for Compartment UK 2020-1 as at December 31, 2022 are comprised as follows:

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	SONIA + 1.30%	-	63,525,505
Class B	Fixed 1.30%	-	215,643,596
<b>Notes Issued</b>		-	<b>279,169,101</b>
Accrued interest		-	151,308
<b>Total</b>		<b>-</b>	<b>279,320,409</b>

**10.8 Compartment UK 2020-2**

The Company created Compartment UK 2020-2 on November 20, 2020 issuing two Classes A and B Notes, amounting to nominal of GBP 676,000,000 maturing in 2026. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at October 20, 2022, the transaction terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate Compartment 2020-2 during the year 2023.

The Notes outstanding for Compartment UK 2020-2 as at December 31, 2022 are comprised as follows:

**SILVER ARROW S.A.**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.8 Compartment UK 2020-2 (continued)**

In EUR		Notes	Notes
Notes	Interest rate	2022	2021
Class A	SONIA + 0.58%	-	217,298,332
Class B	Fixed 1.30%	-	209,453,992
<b>Notes Issued</b>		-	<b>426,752,323</b>
Accrued interest		-	143,675
<b>Total</b>		-	<b>426,895,998</b>

**10.9 Compartment UK 2021-1**

The Company created Compartment UK 2021-1 on May 21, 2021 issuing two Classes A and B Notes, amounting to nominal of GBP 989,500,000 maturing in 2027. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of GBP 362,634,915 (EUR 438,579,747) class A Notes were redeemed thus reducing the balance from GBP 474,710,835 (EUR 564,943,633) to GBP 112,075,921 (EUR 126,363,885).

The Notes outstanding for Compartment UK 2021-1 as at December 31, 2022 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2022	2021
Class A	SONIA + 0.45%	126,363,885	564,943,632
Class B	Fixed 1.30%	270,032,584	285,024,040
<b>Notes Issued</b>		<b>396,396,469</b>	<b>849,967,672</b>
Accrued interest		127,881	245,530
<b>Total</b>		<b>396,524,350</b>	<b>850,213,202</b>

**SILVER ARROW S.A.**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.10 Compartment UK 2021-2**

The Company created Compartment UK 2021-2 on October 28, 2021 issuing two Classes A and B Notes, amounting to nominal of GBP 529,800,000 maturing in 2027. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of GBP 200,670,989 (EUR 248,844,278) class A Notes were redeemed thus reducing the balance from GBP 360,905,505 (EUR 429,506,242) to GBP 160,234,516 (EUR 180,661,964).

The Notes outstanding for Compartment UK 2021-2 as at December 31, 2022 are comprised as follows:

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	SONIA + 0.32%	180,661,964	429,506,242
Class B	Fixed 1.30%	146,347,514	154,472,317
<b>Notes Issued</b>		<b>327,009,478</b>	<b>583,978,558</b>
Accrued interest		283,493	136,366
<b>Total</b>		<b>327,292,971</b>	<b>584,114,925</b>

**10.11 Compartment UK 2022-1**

The Company created Compartment UK 2022-1 on May 6, 2022 issuing two Classes A and B Notes, amounting to nominal of GBP 1,388,900,000 maturing in 2032. On May 18, 2022, Class B notes was increased by GBP 108,900 thereby increasing the total nominal amount to GBP 1,388,900,000. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2022 a total amount of GBP 1,000,000,00 (EUR 1,127,484,694) class A Notes were issued and no redemption was made.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**10 Debenture loans – Non-convertible loans (continued)**

**10.11 Compartment UK 2022-1 (continued)**

The Notes outstanding for Compartment UK 2022-1 as at December 31, 2022 are comprised as follows:

<b>In EUR</b>		<b>Notes</b>	<b>Notes</b>
<b>Notes</b>	<b>Interest rate</b>	<b>2022</b>	<b>2021</b>
Class A	SONIA + 0.47%	1,127,484,694	-
Class B	Fixed 1.30%	438,478,798	-
<b>Notes Issued</b>		<b>1,565,963,492</b>	<b>-</b>
Accrued interest		1,621,862	-
<b>Total</b>		<b>1,567,585,354</b>	<b>-</b>

**11 Trade creditors**

Trade creditors becoming due and payable within one year amounting to EUR 200,246 (2021: EUR 145,564) are comprised of the following items mentioned in the table below:

<b>In EUR</b>	<b>2022</b>	<b>2021</b>
Trustee and agent fees	37,149	25,960
Audit fees payable	116,025	116,025
Accounting fees payable	30,307	3,579
Professional fees	3,924	-
Bank fees	12,806	-
Others	35	-
<b>Total</b>	<b>200,246</b>	<b>145,564</b>



**SILVER ARROW S.A.**  
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**12 Amounts owed to affiliated undertakings**

**12.1 General Reserve**

The Compartment 10 entered into General Reserve in 2019 for an amount of EUR 6,375,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment 11 entered into General Reserve in 2020 for an amount of EUR 9,450,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment 12 entered into General Reserve in 2020 for an amount of EUR 3,750,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment 13 entered into General Reserve in 2021 for an amount of EUR 3,750,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment 14 entered into General Reserve in 2022 for an amount of EUR 3,459,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment UK 2020-1 entered into General Reserve in 2020 for an amount of GBP 5,425,700 (EUR 6,457,014) with MBFS UK which was used to fund the deposit on the cash reserve account. It was repaid on April 20, 2022 when Compartment 2020-1 was replenished.

The Compartment UK 2020-2 entered into General Reserve in 2020 for an amount of GBP 5,408,000 (EUR 6,435,950) with MBFS UK which was used to fund the deposit on the cash reserve account. It was repaid on October 20, 2022 when Compartment 2020-2 was replenished.

The Compartment UK 2021-1 entered into General Reserve in 2021 for an amount of GBP 7,900,000 (EUR 8,907,129) with MBFS UK which was used to fund the deposit on the cash reserve account.

The Compartment UK 2021-2 entered into General Reserve in 2021 for an amount of GBP 2,000,000 (EUR 2,254,969) with MBFS UK which was used to fund the deposit on the cash reserve account.

The Compartment UK 2022-1 entered into General Reserve in 2022 for an amount of GBP 5,000,000 (EUR 5,686,724) with MBFS UK which was used to fund the deposit on the cash reserve account.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**12 Amounts owed to affiliated undertakings (continued)**

**12.2 Table showing amounts owed to affiliated undertakings**

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Final success fees payable	5,994,539	357,467	221,175	189,992	122,156	-	-	600,285	397,270	1,461,335	9,344,219	5,129,666
Cash excess payable	-	-	-	-	-	107,287	-	-	-	-	107,287	11,809,163
Cash advance from Servicer	-	-	-	-	-	-	-	-	-	-	-	-
Servicing fees (MBB/MBFS)	73,839	324,547	242,925	309,958	472,764	-	531,470	323,840	272,508	1,238,173	3,790,024	3,677,195
Cash collections	-	-	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	3,541	3,541	-	4,246	-	5,369	1,565	3,707	21,969	32,233
Notes redemption	-	-	-	-	-	-	198,437,306	-	-	-	198,437,306	-
<b>Total due and payable within one year</b>	<b>6,068,378</b>	<b>682,014</b>	<b>467,641</b>	<b>503,491</b>	<b>594,920</b>	<b>111,533</b>	<b>198,968,776</b>	<b>929,494</b>	<b>671,343</b>	<b>2,703,215</b>	<b>211,700,805</b>	<b>20,648,257</b>
General reserve	6,375,000	9,450,000	3,750,000	3,750,000	3,459,000	-	-	8,907,129	2,254,969	5,686,724	43,632,822	47,999,751
<b>Total due and payable after more than one year</b>	<b>6,375,000</b>	<b>9,450,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,459,000</b>	<b>-</b>	<b>-</b>	<b>8,907,129</b>	<b>2,254,969</b>	<b>5,686,724</b>	<b>43,632,822</b>	<b>47,999,751</b>
<b>Total</b>	<b>12,443,378</b>	<b>10,132,014</b>	<b>4,217,641</b>	<b>4,253,491</b>	<b>4,053,920</b>	<b>111,533</b>	<b>198,968,776</b>	<b>9,836,623</b>	<b>2,926,312</b>	<b>8,389,939</b>	<b>255,333,627</b>	<b>68,648,008</b>

**13 Other creditors**

As at December 31, 2022 other creditors are composed as following:

In EUR	Comp. 10	Comp. 11	Comp. UK 2021-1	2022 Combined	2021 Combined
Accrued interest - interest-rate swap	-	-	22,773	22,773	796,439
NWT payable	55	-	-	55	-
VAT payable	4,295	6,777	-	11,072	-
<b>Total</b>	<b>4,350</b>	<b>6,777</b>	<b>22,773</b>	<b>33,900</b>	<b>796,439</b>

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**14 Taxation**

The Company is subject to all taxes applicable to commercial companies in Luxembourg under the securitization law of March 22, 2004.

**15 Other external expenses**

Other external expenses for the year ended December 31, 2022 amount to EUR 4,990,640 (2021: EUR 1,354,465) and are composed of the following:

In EUR	2022 EUR	2021 EUR
Accounting, administration and domiciliation fees	245,391	344,875
Trustee and agent fees	324,530	470,957
Audit fees	75,416	109,198
Rating fees	41,346	140,885
Other fees (including bank fees and surveillance fees)	4,295,217	254,988
Listing fees	8,740	33,562
<b>Total</b>	<b>4,990,640</b>	<b>1,354,465</b>

**16 Income from other investments and loans forming part of the fixed assets**

Income from Other Loans represents interest income recorded for the year ended December 31, 2022 on the portfolio of auto loan receivables of EUR 219,486,304 (2021: EUR 208,159,100). The breakdown per Compartment is described in the following table:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Income from autoloans	5,577,690	18,445,959	10,395,900	13,363,429	15,835,402	4,316,874	16,256,949	38,327,233	26,948,851	70,125,024	219,486,304	208,159,100
<b>Total</b>	<b>5,577,690</b>	<b>18,445,959</b>	<b>10,395,900</b>	<b>13,363,429</b>	<b>15,835,402</b>	<b>4,316,874</b>	<b>16,256,949</b>	<b>38,327,233</b>	<b>26,948,851</b>	<b>70,125,024</b>	<b>219,486,304</b>	<b>208,159,100</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**17 Other interest receivable and similar income**

Other interest receivable and similar income are composed of the following:

In EUR	Capital Comp.	Comp. 9	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Excess spread	100	188,640	5,647,537	-	127,253	689,053	3,126,711	677,346	2,235,216	2,829,992	1,896,578	1,188,611	18,607,037	4,709,142
<b>Total derived from affiliated undertakings</b>	<b>100</b>	<b>188,640</b>	<b>5,647,537</b>	<b>-</b>	<b>127,253</b>	<b>689,053</b>	<b>3,126,711</b>	<b>677,346</b>	<b>2,235,216</b>	<b>2,829,992</b>	<b>1,896,578</b>	<b>1,188,611</b>	<b>18,607,037</b>	<b>4,709,142</b>
Interest on current account	-	-	53	-	-	31	1	71	448	2,021	706	2,086	5,418	-
Interest income - interest rate swap	-	-	963,516	2,488,467	2,092,510	2,444,026	445,649	34,279	611,350	4,925,453	3,549,887	12,652,346	30,207,484	16,797,513
FX differences	-	-	-	-	-	-	-	21,275,557	10,735,906	2,305,827	538,980	-	34,856,270	-
<b>Total other interest and similar income</b>	<b>-</b>	<b>-</b>	<b>963,569</b>	<b>2,488,467</b>	<b>2,092,510</b>	<b>2,444,057</b>	<b>445,651</b>	<b>21,309,907</b>	<b>11,347,705</b>	<b>7,233,301</b>	<b>4,089,573</b>	<b>12,654,432</b>	<b>65,069,172</b>	<b>16,797,513</b>
<b>Total</b>	<b>100</b>	<b>188,640</b>	<b>6,611,106</b>	<b>2,488,467</b>	<b>2,219,763</b>	<b>3,133,110</b>	<b>3,572,362</b>	<b>21,987,253</b>	<b>13,582,921</b>	<b>10,063,293</b>	<b>5,986,151</b>	<b>13,843,043</b>	<b>83,676,209</b>	<b>21,506,655</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**18 Value adjustments in respect of financial assets and investments held as current assets**

Value adjustments in respect of financial assets and of investments held as current assets are composed of:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Individual value adjustment (VA)	-	-	-	(126,093)	(1,988,034)	-	-	-	-	-	(2,114,127)	(1,978,044)
Reversal - individual VA	296,159	1,024,794	314,189	-	-	-	-	-	-	-	1,635,142	4,073,927
Collective VA	-	-	-	-	(967,224)	-	-	-	-	-	(967,224)	(1,073,474)
Reversal - collective VA	235,919	890,714	256,047	373,862	-	-	-	-	-	-	1,756,542	3,495,056
<b>Total VA</b>	<b>532,078</b>	<b>1,915,508</b>	<b>570,236</b>	<b>247,769</b>	<b>(2,955,258)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>310,333</b>	<b>4,517,465</b>
Receivables written-off	(1,639,788)	(3,905,087)	(2,137,795)	(1,979,823)	(1,281,670)	(340,395)	(433,988)	(1,073,722)	(625,233)	(529,800)	(13,947,301)	(15,884,187)
Recovery of previously written-off receivables	3,259,477	4,055,250	1,985,378	1,514,712	475,684	1,199,269	363,298	925,032	255,128	174,415	14,207,643	15,707,043
<b>Total receivables/ recoveries</b>	<b>1,619,689</b>	<b>150,163</b>	<b>(152,417)</b>	<b>(465,111)</b>	<b>(805,986)</b>	<b>858,874</b>	<b>(70,690)</b>	<b>(148,690)</b>	<b>(370,105)</b>	<b>(355,385)</b>	<b>260,342</b>	<b>(177,144)</b>
<b>Total</b>	<b>2,151,767</b>	<b>2,065,671</b>	<b>417,819</b>	<b>(217,342)</b>	<b>(3,761,244)</b>	<b>858,874</b>	<b>(70,690)</b>	<b>(148,690)</b>	<b>(370,105)</b>	<b>(355,385)</b>	<b>570,675</b>	<b>4,340,321</b>

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**19 Interest payable and similar expenses**

Interest payable and similar expenses are composed of:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2022 Combined	2021 Combined
Interest expenses - borrowings	-	(182,700)	(76,041)	(76,041)	(51,693)	(43,176)	(102,006)	(184,553)	(46,934)	(76,117)	(839,261)	(765,663)
Servicing fees	(12,421,852)	(5,960,030)	(3,823,746)	(4,698,731)	(4,881,004)	(616,976)	(2,944,215)	(5,944,019)	(476,777)	(11,878,139)	(53,645,489)	(46,549,933)
Excess spread	-	(692,244)	-	-	-	-	-	-	-	-	(692,244)	(9,952,633)
Final success fees	-	(10,802,092)	(5,629,804)	(7,270,291)	(5,045,159)	(3,789,409)	(12,212,557)	(28,836,837)	(18,670,022)	(34,140,263)	(126,396,434)	(132,271,030)
<b>Total concerning affiliated</b>	<b>(12,421,852)</b>	<b>(17,637,066)</b>	<b>(9,529,591)</b>	<b>(12,045,063)</b>	<b>(9,977,856)</b>	<b>(4,449,561)</b>	<b>(15,258,778)</b>	<b>(34,965,409)</b>	<b>(19,193,733)</b>	<b>(46,094,519)</b>	<b>(181,573,428)</b>	<b>(189,539,259)</b>
Interest expense - swaps	(581,267)	(1,398,603)	(884,493)	(1,047,406)	(1,541,201)	(21,500)	(7,771)	(2,018,633)	(2,676,780)	(16,191,383)	(26,369,037)	(19,329,782)
Interest expenses - Notes issued	(1,036,565)	(3,785,954)	(2,496,981)	(3,057,845)	(4,043,220)	(1,386,606)	(3,776,366)	(9,084,270)	(6,560,591)	(21,085,278)	(56,313,676)	(23,742,312)
FX differences	-	-	-	-	-	(21,284,952)	(10,660,609)	(2,124,635)	(215,885)	(179,375)	(34,465,456)	(35,435)
Interest expenses - cash at bank	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other interest and similar expenses</b>	<b>(1,617,832)</b>	<b>(5,184,557)</b>	<b>(3,381,474)</b>	<b>(4,105,251)</b>	<b>(5,584,421)</b>	<b>(22,693,058)</b>	<b>(14,444,746)</b>	<b>(13,227,538)</b>	<b>(9,453,256)</b>	<b>(37,456,036)</b>	<b>(117,148,169)</b>	<b>(43,107,529)</b>
<b>Total</b>	<b>(14,039,684)</b>	<b>(22,821,623)</b>	<b>(12,911,065)</b>	<b>(16,150,314)</b>	<b>(15,562,277)</b>	<b>(27,142,619)</b>	<b>(29,703,524)</b>	<b>(48,192,947)</b>	<b>(28,646,989)</b>	<b>(83,550,555)</b>	<b>(298,721,597)</b>	<b>(232,646,788)</b>

**20 Staff**

The Company has engaged a Corporate Service Provider who provides daily management of the Company activities and as such does not employ any personnel (2021: NIL).

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
**for the year ended December 31, 2022**

**21 Off-balance sheet activities**

**21.1 Compartment 10**

The Compartment 10 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A, B, C, D Compartment 10 Notes.

The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
1,243,700,000	2027	EURIBOR 1 month	-0.4935%

Compartment 10 entered into an "interest rate settlement agreement" on July 16, 2019 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap is reduced in line with the repayment of the Class A, B, C and D Compartment 10 Notes. As at December 15, 2022, the Swap of Compartment 10 was terminated as the step-up margin date was reached. As a result, there was no longer a swap at the reporting date.

**21.2 Compartment 11**

The Compartment 11 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment 11 Notes.

The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
1,748,200,000	2027	EURIBOR 1 month	-0.4904%

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**21 Off-balance sheet activities (continued)**

**21.2 Compartment 11 (continued)**

Compartment 11 entered into an "interest rate settlement agreement" on May 25, 2020 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap is reduced in line with the repayment of the Class A, Compartment 11 Notes. As at December 31, 2022, the notional amount of the swap was EUR 247,755,823 (2021: 729,049,826). The fair value of the swap of Compartment 11 as at December 31, 2022 was EUR 3,218,872 (2021: EUR 358,713).

**21.3 Compartment 12**

The Compartment 12 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment 12 Notes.

The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
688,000,000	2027	EURIBOR 1 month	-0.5750%

Compartment 12 entered into an "interest rate settlement agreement" on November 24, 2020 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap is reduced in line with the repayment of the Class A Compartment 12 Notes. As at December 31, 2021, the notional amount of the swap was EUR 229,610,203 (2021: EUR 435,596,609). The fair value of the swap of Compartment 12 as at December 31, 2022 was EUR 5,177,939 (2021: EUR 1,002,987).



**SILVER ARROW S.A.**  
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**21 Off-balance sheet activities (continued)**

**21.4 Compartment 13**

The Compartment 13 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment 13 Notes. The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
692,000,000	2028	EURIBOR 1 month	-0.5250%

Compartment 13 entered into an "interest rate settlement agreement" on April 27, 2021 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap is reduced in line with the repayment of the Class A Compartment 13 Notes. As at December 31, 2022, the notional amount of the swap was EUR 314,049,371 (2021: EUR 536,676,795). The fair value of the swap of Compartment 13 as at December 31, 2022 was EUR 9,254,655 (2021: EUR 1,366,027).

**21.5 Compartment 14**

The Compartment 14 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment 14 Notes. The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
691,800,000	2029	EURIBOR 1 month	-0.3448%

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**21 Off-balance sheet activities (continued)**

**21.5 Compartment 14 (continued)**

Compartment 14 entered into an “interest rate settlement agreement” on April 5, 2022 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap is reduced in line with the repayment of the Class A Compartment 14 Notes. As at December 31, 2022, the notional amount of the swap was EUR 509,116,414. The fair value of the swap of Compartment 14 as at December 31, 2022 was EUR 17,067,510.

**21.6 Compartment UK 2020-1**

The Compartment UK 2020-1 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment UK 2020-1 Notes. As at April 20, 2022, the transaction terminated and the notes have been fully redeemed. As a result, there was no longer a swap at the reporting date.

**21.7 Compartment UK 2020-2**

The Compartment UK 2020-2 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment UK 2020-2 Notes. As at October 20, 2022, the transaction terminated and the notes have been fully redeemed. As a result, there was no longer a swap at the reporting date.

**21.8 Compartment UK 2021-1**

The Compartment UK 2021-1 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment UK 2021-1 Notes.

The details of this contract are summarized as follows:

Notional amount (GBP)	Termination date	Interest rate	
		Receivable	payable
750,000,000	2027	SONIA 1 month	0.5980%

**SILVER ARROW S.A.**  
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**21 Off-balance sheet activities (continued)**

**21.8 Compartment UK 2021-1 (continued)**

Compartment UK 2021-1 entered into an “interest rate settlement agreement” on May 20, 2021 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap as at December 31, 2022, was GBP 112,075,921 (EUR 126,363,886) [2021: GBP 474,410,825 (EUR 564,943,685)]. The fair value of the swap of Compartment UK 2021-1 as at December 31, 2022 was GBP 926,863.27 (EUR (EUR 1,045,024) [2021: GBP 1,760,778 (EUR: 2,095,466)]).

**21.9 Compartment UK 2021-2**

The Compartment UK 2021-2 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment UK 2021-2 Notes.

The details of this contract are summarized as follows:

Notional amount (GBP)	Termination date	Interest rate	Interest rate
		receivable	payable
400,000,000	2027	SONIA 1 month	0.8436%

Compartment UK 2021-2 entered into an “interest rate settlement agreement” on October 20, 2021 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap as at December 31, 2022, was GBP 160,234,516 (EUR 180,661,964) [2021: GBP 360,905,505 (EUR 429,506,245)]. The fair value of the swap of Compartment UK 2021-2 as at December 31, 2022 was GBP 3,056,213 (EUR 3,445,833) [2021: GBP -71,073 (EUR: -85,583)].

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**21 Off-balance sheet activities (continued)**

**21.10 Compartment UK 2022-1**

The Compartment UK 2022-1 entered into an interest rate swap agreement in order to hedge its interest rate exposure resulting from the fixed rate receivable under the purchased lease receivables and floating rate interest obligations under the Class A Compartment UK 2022-1 Notes.

Notional amount (GBP)	Termination date	Interest rate	Interest rate
		receivable	payable
1,000,000,000	2032	SONIA 1 month	2.2350%

Compartment UK 2022-1 entered into an "interest rate settlement agreement" on May 5, 2022 in order to manage the respective risk exposure of each party involved in the transaction.

The settlement inflows and settlement outflows are based on the initial amount purchased. The notional amount of the swap as at December 31, 2022, was GBP 1,000,000,000. (EUR 1,127,484,694). The fair value of the swap of Compartment UK 2021-2 as at December 31, 2022 was GBP 48,807,714 (EUR 55,029,951).

**22 Advances, loans and emoluments granted to members of the administrative, managerial and supervisory bodies**

There are no advances, loans or emoluments granted to the members of the management and supervisory bodies during the financial year (2021: none).

**23 Subsequent Events**

Subsequent to the year end, on January 11, 2023 the transaction of the Compartment 10 was terminated, and the notes have been fully redeemed.

**SILVER ARROW S.A.**  
**Notes to the Annual Accounts**  
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**23 Subsequent Events (continued)**

In January 11, 2023 the Company created the Compartment 15, approved by the Board of Directors. In respect to the Compartment 15, the Company issued EUR 700,000,000 Class A Compartment 15 Notes due 2030 and EUR 56,000,000 Class B Compartment 15 Notes due 2030 linked to the performance of Lease receivables originated by Mercedes-Benz Bank AG.

In April 2023, the Board of Directors approved the transaction to issue EUR 700,000,000 Class A Notes and EUR 56,000,000 Class B Notes due 2030, on behalf of its Compartment 15.

On June 8, 2023, the board of the Company approved the Clean-Up Call of Compartment UK 2021-1 and the notes amounted on GBP 750,000,000 Class A have been redeemed on 20 June 2023.

In August 10, 2023, the Board of Directors resolved to unwind the Compartment 2020-1.

In August 16, 2023, the Board of Directors approved the creation of Compartment 16 to carry out through the securitization the securitization of certain receivables originated by Mercedes-Benz Bank AG.

In September 12, 2023, the Board of Directors approved the Clean Up Call of Compartment 11 and the notes has been redeemed on September 15, 2023.