

# **SILVER ARROW S.A.**

Société Anonyme

Annual accounts and report of the Réviseur d'Entreprises Agréé  
for the financial year ended December 31, 2023

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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 10, 11, 12, 13, 14, 15, 16)  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 12, 13, 15) Credit Agricole Corporate and Investment Bank (Compartment 12, 13) Landesbank Baden-Württemberg (Compartment 11, 16) Commerzbank AG (Compartment UK 2020-1) BofA Securities Europe S.A. (Compartment 14) ING Bank N.V. (Compartment 10, 14) BNP Paribas London (Compartment 11, 15) Santander Corporate and Investment Banking (Compartment UK 2020-2) Royal Bank of Canada (Compartment UK 2021-1) Merrill Lynch International (Compartment UK 2021-2) Société Générale S.A. (Compartment 16)
Swap Counterparties	DZ BANK AG Deutsche Zentral Genossenschaftsbank (Compartment 11, 12, 13, 14, 15, 2020-1, 2020-2) Royal Bank of Canada (Compartment 10, UK 2021-1) Skandinaviska Enskilda Banken AB (Compartment 16, UK 2021-2) ING Bank N.V. (Compartment UK 2022-1)
Rating Agencies	DBRS Inc. (Compartment 11, 12, 16, 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, 16) Moody’s Deutschland GmbH (Compartment 12, 13, 2020-1, UK 2021-1, UK 2021-2) Moody’s Investors Service España S.A. (Compartment 16) Fitch Ratings Ireland Limited (Compartment 14, 15)
Trustee	Wilmington Trust SP Services (Frankfurt) GmbH

**Silver Arrow S.A.**  
Director's report  
For the year ended December 31, 2023

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, 2023.

**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 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 January 11, 2023, the transaction was terminated and the remaining notes have been fully redeemed. Following the termination of the transaction, the compartment was liquidated during the year 2023.

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 September 12, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

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, 2023 the outstanding amount of Class A Notes were EUR 54,852,029 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 Compartment was liquidated during the year 2023.

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Director's report  
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**1. Activities and development of the business (continued)**

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 Compartment was liquidated 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, 2023 the outstanding amount of Class A Notes were EUR 118,153,906 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 June 8, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transactions, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

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, 2023 the outstanding amount of Class A Notes were GBP 17,442,058.75 (EUR 20,070,259) and class B Notes – GBP 129,800,000 (EUR 149,358,495).

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 December 31, 2023 the outstanding amount of Class A Notes were EUR 288,514,054 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, 2023 the outstanding amount of Class A Loan were GBP 1,000,000,000 (EUR 1,150,681,779) and class B Loan GBP 388,900,000 (EUR 447,500,144.00).

**Silver Arrow S.A.**  
**Director's report**  
**For the year ended December 31, 2023**

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

In the year 2023 the Company created the German compartment 15 of Silver Arrow, approved by the Board of Directors on January 11, 2023. In respect of the compartment Silver Arrow 15, on April 21, 2023 the Company issued Notes EUR 700,000,000 Class A Compartment Silver Arrow 15 due 2030 and notes EUR 56,000,000 Class B Compartment Silver Arrow 15 due 2030 of receivables originated by Mercedes-Benz Group AG. As at December 31, 2023 the outstanding amount of Class A notes were EUR 520,080,605 and class B notes EUR 56,000,000.

In the year 2023 the Company created the German compartment 16 of Silver Arrow, approved by the Board of Directors on August 21, 2023. In respect of the compartment Silver Arrow 16, in November 14, 2023 the Company issued Notes EUR 700,000,000 Class A Compartment Silver Arrow 16 due 2030 and notes EUR 45,500,000 Class B Compartment Silver Arrow 16 due 2030 of receivables originated by Mercedes-Benz Group AG. As at December 31, 2023 the outstanding amount of Class A notes were EUR 661,458,462 and class B notes EUR 45,500,000.

The portfolio of assets has been purchased from two counterparts. 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, 2023</b>	<b>December 31, 2022</b>
Opening (active compartments)	8	8
Number of compartments created	2	2
Number of compartments redeemed/cancelled	3	2
Closing (active compartments)	7	8
Capital compartments	1	1
Empty compartments (to be liquidated)	2	2
Total number of compartments	10	11
<i>Financial highlights</i>	<b>2023</b>	<b>2022</b>
	<b>EUR</b>	<b>EUR</b>
Total Assets	3,776,043,635	4,246,507,864
Notes Issued	3,690,169,734	3,909,601,250
Net Profit or (Loss) for the financial year	-	-

*Acquisition of own shares*

During the year ended December 31, 2023, 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, 2023.

*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, 2023 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.

**4. Corporate Governance Statement**

**Silver Arrow S.A.**  
**Director's report**  
**For the year ended December 31, 2023**

*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 eligible for re-appointment. 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 meeting of shareholders fall within the competence of the Board of Directors.

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

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; re-appointed on October 13, 2023
- Claudio Chirco, Director since May 5, 2020, re-appointed on October 13, 2023
- Michele Barbieri, Director since August 12, 2022

The current Directors were appointed on the General Meeting of Shareholders of the Company after resignation of the prior Board of Directors or re-appointed after expiry of their previous mandate.

**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**

On February 5, 2024, the Board of Directors approved the creation of Compartment 2024-1 to carry out through the securitization of certain receivables originated by Mercedes-Benz Bank UK.

On March 15, 2024, the Board of Directors approved the Clean-Up Call of Compartment UK 2021-2 and the notes amounted on GBP 400,000,000 Class A have been redeemed on 20 March 2024.

On April 16, 2024, the Board of Directors ratified the transaction to issue EUR 70,000,000 Class A Notes and EUR 44,700,000 Class B Notes due 2031 through Compartment 17 of the Company.

On April 24, 2024, the Board of Directors ratified the transaction to issue GBP 412,500,000 Class A Notes and GBP 117,500,000 Class B Notes through Compartment UK 2024-1 of the Company.

**6. Audit Committee**

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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.

**7. 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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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 2023, 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 2023 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 2023*

As at 31 December 2023, "Other loans" amount to EUR 3,716 million, representing collectively 98% 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 and Those Charged with Governance 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### ***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 5 October 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is eleven 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, 21 May 2024

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

A handwritten signature in black ink, appearing to read 'P. Schanz', written over a faint, illegible stamp or background.

P. Schanz  
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> 01/01/2023 **to** <sup>02</sup> 31/12/2023 (in <sup>03</sup> EUR )

**Silver Arrow S.A.**

**28 Boulevard F.W. Raiffeisen**

**L-2411 Luxembourg**

## ASSETS

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>			
I. Subscribed capital not called	1101 _____	101 <u>0.00</u>	102 <u>0.00</u>
II. Subscribed capital called but unpaid	1103 _____	103 <u>0.00</u>	104 <u>0.00</u>
	1105 _____	105 <u>0.00</u>	106 <u>0.00</u>
<b>B. Formation expenses</b>	1107 _____	107 <u>0.00</u>	108 <u>0.00</u>
<b>C. Fixed assets</b>	1109 _____	109 <u>3,716,236,655.00</u>	110 <u>3,987,744,717.00</u>
I. Intangible assets	1111 _____	111 <u>0.00</u>	112 <u>0.00</u>
1. Costs of development	1113 _____	113 <u>0.00</u>	114 <u>0.00</u>
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 <u>0.00</u>	116 <u>0.00</u>
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 <u>0.00</u>	118 <u>0.00</u>
b) created by the undertaking itself	1119 _____	119 <u>0.00</u>	120 <u>0.00</u>
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 <u>0.00</u>	122 <u>0.00</u>
4. Payments on account and intangible assets under development	1123 _____	123 <u>0.00</u>	124 <u>0.00</u>
II. Tangible assets	1125 _____	125 <u>0.00</u>	126 <u>0.00</u>
1. Land and buildings	1127 _____	127 <u>0.00</u>	128 <u>0.00</u>
2. Plant and machinery	1129 _____	129 <u>0.00</u>	130 <u>0.00</u>

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	131 <b>0.00</b>	132 <b>0.00</b>
4. Payments on account and tangible assets in the course of construction	1133	133 <b>0.00</b>	134 <b>0.00</b>
<b>III. Financial assets</b>	<b>4</b>	<b>3,716,236,655.00</b>	<b>3,987,744,717.00</b>
1. Shares in affiliated undertakings	1135	135 <b>0.00</b>	136 <b>0.00</b>
1. Shares in affiliated undertakings	1137	137 <b>0.00</b>	138 <b>0.00</b>
2. Loans to affiliated undertakings	1139	139 <b>0.00</b>	140 <b>0.00</b>
3. Participating interests	1141	141 <b>0.00</b>	142 <b>0.00</b>
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143 <b>0.00</b>	144 <b>0.00</b>
5. Investments held as fixed assets	1145	145 <b>0.00</b>	146 <b>0.00</b>
6. Other loans	1147	147 <b>3,716,236,655.00</b>	148 <b>3,987,744,717.00</b>
<b>D. Current assets</b>		<b>59,806,980.00</b>	<b>258,763,147.00</b>
<b>I. Stocks</b>		<b>0.00</b>	<b>0.00</b>
1. Raw materials and consumables	1151	151 <b>0.00</b>	152 <b>0.00</b>
1. Raw materials and consumables	1153	153 <b>0.00</b>	154 <b>0.00</b>
2. Work in progress	1155	155 <b>0.00</b>	156 <b>0.00</b>
2. Work in progress	1157	157 <b>0.00</b>	158 <b>0.00</b>
3. Finished goods and goods for resale	1159	159 <b>0.00</b>	160 <b>0.00</b>
4. Payments on account	1161	161 <b>0.00</b>	162 <b>0.00</b>
<b>II. Debtors</b>		<b>26,559,530.00</b>	<b>219,819,061.00</b>
1. Trade debtors	1163	163 <b>0.00</b>	164 <b>0.00</b>
1. Trade debtors	1165	165 <b>0.00</b>	166 <b>0.00</b>
a) becoming due and payable within one year	1167	167 <b>0.00</b>	168 <b>0.00</b>
b) becoming due and payable after more than one year	1169	169 <b>0.00</b>	170 <b>0.00</b>
2. Amounts owed by affiliated undertakings	1171	171 <b>11,822,976.00</b>	172 <b>14,610,818.00</b>
a) becoming due and payable within one year	1173	173 <b>11,822,976.00</b>	174 <b>14,610,818.00</b>
b) becoming due and payable after more than one year	1175	175 <b>0.00</b>	176 <b>0.00</b>
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177 <b>0.00</b>	178 <b>0.00</b>
a) becoming due and payable within one year	1179	179 <b>0.00</b>	180 <b>0.00</b>
b) becoming due and payable after more than one year	1181	181 <b>0.00</b>	182 <b>0.00</b>
4. Other debtors	1183	183 <b>14,736,554.00</b>	184 <b>205,208,243.00</b>
a) becoming due and payable within one year	1185	185 <b>14,736,554.00</b>	186 <b>205,208,243.00</b>
b) becoming due and payable after more than one year	1187	187 <b>0.00</b>	188 <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
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>		<b>3,776,043,635.00</b>	<b>4,246,507,864.00</b>

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

**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301	<b>53,172.00</b>	<b>53,172.00</b>
I. Subscribed capital	7	<b>31,000.00</b>	<b>31,000.00</b>
II. Share premium account	8	<b>100,000.00</b>	<b>100,000.00</b>
III. Revaluation reserve		<b>0.00</b>	<b>0.00</b>
IV. Reserves	9	<b>3,100.00</b>	<b>3,100.00</b>
1. Legal reserve		<b>3,100.00</b>	<b>3,100.00</b>
2. Reserve for own shares		<b>0.00</b>	<b>0.00</b>
3. Reserves provided for by the articles of association		<b>0.00</b>	<b>0.00</b>
4. Other reserves, including the fair value reserve		<b>0.00</b>	<b>0.00</b>
a) other available reserves		<b>0.00</b>	<b>0.00</b>
b) other non available reserves		<b>0.00</b>	<b>0.00</b>
V. Profit or loss brought forward		<b>-80,928.00</b>	<b>-80,928.00</b>
VI. Profit or loss for the financial year		<b>0.00</b>	<b>0.00</b>
VII. Interim dividends		<b>0.00</b>	<b>0.00</b>
VIII. Capital investment subsidies		<b>0.00</b>	<b>0.00</b>
<b>B. Provisions</b>		<b>0.00</b>	<b>0.00</b>
1. Provisions for pensions and similar obligations		<b>0.00</b>	<b>0.00</b>
2. Provisions for taxation		<b>0.00</b>	<b>0.00</b>
3. Other provisions		<b>0.00</b>	<b>0.00</b>
<b>C. Creditors</b>		<b>3,775,990,463.00</b>	<b>4,246,454,692.00</b>
1. Debenture loans		<b>3,695,918,993.00</b>	<b>3,990,886,919.00</b>
a) Convertible loans		<b>0.00</b>	<b>0.00</b>
i) becoming due and payable within one year		<b>0.00</b>	<b>0.00</b>
ii) becoming due and payable after more than one year		<b>0.00</b>	<b>0.00</b>
b) Non convertible loans	10	<b>3,695,918,993.00</b>	<b>3,990,886,919.00</b>
i) becoming due and payable within one year		<b>5,749,259.00</b>	<b>81,285,669.00</b>
ii) becoming due and payable after more than one year		<b>3,690,169,734.00</b>	<b>3,909,601,250.00</b>
2. Amounts owed to credit institutions		<b>0.00</b>	<b>0.00</b>
a) becoming due and payable within one year		<b>0.00</b>	<b>0.00</b>
b) becoming due and payable after more than one year		<b>0.00</b>	<b>0.00</b>

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

	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>	180,465.00	200,246.00
a) becoming due and payable within one year	1369	180,465.00	200,246.00
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>	79,891,005.00	255,333,627.00
a) becoming due and payable within one year	1381	46,876,550.00	211,700,805.00
b) becoming due and payable after more than one year	1383	33,014,455.00	43,632,822.00
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>	0.00	33,900.00
a) Tax authorities	1393	0.00	11,127.00
b) Social security authorities	1395	0.00	0.00
c) Other creditors	1397	0.00	22,773.00
i) becoming due and payable within one year	1399	0.00	22,773.00
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>3,776,043,635.00</b>	<b>4,246,507,864.00</b>

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

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494

Email : centralebilans@statec.etat.lu

RCSL Nr. : B111345

Matricule : 2005,2224,064

**PROFIT AND LOSS ACCOUNT**Financial year from <sup>01</sup> 01/01/2023 to <sup>02</sup> 31/12/2023 (in <sup>03</sup> EUR )

Silver Arrow S.A.

28 Boulevard F.W. Raiffeisen

L-2411 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>559,556.00</b>	714 _____ <b>0.00</b>
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____	671 _____ <b>-1,180,165.00</b>	672 _____ <b>-4,990,640.00</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>-1,180,165.00</b>	604 _____ <b>-4,990,640.00</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>-9,215.00</b>	622 _____ <b>-18,518.00</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	<b>0.00</b>	<b>0.00</b>
a) derived from affiliated undertakings	1717	<b>0.00</b>	<b>0.00</b>
b) other income from participating interests	1719	<b>0.00</b>	<b>0.00</b>
<b>10. Income from other investments and loans forming part of the fixed assets</b>			
	1721	<b>201,989,542.00</b>	<b>219,486,304.00</b>
a) derived from affiliated undertakings	1723	<b>0.00</b>	<b>0.00</b>
b) other income not included under a)	1725	<b>201,989,542.00</b>	<b>219,486,304.00</b>
<b>11. Other interest receivable and similar income</b>			
	1727	<b>179,113,814.00</b>	<b>83,676,209.00</b>
a) derived from affiliated undertakings	1729	<b>12,105,425.00</b>	<b>18,607,037.00</b>
b) other interest and similar income	1731	<b>167,008,389.00</b>	<b>65,069,172.00</b>
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>			
	1663	<b>0.00</b>	<b>0.00</b>
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>			
	1665	<b>-5,851,935.00</b>	<b>570,675.00</b>
<b>14. Interest payable and similar expenses</b>			
	1627	<b>-374,615,276.00</b>	<b>-298,721,597.00</b>
a) concerning affiliated undertakings	1629	<b>-149,586,390.00</b>	<b>-181,573,428.00</b>
b) other interest and similar expenses	1631	<b>-225,028,886.00</b>	<b>-117,148,169.00</b>
<b>15. Tax on profit or loss</b>			
	1635	<b>0.00</b>	<b>0.00</b>
<b>16. Profit or loss after taxation</b>			
	1667	<b>6,321.00</b>	<b>2,433.00</b>
<b>17. Other taxes not shown under items 1 to 16</b>			
	1637	<b>-6,321.00</b>	<b>-2,433.00</b>
<b>18. Profit or loss for the financial year</b>			
	1669	<b>0.00</b>	<b>0.00</b>

## **SILVER ARROW S.A.**

Société Anonyme

Notes to the annual accounts for the year ended December 31, 2023

### **NOTE 1 – General Information**

Silver Arrow S.A. (the “Company”) was incorporated on October 21, 2005 and is organized under the laws of Luxembourg as a “Société Anonyme” for an unlimited period.

The Company is registered with the Trade and Companies Register of Luxembourg with the number B 111345 and as at December 31, 2023 has its registered office established at 6, Rue Eugène Ruppert, L-2453 Luxembourg.

#### ***Change of address after closing date***

On April 30, 2024, the Company changed its address to 28, Boulevard F.W. Raiffeisen, L-2411 Luxembourg.

The Company’s financial year starts on January 1 and ends on December 31 of each year.

The Company has been established for the purpose of securitisation, within the meaning of the Luxembourg Law of March 22, 2004 on securitisation as amended (the “Securitisation Law”), 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 Securitisation Law, and in particular its article 5, create one or more compartments within the Company. Each compartment shall, unless otherwise provided for in the resolution of the Board of Directors creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding. The resolutions of the Board of Directors creating one or more compartments within the Company, as well as any subsequent amendments thereto, shall be binding as of the date of such resolutions against any third party.

As between investors, each compartment of the Company shall be treated as a separate entity. Rights of creditors and investors of the Company that (i) relate to a compartment or (ii) have arisen in connection with the creation, the operation or the liquidation of a compartment are strictly limited to the assets of that compartment which shall be exclusively available to satisfy such creditors and investors. Creditors and investors of the Company whose rights are not related to a specific compartment of the Company shall have no rights to the assets of any such compartment.

Unless otherwise provided for in the resolution of the Board of Directors of the Company creating such compartment, no resolution of the Board of Directors of the Company may amend the resolution creating such compartment or to directly affect the rights of the creditors and investors whose rights relate to such compartment without the prior approval of the creditors and investors whose rights relate to such compartment. Any decision of the Board of Directors taken in breach of this provision shall be void.

Without prejudice to what is stated in the preceding paragraph, each compartment of the Company may be separately liquidated without such liquidation resulting in the liquidation of another compartment of the Company or of the Company itself.

As at December 31, 2023, the Company has seven active compartments (2022: eight).



## **SILVER ARROW S.A.**

Société Anonyme

Notes to the annual accounts for the year ended December 31, 2023

### **NOTE 1 – General Information (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). As at January 11, 2023, the transaction was terminated and the remaining notes have been fully redeemed. Following the termination of the transaction, the compartment was liquidated during the year 2023.

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). As at September 12, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

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 15 (“Comp.15”) 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. 15 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 16 (“Comp.16”) 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. 16 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.**

Société Anonyme

Notes to the annual accounts for the year ended December 31, 2023

### **NOTE 1 – General Information (continued)**

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 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 Compartment was liquidated 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 Compartment was liquidated 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). As at June 8, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transactions, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

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).

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.

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Notes to the annual accounts for the year ended December 31, 2023

### **NOTE 1 – General Information (continued)**

The Company is included in the consolidated accounts of Mercedes-Benz Bank AG (“Mercedes Bank”), with a registered office located at Siemensstr. 7, 70469 Stuttgart, Germany, forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The consolidated financial statements of Mercedes Bank are available at the same address.

In addition, The Company is included in the consolidated accounts of Mercedes-Benz Group AG (“Mercedes Group”), with a registered office located at HPC F331, 70546 Stuttgart, Germany, forming the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking. The consolidated financial statements of Mercedes Group are available for consultation at the company’s registered office.

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.

### **Note 2 – Summary of significant accounting policies**

#### **2.1 Basis of presentation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements and generally accepted accounting principles in the Grand Duchy of Luxembourg 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.

The Company makes estimates and assumptions that have an impact on the amounts carried forward for assets and liabilities in the course of the following accounting year. The said estimates and judgements are continually evaluated and are based on historical experience and other factors, including forecasts of future events that are considered reasonable in the circumstances.

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.

## **SILVER ARROW S.A.**

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Notes to the annual accounts for the year ended December 31, 2023

### **Note 2 – Summary of significant accounting policies (continued)**

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

##### Change in comparative figures

The figures for the financial year ended December 31, 2022 related to Note 18 “Value adjustments in respect of financial assets and investments held as current assets” have been reclassified to ensure comparability with the figures for the financial year ended December 31, 2023.

#### **2.2 Financial assets**

##### *Valuation at purchase price*

Financial assets are valued in the accounts at nominal value (loans) including the expenses incidental thereto.

Financial assets classified as other loans are composed of portfolio of lease receivables acquired from MBB as originator and seller of these lease receivables of compartment 10, 11, 12, 13, 14, 15 and 16 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 Board of Directors the recovery of the underlying receivable is considered doubtful.

In case the Board of Directors deem that there is a durable depreciation in value of the financial assets, value adjustments are booked, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

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.

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Notes to the annual accounts for the year ended December 31, 2023

### **Note 2 – Summary of significant accounting policies (continued)**

#### **2.3 Foreign currency translation**

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

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

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 Creditors**

Creditors are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off in the profit and loss account when the debt is issued.

##### Tax liabilities

The tax liability estimated by the Company for the financial years are recorded under the caption “[Other Creditors/Creditors]”. Advance payments are shown in the assets of the balance sheet under the “[Other debtors/Debtors]” item.

#### **2.5 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 10, 11, 12, 13, 14, 15 and 16 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.

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Notes to the annual accounts for the year ended December 31, 2023

### **Note 2 – Summary of significant accounting policies (continued)**

#### **2.6 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 12, 13, 14, 15, 16, UK 2021-2 and UK 2022-1 Notes and will eventually serve as credit enhancement to the Compartment 12, 13, 14, UK 2021-2 and UK 2022-1 Notes.

#### **2.7 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.

#### **2.8 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 12, 13, 14, 15, 16 and by MBFS UK for compartments 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.

#### **2.9 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.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 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, 2023 as well as those which were liquidated during the financial year ending December 31, 2023.

<b>BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2023</b>											
<b>ASSETS</b>	<b>Capital</b>	<b>Comp. 11</b>	<b>Comp. 12</b>	<b>Comp. 13</b>	<b>Comp. 14</b>	<b>Comp. 15</b>	<b>Comp. 16</b>	<b>Comp. UK 2021-1</b>	<b>Comp. UK 2021-2</b>	<b>Comp. UK 2022-1</b>	<b>Combined</b>
<b>C. Fixed assets</b>	-	-	<b>115,664,344</b>	<b>174,520,432</b>	<b>343,830,083</b>	<b>595,250,811</b>	<b>719,360,304</b>	-	<b>169,428,754</b>	<b>1,598,181,927</b>	<b>3,716,236,655</b>
<b>III. Financial assets</b>	-	-	<b>115,664,344</b>	<b>174,520,432</b>	<b>343,830,083</b>	<b>595,250,811</b>	<b>719,360,304</b>	-	<b>169,428,754</b>	<b>1,598,181,927</b>	<b>3,716,236,655</b>
6. Other loans	-	-	115,664,344	174,520,432	343,830,083	595,250,811	719,360,304	-	169,428,754	1,598,181,927	3,716,236,655
<b>D. Current assets</b>	<b>171,672</b>	<b>71,141</b>	<b>5,116,596</b>	<b>5,813,202</b>	<b>7,325,249</b>	<b>12,073,796</b>	<b>11,834,577</b>	<b>71,442</b>	<b>3,090,709</b>	<b>14,238,596</b>	<b>59,806,980</b>
<b>II. Debtors</b>	<b>143,568</b>	-	<b>1,366,596</b>	<b>2,063,202</b>	<b>3,866,249</b>	<b>5,073,794</b>	<b>4,834,577</b>	-	<b>773,961</b>	<b>8,437,583</b>	<b>26,559,530</b>
<b>2. Amounts owed by affiliated undertakings</b>	<b>143,568</b>	-	<b>1,096,333</b>	<b>1,640,127</b>	<b>3,004,985</b>	<b>3,459,489</b>	<b>2,478,474</b>	-	-	-	<b>11,822,976</b>
a) becoming due and payable within one year	143,568	-	1,096,333	1,640,127	3,004,985	3,459,489	2,478,474	-	-	-	11,822,976
<b>4. Other debtors</b>	-	-	<b>270,263</b>	<b>423,075</b>	<b>861,264</b>	<b>1,614,305</b>	<b>2,356,103</b>	-	<b>773,961</b>	<b>8,437,583</b>	<b>14,736,554</b>
a) becoming due and payable within one year	-	-	270,263	423,075	861,264	1,614,305	2,356,103	-	773,961	8,437,583	14,736,554
<b>IV. Cash at bank and at hand</b>	<b>28,104</b>	<b>71,141</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,459,000</b>	<b>7,000,002</b>	<b>7,000,000</b>	<b>71,442</b>	<b>2,316,748</b>	<b>5,801,013</b>	<b>33,247,450</b>
<b>TOTAL ASSETS</b>	<b>171,672</b>	<b>71,141</b>	<b>120,780,940</b>	<b>180,333,634</b>	<b>351,155,332</b>	<b>607,324,607</b>	<b>731,194,881</b>	<b>71,442</b>	<b>172,519,463</b>	<b>1,612,420,523</b>	<b>3,776,043,635</b>

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Notes to the annual accounts for the year ended December 31, 2023

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

<b>BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2023</b>											
<b>CAPITAL, RESERVES AND LIABILITIES</b>	<b>Capital</b>	<b>Comp. 11</b>	<b>Comp. 12</b>	<b>Comp. 13</b>	<b>Comp. 14</b>	<b>Comp. 15</b>	<b>Comp. 16</b>	<b>Comp. UK 2021-1</b>	<b>Comp. UK 2021-2</b>	<b>Comp. UK 2022-1</b>	<b>Combined</b>
<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>118,500</b>	<b>71,141</b>	<b>120,780,940</b>	<b>180,333,634</b>	<b>351,155,332</b>	<b>607,324,607</b>	<b>731,194,881</b>	<b>71,442</b>	<b>172,519,463</b>	<b>1,612,420,523</b>	<b>3,775,990,463</b>
<b>1. Debenture loans</b>	-	-	<b>116,898,672</b>	<b>176,334,173</b>	<b>347,359,121</b>	<b>577,156,476</b>	<b>708,327,143</b>	-	<b>169,520,644</b>	<b>1,600,322,764</b>	<b>3,695,918,993</b>
b) Non-convertible loans	-	-	116,898,672	176,334,173	347,359,121	577,156,476	708,327,143	-	169,520,644	1,600,322,764	3,695,918,993
i) becoming due and payable within one year	-	-	146,643	280,267	645,066	1,075,871	1,368,681	-	91,890	2,140,841	5,749,259
ii) becoming due and payable after more than one year	-	-	116,752,029	176,053,906	346,714,055	576,080,605	706,958,462	-	169,428,754	1,598,181,923	3,690,169,734
<b>4. Trade creditors</b>	<b>118,500</b>	<b>2,622</b>	<b>1,667</b>	<b>2,196</b>	<b>2,178</b>	<b>2,177</b>	<b>25,471</b>	<b>4,910</b>	<b>10,372</b>	<b>10,372</b>	<b>180,465</b>
a) becoming due and payable within one year	118,500	2,622	1,667	2,196	2,178	2,177	25,471	4,910	10,372	10,372	180,465
<b>6. Amounts owed to affiliated undertakings</b>	-	<b>68,519</b>	<b>3,880,601</b>	<b>3,997,265</b>	<b>3,794,033</b>	<b>30,165,954</b>	<b>22,842,267</b>	<b>66,532</b>	<b>2,988,447</b>	<b>12,087,387</b>	<b>79,891,005</b>
a) becoming due and payable within one year	-	68,519	130,601	247,265	335,033	23,165,814	15,841,724	66,532	687,084	6,333,978	46,876,550
b) becoming due and payable after more than one year	-	-	3,750,000	3,750,000	3,459,000	7,000,140	7,000,543	-	2,301,363	5,753,409	33,014,455
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>	<b>171,672</b>	<b>71,141</b>	<b>120,780,940</b>	<b>180,333,634</b>	<b>351,155,332</b>	<b>607,324,607</b>	<b>731,194,881</b>	<b>71,442</b>	<b>172,519,463</b>	<b>1,612,420,523</b>	<b>3,776,043,635</b>



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Notes to the annual accounts for the year ended December 31, 2023

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

	PROFIT AND LOSS ACCOUNT PER COMPARTMENT FOR THE YEAR 2023													
	Capital	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	UK 2020-1	UK 2020-2	UK 2021-1	UK 2021-2	UK 2022-1	Combined
4. Other operating income	-	-	-	-	-	-	-	-	-	558,286	-	-	1,270	559,556
5b. Other external expenses	(2,575)	(85,073)	(133,423)	(137,981)	(143,310)	(127,930)	(95,222)	(81,238)	(29,627)	(55,267)	(106,446)	(99,178)	(82,895)	(1,180,165)
8. Other operating expenses	(6,433)	(2,482)	-	-	-	-	-	-	-	-	-	-	(300)	(9,215)
10b. Other income from investments and loans forming part of the fixed assets	-	141,512	6,369,743	6,005,695	8,519,986	13,938,651	18,758,178	7,254,318	4,246	-	11,241,274	16,136,483	113,619,456	201,989,542
11a. Interest receivable and similar income derived from affiliated undertakings	9,008	6,135,739	-	-	-	-	3,459,489	2,478,474	22,715	-	-	-	-	12,105,425
11b. Other interest receivable and similar income	-	655	3,315,816	4,772,811	7,276,235	11,797,166	25,143,990	3,640,582	2,889	477,945	14,788,915	11,177,242	84,614,143	167,008,389
13. Value adjustments in respect of financial assets and of investments held as fixed assets	-	640,175	3,165,785	814,262	495,665	(1,044,140)	(4,303,584)	(3,058,735)	-	-	49,145	(297,357)	(2,313,151)	(5,851,935)
14a. Interest payable and similar expenses concerning affiliated undertakings	-	(5,189,299)	(8,506,777)	(5,709,923)	(7,568,064)	(7,560,749)	(13,336,309)	(4,745,990)	-	(979,984)	(9,097,889)	(12,828,679)	(74,062,727)	(149,586,390)
14b. Other interest payable and similar expenses	-	(1,640,692)	(4,210,554)	(5,744,274)	(8,578,855)	(17,002,409)	(29,626,542)	(5,487,411)	(168)	(390)	(16,874,409)	(14,087,921)	(121,775,261)	(225,028,886)
15. Tax on Profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>16. Profit or loss after taxation</b>	-	<b>535</b>	<b>590</b>	<b>590</b>	<b>1,657</b>	<b>589</b>	-	-	<b>55</b>	<b>590</b>	<b>590</b>	<b>590</b>	<b>535</b>	<b>6,321</b>
17. Other taxes	-	(535)	(590)	590	(1,657)	(589)	-	-	(55)	(590)	(590)	(590)	(535)	(6,321)
<b>18. Profit or loss for the financial year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Notes to the annual accounts for the year ended December 31, 2023

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

<b>BALANCE SHEET PER COMPARTMENT FOR THE YEAR 2022</b>												
<b>ASSETS</b>	<b>Capital</b>	<b>Comp. 10</b>	<b>Comp. 11</b>	<b>Comp. 12</b>	<b>Comp. 13</b>	<b>Comp. 14</b>	<b>Comp. UK 2020-1</b>	<b>Comp. UK 2020-2</b>	<b>Comp. UK 2021-1</b>	<b>Comp. UK 2021-2</b>	<b>Comp. UK 2022-1</b>	<b>Combined</b>
<b>C. Fixed assets</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>III. Financial assets</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>
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>	<b>231,301</b>	<b>1,830,931</b>	<b>13,223,751</b>	<b>6,434,971</b>	<b>7,001,215</b>	<b>7,710,054</b>	<b>110,543</b>	<b>198,997,515</b>	<b>9,987,277</b>	<b>3,212,968</b>	<b>10,022,621</b>	<b>258,763,147</b>
<b>II. Debtors</b>	<b>203,097</b>	<b>330,874</b>	<b>3,773,751</b>	<b>2,684,971</b>	<b>3,251,184</b>	<b>4,251,054</b>	-	<b>198,910,248</b>	<b>1,075,182</b>	<b>956,378</b>	<b>4,382,322</b>	<b>219,819,061</b>
<b>2. Amounts owed by affiliated undertakings</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>
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>	<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>
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>	<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>Intercompartment balances</b>	<b>(62,104)</b>	<b>57,091</b>	<b>2,506</b>	-	-	-	<b>2,507</b>	-	-	-	-	-
<b>TOTAL ASSETS</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>

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Notes to the annual accounts for the year ended December 31, 2023

**Note 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>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>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>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>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>4,350</b>	<b>6,777</b>	-	-	-	-	-	<b>22,773</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>

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Notes to the annual accounts for the year ended December 31, 2023

**Note 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>	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the annual accounts for the year ended December 31, 2023

## Note 4 – Financial assets

Financial assets classified as Other Loans are composed of portfolio of lease receivables acquired from MBB as originator and seller of these lease receivables of compartments 10, 11, 12, 13, 14, 15, 16 and portfolio of lease receivables acquired from MBFS UK as originator and seller of these lease receivables of compartments 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 MBB and MBFS UK. In return MBB and MBFS UK pay interest and principal collections on performing loan receivables.

The evolution of the financial assets for the year ended December 31, 2023 is as follows:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Opening balance	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	4,401,860,083
Purchases during the year	-	-	-	-	-	789,879,430	762,401,056	-	-	738,801,810	2,291,082,296	2,804,319,367
Re-purchases during the year	(76,072,101)	(173,162,058)	-	-	-	-	-	(288,002,284)	-	-	(537,236,443)	(197,961,070)
Actual cash collected	(12,479,555)	(214,541,553)	(173,272,276)	(193,734,823)	(217,798,388)	(190,052,125)	(39,980,437)	(107,971,836)	(156,744,601)	(702,469,860)	(2,009,045,454)	(3,006,836,695)
Receivables written off (note 18)	(54,967)	(1,752,212)	(1,485,899)	(2,160,642)	(2,803,971)	(1,119,200)	(123,259)	(422,349)	(836,123)	(4,113,513)	(14,872,135)	(13,947,301)
Value adjustment (note 18)	481,433	2,732,893	839,852	832,560	71,286	(3,457,294)	(2,937,056)	-	-	-	(1,436,326)	310,333
<b>Ending balance</b>	-	-	<b>115,664,344</b>	<b>174,520,432</b>	<b>343,830,083</b>	<b>595,250,811</b>	<b>719,360,304</b>	-	<b>169,428,754</b>	<b>1,598,181,927</b>	<b>3,716,236,655</b>	<b>3,987,744,717</b>

During the year 2023, EUR 14,872,135 (2022: EUR 13,947,301) of defaulted receivables were written-off and EUR 10,456,526 (2022: EUR 14,207,643) was subsequently recovered on previously written-off receivables (refer to note 18).

On April 24, 2023, Compartment 15 acquired loan receivables with an aggregate outstanding loan principal amount as of the cut-off date of EUR 789,879,430 for a purchase price of EUR 756,000,140 corresponding to the adjusted aggregate outstanding loan principal amount as of the cut-off date. The adjusted outstanding loan principal amount is equal to the aggregate outstanding loan principal amount minus the yield overcollateralisation ("yield OC") amount. The yield OC on the cut-off date is equal to EUR 33,879,290 which corresponds to a level of overcollateralisation as of the cut-off date of 4.48%. The yield OC was included in the initial recognition of the newly acquired financial assets and is being amortised at each principal and interest payment dates. During the financial year EUR 11,251,790 was amortised resulting to EUR 22,627,500 balance as at the year ended 31 December 2023.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 4 – Financial assets (continued)

On November 15, 2023, Compartment 16 acquired loan receivables with an aggregate outstanding loan principal amount as of the cut-off date of EUR 762,401,056 for a purchase price of EUR 745,500,543 corresponding to the adjusted aggregate outstanding loan principal amount as of the cut-off date. The adjusted outstanding loan principal amount is equal to the aggregate outstanding loan principal amount minus the yield overcollateralisation (“yield OC”) amount. The yield OC on the cut-off date is equal to EUR 16,900,514 which corresponds to a level of overcollateralisation as of the cut-off date of 2.27%. The yield OC was included in the initial recognition of the newly acquired financial assets and is being amortised at each principal and interest payment dates. During the financial year EUR 1,561,616 was amortised resulting to EUR 15,338,898 balance as at the year ended 31 December 2023.

### Note 5 – Debtors

#### 5.1 Amounts owed by affiliated undertakings

As at December 31, 2023, the balance is composed of:

In EUR	Capital Comp.	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	2023 Combined	2022 Combined
Cash excess to servicer**	143,568	1,096,333	1,640,127	3,004,985	3,459,489	2,478,474	11,822,976	14,610,818
<b>Amounts owed by affiliated undertakings within one year</b>	<b>143,568</b>	<b>1,096,333</b>	<b>1,640,127</b>	<b>3,004,985</b>	<b>3,459,489</b>	<b>2,478,474</b>	<b>11,822,976</b>	<b>14,610,818</b>

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Notes to the annual accounts for the year ended December 31, 2023

**Note 5 – Debtors (continued)**

**5.1 Amounts owed by affiliated undertakings (continued)**

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

In EUR	Capital Comp.	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp.14	Comp.15	Comp. 16	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Cash excess payable - opening balance	-	-	-	-	-	-	-	-	(107,287)	-	-	-	-	(107,287)	(11,809,163)
Cash excess receivable - opening 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
Excess spread expense - Note 19	-	-	(3,289,131)	(1,235,689)	(1,135,143)	(121,727)	-	-	-	(979,984)	(397,797)	(719,013)	(5,003,496)	(12,881,980)	(790,767)
Excess spread income - Note 17	9,008	6,135,739	-	-	-	-	3,459,489	2,478,474	22,715	-	-	-	-	12,105,425	18,618,180
Balance set off	(62,104)	(6,317,910)	2,506	-	-	-	-	-	2,156	-	-	-	-	(6,375,352)	-
Repayment to servicer	-	11,677	-	-	-	-	-	-	82,416	30,806	-	-	-	124,899	1
Cash excess to servicer - payable - closing balance	-	-	(68,519)	-	-	-	-	-	-	-	(66,532)	(396,517)	(3,814,885)	(4,346,456)	(107,287)*
Cash excess to services receivable - closing balance	143,568	-	-	1,096,333	1,640,127	3,004,985	3,459,489	2,478,474	-	-	-	-	-	11,822,976	14,610,818

\* Prior year amount was updated to reconcile with the audited accounts.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 5 – Debtors (continued)

#### 5.2 Other debtors

As at December 31, 2023, the balance is composed of:

In EUR	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Accrued interest on interest rate swaps	-	-	-	-	-	-	-	-	528,106
Accrued interest on portfolio of auto Loan*	270,263	423,075	861,264	1,614,305	2,356,103	773,961	8,437,583	14,736,554	6,702,642
Tax and VAT receivables	-	-	-	-	-	-	-	-	6,433
Other debtors	-	-	-	-	-	-	-	-	197,971,062
<b>Other debtors becoming due and payable within one year</b>	<b>270,263</b>	<b>423,075</b>	<b>861,264</b>	<b>1,614,305</b>	<b>2,356,103</b>	<b>773,961</b>	<b>8,437,583</b>	<b>14,736,554</b>	<b>205,208,243</b>

\* The interest receivable for last collection period of the year 2023 was collected by the servicing agent and has been paid to the Company on the next interest payment date on January 15, 2024 for compartment 12, 13, 14, 15, 16 and on January 22, 2024 for compartment UK 2021-02 and UK 2022-01.

### Note 6 – Cash at bank and in hand

As at December 31, 2023 the cash at bank is made up as follows:

In EUR	Capital Comp.	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Cash at bank	28,104	71,141	-	-	-	-	-	71,442	15,384	47,604	233,675	1,732,803
General reserve	-	-	3,750,000	3,750,000	3,459,000	7,000,002	7,000,000	-	2,301,364	5,753,409	33,013,775	37,211,283
<b>Total</b>	<b>28,104</b>	<b>71,141</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,459,000</b>	<b>7,000,002</b>	<b>7,000,000</b>	<b>71,442</b>	<b>2,316,748</b>	<b>5,801,013</b>	<b>33,247,450</b>	<b>38,944,086</b>

### Note 7 – Subscribed capital

The subscribed capital amounts to EUR 31,000 and is divided into 3,100 shares fully paid to EUR 31,000 with nominal value of EUR 10 each.

As at December 31, 2023, the Company does not hold any of its own shares.



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Notes to the annual accounts for the year ended December 31, 2023

### Note 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, 2023 the amount of share premium stayed EUR 100,000.

### Note 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.

### Note 10 – Non convertible loans

The non convertible loans as at December 31, 2023 comprise the following:

In EUR	Reference	2023	2022
Compartment 11	10.2	-	389,455,823
Compartment 12	10.3	116,752,029	291,510,203
Compartment 13	10.4	176,053,906	371,949,371
Compartment 14	10.5	346,714,055	567,316,414
Compartment 15	10.6	576,080,605	-
Compartment 16	10.7	706,958,462	-
Compartment UK 2021-1	10.8	-	396,396,469
Compartment UK 2021-2	10.9	169,428,754	327,009,478
Compartment UK 2022-1	10.10	1,598,181,923	1,565,963,492
<b>Non convertible loans - becoming due and payable after more than one year</b>		<b>3,690,169,734</b>	<b>3,909,601,250</b>
Non convertible loans and accrued interest - becoming due and payable within one year		5,749,259	81,285,669
<b>Total</b>		<b>3,695,918,993</b>	<b>3,990,886,919</b>

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non convertible loans (continued)

#### 10.1 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 January 11, 2023, the transaction was terminated and the remaining notes have been fully redeemed. Following the termination of the transaction, the compartment was liquidated during the year 2023.

The Notes outstanding for Compartment 10 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.50%	-	-
Class B	Euribor + 0.70%	-	48,731,623
Class C	Euribor + 1.35%	-	17,500,000
Class D	Euribor + 2.60%	-	11,200,000
Class Z	non-interest bearing	-	1
<b>Notes Issued</b>		-	<b>77,431,624</b>
Accrued interest		-	123,212
<b>Total</b>		-	<b>77,554,836</b>

#### 10.2 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.

As at September 12, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transaction, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non convertible loans (continued)

#### 10.2 Compartment 11 (continued)

The Notes outstanding for Compartment 11 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.70%	-	247,755,823
Class B	Fixed 1.00%	-	141,700,000
<b>Notes Issued</b>		-	<b>389,455,823</b>
Accrued interest		-	346,091
<b>Total</b>		-	<b>389,801,914</b>

#### 10.3 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, 2023 a total amount of EUR 174,758,174 Class A Notes were redeemed thus reducing the balance from EUR 229,610,203 to EUR 54,852,029.

The Notes outstanding for Compartment 12 as at December 31, 2023 are comprised as follows (in EUR):

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.70%	54,852,029	229,610,203
Class B	Fixed 1.00%	61,900,000	61,900,000
<b>Notes Issued</b>		<b>116,752,029</b>	<b>291,510,203</b>
Accrued interest		146,643	287,932
<b>Total</b>		<b>116,898,672</b>	<b>291,798,135</b>

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non convertible loans (continued)

#### 10.4 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, 2023 a total amount of EUR 195,895,465 Class A Notes were redeemed thus reducing the balance from EUR 314,049,371 to EUR 118,153,906.

The Notes outstanding for Compartment 13 as at December 31, 2023 are comprised as follows (in EUR):

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.70%	118,153,906	314,049,371
Class B	Fixed 1.00%	57,900,000	57,900,000
<b>Notes Issued</b>		<b>176,053,906</b>	<b>371,949,371</b>
Accrued interest		280,267	381,181
<b>Total</b>		<b>176,334,173</b>	<b>372,330,552</b>

#### 10.5 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, 2023 a total amount of EUR 220,602,360 Class A Notes were redeemed thus reducing the balance from EUR 509,116,414 to EUR 288,514,054.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non convertible loans (continued)

#### 10.5 Compartment 14 (continued)

The Notes outstanding for Compartment 14 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.70%	288,514,054	509,116,414
Class B	Fixed 1.00%	58,200,000	58,200,000
<b>Notes Issued</b>		<b>346,714,054</b>	<b>567,316,414</b>
Accrued interest		645,066	682,393
<b>Total</b>		<b>347,359,120</b>	<b>567,998,807</b>

#### 10.6 Compartment 15

The Company created Compartment 15 on January 11, 2023 issuing two Classes A and B Notes, amounting to nominal of EUR 756,000,000 maturing in 2030. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2023 a total amount of EUR 179,919,395 Class A Notes were redeemed thus reducing the balance from EUR 700,000,000 to EUR 520,080,605.

The Notes outstanding for Compartment 15 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.44%	520,080,605	-
Class B	Fixed 1.00%	56,000,000	-
<b>Notes Issued</b>		<b>576,080,605</b>	-
Accrued interest		1,075,871	-
<b>Total</b>		<b>577,156,476</b>	-

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non convertible loans (continued)

#### 10.7 Compartment 16

The Company created Compartment 16 on November 15, 2023 issuing two Classes A and B Notes, amounting to nominal of EUR 745,500,000 maturing in 2030. The priority of payment is mentioning the seniority of the Class A Noteholders.

As at December 31, 2023 a total amount of EUR 38,541,538 Class A Notes were redeemed thus reducing the balance from EUR 700,000,000 to EUR 661,458,462.

The Notes outstanding for Compartment 16 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	Euribor + 0.48%	661,458,462	-
Class B	Fixed 1.00%	45,500,000	-
<b>Notes Issued</b>		<b>706,958,462</b>	-
Accrued interest		1,368,681	-
<b>Total</b>		<b>708,327,143</b>	-

#### 10.8 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 Compartment was liquidated during the year 2023.

#### 10.9 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 Compartment was liquidated during the year 2023.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non-convertible loans (continued)

#### 10.10 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 June 8, 2023, the transaction was terminated and the notes have been fully redeemed. Following the termination of the transactions, the intention of the Board of Directors is to liquidate the Compartment during the year 2024.

The Notes outstanding for Compartment UK 2021-1 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	SONIA + 0.45%	-	126,363,885
Class B	Fixed 1.30%	-	270,032,584
<b>Notes Issued</b>		-	<b>396,396,469</b>
Accrued interest		-	127,881
<b>Total</b>		-	<b>396,524,350</b>

#### 10.11 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, 2023 a total amount of GBP 142,792,457 (EUR 160,591,705) class A Notes were redeemed thus reducing the balance from GBP 160,234,516 (EUR 180,661,964) to GBP 17,442,058.75 (EUR 20,070,259).

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Notes to the annual accounts for the year ended December 31, 2023

### Note 10 – Non-convertible loans (continued)

#### 10.11 Compartment UK 2021-2 (continued)

The Notes outstanding for Compartment UK 2021-2 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	SONIA + 0.32%	20,070,259	180,661,964
Class B	Fixed 1.30%	149,358,495	146,347,514
<b>Notes Issued</b>		<b>169,428,754</b>	<b>327,009,478</b>
Accrued interest		91,890	283,493
<b>Total</b>		<b>169,520,644</b>	<b>327,292,971</b>

#### 10.12 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 1,280,000,000 maturing in 2032. On May 18, 2022, Class B notes was increased by GBP 108,900,000 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, 2023 a total amount of GBP 1,000,000,00 (EUR 1,150,681,779) class A Notes were issued and no redemption was made.

The Notes outstanding for Compartment UK 2022-1 as at December 31, 2023 are comprised as follows:

In EUR		Notes	Notes
Notes	Interest rate	2023	2022
Class A	SONIA + 0.47%	1,150,681,779	1,127,484,694
Class B	Fixed 1.30%	447,500,144	438,478,798
<b>Notes Issued</b>		<b>1,598,181,923</b>	<b>1,565,963,492</b>
Accrued interest		2,140,841	1,621,862
<b>Total</b>		<b>1,600,322,764</b>	<b>1,567,585,354</b>



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Notes to the annual accounts for the year ended December 31, 2023

### Note 11 – Trade creditors

Trade creditors becoming due and payable within one year amounting to EUR 180,464 (2022: EUR 200,246) are comprised of the following items mentioned in the table below:

In EUR	2023	2022
Trustee and agent fees	8,116	37,149
Audit fees payable	133,232	116,025
Accounting fees payable	39,117	30,307
Professional fees	-	3,924
Bank fees	-	12,806
Others	-	35
<b>Total</b>	<b>180,465</b>	<b>200,246</b>

### Note 12 – Amounts owed to affiliated undertakings

#### 12.1 General Reserve

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 15 entered into General Reserve in 2023 for an amount of EUR 7,000,000 with MBB which was used to fund the deposit on the cash reserve account.

The Compartment 16 entered into General Reserve in 2023 for an amount of EUR 7,000,000 with MBB which was used to fund the deposit on the cash reserve account.

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Notes to the annual accounts for the year ended December 31, 2023

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

**12.1 General Reserve (continued)**

The Compartment UK 2021-2 entered into General Reserve in 2021 for an amount of GBP 2,000,000 (EUR 2,301,364) 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 5,753,409) with MBFS UK which was used to fund the deposit on the cash reserve account.

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

In EUR	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Final success fees payable	-	29,767	97,011	42,838	506,758	466,120	-	147,989	1,183,807	2,474,290	9,344,219
Cash excess payable	68,519	-	-	-	-	-	66,532	396,517	3,814,885	4,346,453	107,287
Servicing fees (MBB/MBFS)	-	97,293	146,712	288,928	24,946	30,096	-	141,191	1,331,818	2,060,984	3,790,024
Accrued interest	-	3,542	3,542	3,267	6,610	6,611	-	1,387	3,468	28,427	21,969
Yield OC amount	-	-	-	-	22,627,500	15,338,897	-	-	-	37,966,397	-
Notes redemption	-	-	-	-	-	-	-	-	-	-	198,437,306
<b>Total due and payable within one year</b>	<b>68,519</b>	<b>130,602</b>	<b>247,265</b>	<b>335,033</b>	<b>23,165,814</b>	<b>15,841,724</b>	<b>66,532</b>	<b>687,084</b>	<b>6,333,978</b>	<b>46,876,551</b>	<b>211,700,805</b>
General reserve	-	3,750,000	3,750,000	3,459,000	7,000,000	7,000,000	-	2,301,363	5,753,409	33,013,772	43,632,822
Other payables*	-	-	-	-	140	543	-	-	-	683	-
<b>Total due and payable after more than one year</b>	<b>-</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,459,000</b>	<b>7,000,140</b>	<b>7,000,543</b>	<b>-</b>	<b>2,301,363</b>	<b>5,753,409</b>	<b>33,014,455</b>	<b>43,632,822</b>
<b>Total</b>	<b>68,519</b>	<b>3,880,602</b>	<b>3,997,265</b>	<b>3,794,033</b>	<b>30,165,954</b>	<b>22,842,267</b>	<b>66,532</b>	<b>2,988,447</b>	<b>12,087,387</b>	<b>79,891,006</b>	<b>255,333,627</b>

\* Other payables relate to a portion of the Purchase Price of the Loan Receivables acquired by Compartments 15 and 16 which shall be due and payable only on the earlier of the date on which the Clean-up Call is exercised and the Legal Maturity Date.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 13 – Other creditors

As at December 31, 2023 other creditors are composed as following:

In EUR	2023 Combined	2022 Combined
Accrued interest - interest-rate swap	-	22,773
NWT payable	-	55
VAT payable	-	11,072
<b>Total</b>	-	<b>33,900</b>

### Note 14 – Taxation

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

### Note 15 – Other external expenses

Other external expenses for the year ended December 31, 2023 amount to EUR 1,180,165 (2022: EUR 4,990,640) and are composed of the following:

In EUR	2023 EUR	2022 EUR
Accounting, administration and domiciliation fees	440,419	245,391
Trustee and agent fees	184,478	324,530
Audit fees	203,670	75,416
Rating fees	66,420	41,346
Other fees (including bank fees and surveillance fees)	271,870	4,295,217
Listing fees	13,308	8,740
<b>Total</b>	<b>1,180,165</b>	<b>4,990,640</b>

\* Decrease in other external expenses is due to inclusion of servicing fees of one compartment in the classification “other fees” in the prior year accounts. Servicing fees are included in “Interest payable and similar expenses” of the profit and loss account.

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Notes to the annual accounts for the year ended December 31, 2023

**Note 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, 2023 on the portfolio of auto loan receivables of EUR 201,989,542 (2022: EUR 219,486,304). The breakdown per Compartment is described in the following table:

In EUR	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2020-1	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Income from autoloans	141,512	6,369,742	6,005,695	8,519,986	13,938,652	18,758,178	7,254,318	4,246	11,241,274	16,136,483	113,619,456	201,989,542	219,486,304
<b>Total</b>	<b>141,512</b>	<b>6,369,742</b>	<b>6,005,695</b>	<b>8,519,986</b>	<b>13,938,652</b>	<b>18,758,178</b>	<b>7,254,318</b>	<b>4,246</b>	<b>11,241,274</b>	<b>16,136,483</b>	<b>113,619,456</b>	<b>201,989,542</b>	<b>219,486,304</b>

**Note 17 – Other interest receivable and similar income**

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

In EUR	Capital Comp.	Comp. 10	Comp. 11	Comp. 12	Comp. 13	Comp. 14	Comp. 15	Comp. 16	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Excess spread	9,008	6,135,739	-	-	-	-	3,459,489	2,478,474	22,715	-	-	-	-	12,105,425	18,607,037
<b>Total derived from affiliated undertakings</b>	<b>9,008</b>	<b>6,135,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,459,489</b>	<b>2,478,474</b>	<b>22,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,105,425</b>	<b>18,607,037</b>
Interest on current account	-	655	69,275	55,428	55,397	51,127	95,786	10,077	358	562	22,175	55,519	179,397	595,756	5,418
Interest income - interest rate swap	-	-	3,246,541	4,717,383	7,220,838	11,746,039	13,796,414	2,068,889	-	-	1,299,520	4,466,972	52,006,803	100,569,399	30,207,484
FX differences	-	-	-	-	-	-	-	-	2,531	1,147	13,467,220	6,654,751	32,427,943	52,553,592	34,856,270
Other financial income	-	-	-	-	-	-	11,251,790	1,561,616	-	476,236	-	-	-	13,289,642	-
<b>Total other interest and similar income</b>	<b>-</b>	<b>655</b>	<b>3,315,816</b>	<b>4,772,811</b>	<b>7,276,235</b>	<b>11,797,166</b>	<b>25,143,990</b>	<b>3,640,582</b>	<b>2,889</b>	<b>477,945</b>	<b>14,788,915</b>	<b>11,177,242</b>	<b>84,614,143</b>	<b>167,008,389</b>	<b>65,069,172</b>
<b>Total</b>	<b>9,008</b>	<b>6,136,394</b>	<b>3,315,816</b>	<b>4,772,811</b>	<b>7,276,235</b>	<b>11,797,166</b>	<b>28,603,479</b>	<b>6,119,056</b>	<b>25,604</b>	<b>477,945</b>	<b>14,788,915</b>	<b>11,177,242</b>	<b>84,614,143</b>	<b>179,113,814</b>	<b>83,676,209</b>

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Notes to the annual accounts for the year ended December 31, 2023

**Note 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. 15	Comp. 16	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Individual value adjustment (VA)	-	-	-	-	(547,896)	(815,527)	(157,292)	-	-	-	(1,520,715)	(932,300)
Reversal - individual VA	137,472	951,342	101,262	130,169	-	-	-	-	-	-	1,320,245	360,835
Collective VA	-	-	-	-	-	(2,641,767)	(2,779,764)	-	-	-	(5,421,531)	(2,266,401)
Reversal - collective VA	343,961	1,781,551	738,590	702,391	619,182	-	-	-	-	-	4,185,675	3,148,199
<b>Total VA</b>	<b>481,433</b>	<b>2,732,893</b>	<b>839,852</b>	<b>832,560</b>	<b>71,286</b>	<b>(3,457,294)</b>	<b>(2,937,056)</b>	-	-	-	<b>(1,436,326)</b>	<b>310,333*</b>
Receivables written-off	(54,967)	(1,752,212)	(1,485,899)	(2,160,642)	(2,803,971)	(1,119,200)	(123,259)	(422,349)	(836,123)	(4,113,513)	(14,872,135)	(13,947,301)
Recovery of previously written-off receivables	213,709	2,185,104	1,460,309	1,823,747	1,688,545	272,910	1,580	471,494	538,765	1,800,362	10,456,525	14,207,643
<b>Total receivables/ recoveries</b>	<b>158,742</b>	<b>432,892</b>	<b>(25,590)</b>	<b>(336,895)</b>	<b>(1,115,426)</b>	<b>(846,290)</b>	<b>(121,679)</b>	<b>49,145</b>	<b>(297,357)</b>	<b>(2,313,151)</b>	<b>(4,415,609)</b>	<b>260,342</b>
<b>Total</b>	<b>640,175</b>	<b>3,165,785</b>	<b>814,262</b>	<b>495,665</b>	<b>(1,044,140)</b>	<b>(4,303,584)</b>	<b>(3,058,735)</b>	<b>49,145</b>	<b>(297,357)</b>	<b>(2,313,151)</b>	<b>(5,851,935)</b>	<b>570,675</b>

\* The figures for the financial year ended December 31, 2022 related to the split of Value adjustments were reclassified to ensure comparability with the figures for the financial year ended December 31, 2023.

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Notes to the annual accounts for the year ended December 31, 2023

**Note 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. 15	Comp. 16	Comp. UK 2020-1	Comp. UK 2020-2	Comp. UK 2021-1	Comp. UK 2021-2	Comp. UK 2022-1	2023 Combined	2022 Combined
Interest expenses - borrowings	-	(152,775)	(76,041)	(76,041)	(70,141)	(97,223)	(17,500)	-	-	(84,729)	(45,814)	(114,610)	(734,874)	(839,261)
Servicing fees	(5,189,299)	(1,803,898)	(1,952,127)	(2,651,488)	(4,472,723)	(290,852)	(93,629)	-	-	(1,383,025)	(2,416,672)	(15,983,820)	(36,237,533)	(53,645,489)
Excess spread	-	(3,289,131)	(1,235,689)	(1,135,143)	(121,727)	-	-	-	(979,984)	(397,797)	(719,013)	(5,003,496)	(12,881,980)	(692,244)
Final success fees	-	(3,260,973)	(2,446,066)	(3,705,392)	(2,896,158)	(12,948,234)	(4,634,861)	-	-	(7,232,338)	(9,647,180)	(52,960,801)	(99,732,003)	(126,396,434)
<b>Total concerning affiliated</b>	<b>(5,189,299)</b>	<b>(8,506,777)</b>	<b>(5,709,923)</b>	<b>(7,568,064)</b>	<b>(7,560,749)</b>	<b>(13,336,309)</b>	<b>(4,745,990)</b>	-	<b>(979,984)</b>	<b>(9,097,889)</b>	<b>(12,828,679)</b>	<b>(74,062,727)</b>	<b>(149,586,390)</b>	<b>(181,573,428)</b>
Interest expense - swaps	-	-	-	-	(1,347,249)	(12,651,733)	(1,753,111)	-	-	(183,672)	(888,190)	(25,669,180)	(42,493,135)	(26,369,037)
Interest expenses - Notes issued	(108,717)	(4,206,250)	(5,744,274)	(8,578,855)	(15,655,160)	(16,974,809)	(3,734,300)	-	-	(3,218,424)	(6,550,322)	(63,730,194)	(128,501,305)	(56,313,676)
FX differences	-	-	-	-	-	-	-	(168)	(390)	(13,472,312)	(6,649,409)	(32,375,879)	(52,498,158)	(34,465,456)
Interest expenses - cash at bank	-	-	-	-	-	-	-	-	-	(1)	-	(8)	(9)	-
Loss on loan redemption	(1,531,975)	(4,304)	-	-	-	-	-	-	-	-	-	-	(1,536,279)	-
<b>Total other interest and similar expenses</b>	<b>(1,640,692)</b>	<b>(4,210,554)</b>	<b>(5,744,274)</b>	<b>(8,578,855)</b>	<b>(17,002,409)</b>	<b>(29,626,542)</b>	<b>(5,487,411)</b>	<b>(168)</b>	<b>(390)</b>	<b>(16,874,409)</b>	<b>(14,087,921)</b>	<b>(121,775,261)</b>	<b>(225,028,886)</b>	<b>(117,148,169)</b>
<b>Total</b>	<b>(6,829,991)</b>	<b>(12,717,331)</b>	<b>(11,454,197)</b>	<b>(16,146,919)</b>	<b>(24,563,158)</b>	<b>(42,962,851)</b>	<b>(10,233,401)</b>	<b>(168)</b>	<b>(980,374)</b>	<b>(25,972,298)</b>	<b>(26,916,599)</b>	<b>(195,837,989)</b>	<b>(374,615,276)</b>	<b>(298,721,597)</b>

**Note 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 (2022: NIL).

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Notes to the annual accounts for the year ended December 31, 2023

### **Note 21 – Taxes – Pillar Two Implication**

On 20 December 2023, the Luxembourg Parliament adopted the law implementing the EU directive on ensuring a global minimum level of taxation for Multinational Enterprises groups (MNEs groups) and large-scale domestic groups in the EU (hereafter “Pillar Two”). The new rules will apply for fiscal years starting on or after 31 December 2023.

Pillar two rules apply to MNEs groups and large-scale domestic groups in the EU with a consolidated revenues of EUR 750 million or more in at least two of the last four years. Where the effective tax rate paid by certain group entities is lower than 15%, an additional amount of tax, referred to as “top-up tax” will be added in compensation for the low-taxed entities, to reach a global minimum tax rate of 15%.

The Board of Directors is currently in the process to assess the potential exposure to Pillar Two. The legislation was enacted close to the reporting date and therefore the potential exposure for the Company and its MNEs group (the Group), if any, is still not known or reasonably estimable. Nevertheless, at this stage, no significant exposure is expected.

The relevant information is expected to be known during the financial year 2024.

### **Note 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 (2022: none).

### **Note 23 – Off-balance sheet activities**

#### **23.1 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.

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. As at September 12, 2023, the transaction was terminated and the notes have been fully redeemed. As a result, there was no longer a swap at the reporting date.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 23 – Off-balance sheet activities (continued)

#### 23.2 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, 2023, the notional amount of the swap was EUR 54,852,029 (2022: EUR 229,610,203). The fair value of the swap of Compartment 12 as at December 31, 2023 was EUR 540,220 (2022: EUR 5,177,939).

#### 23.3 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.



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Notes to the annual accounts for the year ended December 31, 2023

### Note 23 – Off-balance sheet activities (continued)

#### 23.3 Compartment 13 (continued)

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, 2023, the notional amount of the swap was EUR 118,153,906 (2022: EUR 314,049,371). The fair value of the swap of Compartment 13 as at December 31, 2023 was EUR 2,101,295 (2022: EUR 9,254,655).

#### 23.4 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%

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, 2023, the notional amount of the swap was EUR 288,514,054 (2022: EUR 509,116,414). The fair value of the swap of Compartment 14 as at December 31, 2023 was EUR 6,597,272 (2022: EUR 17,067,510).

#### 23.5 Compartment 15

The Compartment 15 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 15 Notes.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 23 – Off-balance sheet activities (continued)

#### 23.5 Compartment 15 (continued)

The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
700,000,000	2030	EURIBOR 1 month	3.1990%

Compartment 15 entered into an “interest rate settlement agreement” on April 3, 2023 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 15 Notes. As at December 31, 2023, the notional amount of the swap was EUR 520,080,605. The fair value of the swap of Compartment 15 as at December 31, 2023 was EUR -2,876,171.

#### 23.6 Compartment 16

The Compartment 16 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 16 Notes.

The details of this contract are summarized as follows:

Notional amount (EUR)	Termination date	Interest rate	Interest rate
		receivable	payable
700,000,000	2030	EURIBOR 1 month	3.2200%

Compartment 16 entered into an “interest rate settlement agreement” on November 1, 2023 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 16 Notes. As at December 31, 2023, the notional amount of the swap was EUR 661,458,462. The fair value of the swap of Compartment 16 as at December 31, 2023 was EUR -5,395,046.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 23 – Off-balance sheet activities (continued)

#### 23.7 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.

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. As at June 8, 2023, the transaction was terminated and the notes have been fully redeemed. As a result, there was no longer a swap at the reporting date.

#### 23.8 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 receivable	Interest rate 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, 2023, was GBP 17,442,059 (EUR 20,070,259) [2022: GBP 160,234,516 (EUR 180,661,964)]. The fair value of the swap of Compartment UK 2021-2 as at December 31, 2023 was GBP 77,462 (EUR 89,134) [2022: GBP 3,056,213 (EUR 3,445,833)].

#### 23.9 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.

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Notes to the annual accounts for the year ended December 31, 2023

### Note 23 – Off-balance sheet activities (continued)

#### 23.9 Compartment UK 2022-1 (continued)

The details of this contract are summarized as follows:

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, 2023, was GBP 1,000,000,000 (EUR 1,150,681,779) /2022: 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, 2023 was GBP 28,176,971 (EUR 32,422,727) /2022: GBP 48,807,714 (EUR 55,029,951)".

### Note 24 – Subsequent Events

On February 5, 2024, the Board of Directors approved the creation of Compartment 2024-1 to carry out the securitization of certain receivables originated by Mercedes-Benz Bank UK.

On March 15, 2024, the Board of Directors approved the Clean-Up Call of Compartment UK 2021-2 and the notes amounting to GBP 400,000,000 Class A have been redeemed on 20 March 2024.

On April 16, 2024, the Board of Directors ratified the transaction to issue EUR 70,000,000 Class A Notes and EUR 44,700,000 Class B Notes due 2031 through Compartment 17 of the Company.

On April 24, 2024, the Board of Directors ratified the transaction to issue GBP 412,500,000 Class A Notes and GBP 117,500,000 Class B Notes through Compartment UK 2024-1 of the Company.

On May 13, 2024, the Board of Directors approved the Clean-Up Call of Compartment 12. As per information received by the Repurchaser, the Clean-Up-Call will be effective on 15 April 2024.