

**VCL Multi-Compartment S.A.
Société Anonyme**

**AUDITED ANNUAL ACCOUNTS
FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2019**

Address:

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RCS Luxembourg : B 148.436

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VCL Multi-Compartment S.A.

DIRECTORS' REPORT

The Board of Directors of VCL Multi-Compartment S.A. (the "**Company**") herewith submits its report for the year ending 31 December 2019.

General

The Company is a securitisation company within the meaning of the Luxembourg Law of March 22, 2004 on securitisation ("**Securitisation Law**") and has as its corporate purpose the securitisation of car lease receivables.

The Company may, in accordance with the terms of the securitisation Law, and in particular its article 5, create one or more compartments. 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.

Summary of activities

On 28 January 2019, the Company created a new compartment VCL 28. On 18 April 2019, the Company under Compartment VCL 28 has purchased from VCL Master S.A. a pool of monthly paid car lease receivables (the "**Lease Receivables**"), with a discounted nominal value of EUR 1,000,018,756 for a price of EUR 983,277,156 whereby the underlying car lease contracts are mainly for the leasing of vehicles originated by Volkswagen Leasing GmbH via the Volkswagen group dealership network (which, inter alia, comprises of Volkswagen, Audi, SEAT, Skoda and Volkswagen Nutzfahrzeuge) throughout Germany and are entered into with both private and business customers.

The purchase of the Lease Receivables has been financed by the issue of EUR 941,000,000 Class A Asset Backed Floating Rate Notes due 2025 (the "**Class A Notes**") and EUR 19,000,000 Class B Asset Backed Floating Rate Notes due 2025 (the "**Class B Notes**" and collectively the "**Notes**") and a Subordinated Loan of EUR 33,018,756. The Notes are listed in Luxembourg Stock Exchange.

On 21 August 2019, the Company created a new compartment VCL 29. On 20 November 2019, the Company under Compartment VCL 29 purchased from VCL Master S.A. a pool of monthly paid car lease receivables (the "**Lease Receivables**"), with a discounted nominal value of EUR 1,000,008,117 for a price of EUR 985,701,167 whereby the underlying car lease contracts are mainly for the leasing of vehicles originated by Volkswagen Leasing GmbH via the Volkswagen group dealership network (which, inter alia, comprises of Volkswagen, Audi, SEAT, Skoda and Volkswagen Nutzfahrzeuge) throughout Germany and are entered into with both private and business customers.

The purchase of the Lease Receivables has been financed by the issue of EUR 941,000,000 Class A Asset Backed Floating Rate Notes due 2025 (the "**Class A Notes**") and EUR 19,000,000 Class B Asset Backed Floating Rate Notes due 2025 (the "**Class B Notes**" and collectively the "**Notes**") and a Subordinated Loan of EUR 32,008,117. The Notes are listed in Luxembourg Stock Exchange.

The Subordinated Loan have been granted to the Company by Volkswagen Financial Services AG for the purpose of credit enhancement and they rank junior to the Notes.

The Company has entered into swap agreements for each class of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Lessees of the vehicles to the Company and the floating rate interest payments owed by the company under the Notes.

Both the Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Lease Receivables and the amounts received or paid under the interest rate swap agreements less costs.

VCL Multi-Compartment S.A.

DIRECTORS' REPORT (CONTINUED)

Portfolio of Permitted Assets

During the year, all outstanding Lease Receivables of Compartments VCL 24 were repurchased by Volkswagen Leasing GmbH for a total price of EUR 115,922,194.

During 2019, overall payments of Lease Receivable principal of EUR 2,056,045,083 (2018: EUR 2,041,832,477) have been collected from Volkswagen Leasing GmbH. Total interest income for all compartments for the year ended 31 December 2019 amounted to EUR 162,161,094 (2018: EUR 170,688,287).

Notes

During the year, the outstanding principal on the Notes of Compartment VCL 24 have been fully redeemed, using the cash obtained from the repurchase of the Lease Receivables by Volkswagen Leasing GmbH.

Corporate Governance

The Board of Directors duly notes that, based on Article 52 of the law of 23 July 2016 concerning the audit profession / the "Audit law", the Company is classified as a public-interest entity and is required to establish an audit committee. However, the Company's sole business is to act as issuer of asset-backed securities as defined in point (5) of Article 2 of Commission regulation (EC) No 809/2004. Therefore, it is exempted from the Audit Committee obligation based on Article 52 (5) c).

The Company has concluded that the establishment of a dedicated audit committee or an administrative or supervisory body entrusted to carry out the function of an audit committee is not appropriate for the nature and extent of the Company's business which consists merely of an interest in assets to which the limited recourse Notes issued are linked. Furthermore, the Company operates in a strictly defined regulatory environment (e.g. Securitisation Law, CSSF supervision, listing on EU-regulated market) and is subject to respective governance mechanisms.

Voting rights

Each issued share holds one vote in a Meeting of Shareholders. No special voting rights exist, nor does the sole Shareholder have any special right of control.

Acquisition of own shares

The Company may, to the extent and under the terms permitted by law, purchase its own shares. During the year ended December 31, 2019 the Company has not purchased any of its own shares.

Research and development activities

The Company was neither involved nor participated in any kind of research or development activities in the year ended December 31, 2019.

Branches and participations of the Company

The Company does not have any branches or participations.

Board of Directors

The Company is managed by a Board of Directors comprising three members. The Directors, whether shareholders or not, are appointed for a period not exceeding six years by the sole Shareholder, who may at any time remove them.

Igor Valikoff has resigned from his position as director on 4 February, 2019 and has been replaced by Mrs Sheena E. Gill (previously named Schmidt).

VCL Multi-Compartment S.A.

DIRECTORS' REPORT (CONTINUED)

Internal control and risk management procedures

The Board of Directors is responsible for managing the Company and carefully managing the Company's system of internal control and risk management. Its members are jointly accountable for the management of the Company and ensure that the statutory and legal requirements and obligations of the Company are met and complied with.

The Board has the overall responsibility for the Company's system of internal control and for achieving its effectiveness. This system of internal control is designed to manage, rather than eliminate, risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Company operates a management structure with clear delegated authority levels and clear functional reporting lines and accountability. All relevant decisions are subject to appropriate authorisation procedures. The Board monitors financial and operational performance and compliance controls on a continuing basis and identifies and responds to business risks as they arise.

Related business risks

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.

Counterparty risk:

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

Interest rate risk:

The Receivables bear interest at fixed rates while the Notes and the Subordinated loan bears interest at floating rates based on 1-month EURIBOR. 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. The Subordinated loan is not covered by such swap transactions. The Board of Directors considers however that the Excess spread of the Structure would cover any movements in the 1-month EURIBOR.

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.

Subsequent events

On 21 January, 2020, the Board of Directors created Compartment VCL 30.

During the first quarter of 2020, COVID-19, an infectious disease caused by the Coronavirus has widespread across the world, resulting in thousands of casualties and economic instability. At the approval date of these annual accounts, the long-term consequences of the pandemic are unknown but it will likely affect the financial markets performance and industries as whole. However, at this date, there is no significant increase in the defaulted receivables balances. The Company is in its full capacity to continue its usual operations and the Board will continue to monitor the situation as well as potential impacts on the Company.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December, 2019.

VCL Multi-Compartment S.A.

VCL Multi-Compartment S.A.

Future outlook

No material changes in activities are contemplated for the year 2020.

Luxembourg, 31 July 2020



Mrs Z.H. Cammans
Director



Mrs M.D. Mussai-Ramassur
Director



Audit report

To the Board of Directors of
VCL Multi-Compartment S.A.

Report on the audit of the annual accounts

Our opinion

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of VCL Multi-Compartment S.A. (the "Company") as at 31 December 2019, 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.

What we have audited

The Company's annual accounts comprise:

- the balance sheet as at 31 December 2019;
 - the profit and loss account for the year then ended; and
 - the notes to the annual accounts, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 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 No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.



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 our 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.

Key audit matter	How our audit addressed the Key audit matter
<p data-bbox="277 698 667 757"><i>Existence and Valuation of lease receivables</i></p> <p data-bbox="277 795 703 1272">The purpose of the Company is to purchase a portfolio of car lease receivables of customers from Volkswagen Leasing GmbH (“the originator” and the “asset servicer”). The acquisition of the lease receivables is financed by the issuances of granted listed notes. The leasing portfolio is purchased from the originator at a discounted value to cover potential losses of these receivables. There is a risk of non-payment if the customers fail to meet payment instalments. Refer to Note 2.2.2 for the accounting policy.</p> <p data-bbox="277 1310 703 1653">The selection and collection process of the lease receivables purchased from the originator is not conducted by the Company itself but by a third party, the asset servicer. Thus, reconciliation processes over lease receivables and accounting records implemented by the asset servicer are critical to ensure lease receivable balances are complete and accurate.</p> <p data-bbox="277 1691 703 1872">Taking into account that the total financial fixed assets as at 31 December 2019 amounted to 2,843,886,675EUR (See Note 3), we have identified this as a key audit matter of our audit.</p>	<p data-bbox="740 698 1437 824">The lease receivables purchased by the Company are part of the full lease portfolio of the originator. Our audit procedures to cover the existence of the lease receivables included:</p> <ul data-bbox="740 862 1469 1211" style="list-style-type: none"> <li data-bbox="740 862 1469 958">• We performed detailed procedures to gain an understanding of the controls in respect of the existence of the lease receivables adopted by the asset servicer; <li data-bbox="740 996 1469 1093">• We performed reconciliation of the information of lease receivables in the annual accounts from the source systems; <li data-bbox="740 1131 1469 1211">• In order to check reliance of the asset servicer’s information, we performed a sample testing of lease receivables and obtained supporting loan contracts. <p data-bbox="740 1249 1453 1406">As the audit of the valuation of each individual lease receivables is not appropriate, we have reviewed and tested the internal control system of the originator with regards to the valuation of the lease receivables in which no issues were noted.</p> <p data-bbox="740 1444 1453 1630">In order to test the Company’s assessment on the valuation of the lease receivables, we performed detailed procedures in order to assess the recoverability of the lease receivables and we concluded that as at 31 December 2019 the Company’s leasing receivables valuation disclosed in the annual accounts is in line with the accounting policies.</p> <p data-bbox="740 1668 1453 1765">As at 31 December 2019, the existence and the valuation of the Company’s lease receivables are properly reviewed with no exceptions noted.</p>



Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the directors' report including the Corporate Governance Statement but does not include the annual accounts and our audit report 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 identified above 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 that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the annual accounts

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

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

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report 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 No 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 No 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 scepticism 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 audit report 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 audit report. 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.

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 audit report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

The directors' 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 directors' report. The information is required by Article 68ter 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 have been appointed as "Réviseur d'Entreprises Agréé" of the Company by the Board of Directors on 31 July 2019 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 11 years.

PricewaterhouseCoopers, Société coopérative
Represented by

Electronically signed by:
Frank Ballmann

A handwritten signature in black ink, appearing to read 'FB', is written over a horizontal line.

Frank Ballmann

Luxembourg, 31 July 2020

Annual Accounts Helpdesk :

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RCSL Nr. : B148436

Matricule : 2009 2219 233

eCDF entry date :

BALANCE SHEET

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

VCL Multi-Compartment S.A.

22-24, Boulevard Royal
L-2449 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 <u>2.843.886.675,00</u>	110 <u>3.015.827.079,00</u>
I. Intangible assets	1111 _____	111 _____	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

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

RCSL Nr. : B148436

Matricule : 2009 2219 233

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
III. Financial assets	1135	2.2.2, 3	135
		2.843.886.675,00	136
			3.015.827.079,00
1. Shares in affiliated undertakings	1137	137	138
2. Loans to affiliated undertakings	1139	139	140
3. Participating interests	1141	141	142
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143	144
5. Investments held as fixed assets	1145	145	146
		2.843.886.675,00	3.015.827.079,00
6. Other loans	1147	147	148
D. Current assets	1151	151	152
		322.984.499,00	319.884.412,00
I. Stocks	1153	153	154
1. Raw materials and consumables	1155	155	156
2. Work in progress	1157	157	158
3. Finished goods and goods for resale	1159	159	160
4. Payments on account	1161	161	162
II. Debtors	1163	163	164
		2.2.3, 4	188.746.442,00
			189.098.207,00
1. Trade debtors	1165	165	166
a) becoming due and payable within one year	1167	167	168
b) becoming due and payable after more than one year	1169	169	170
2. Amounts owed by affiliated undertakings	1171	171	172
a) becoming due and payable within one year	1173	173	174
b) becoming due and payable after more than one year	1175	175	176
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177	178
a) becoming due and payable within one year	1179	179	180
b) becoming due and payable after more than one year	1181	181	182
4. Other debtors	1183	183	184
		188.746.442,00	189.098.207,00
a) becoming due and payable within one year	1185	185	186
		188.746.442,00	189.098.207,00
b) becoming due and payable after more than one year	1187	187	188

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Matricule : 2009 2219 233

	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 _____ <u>5</u>	197 _____ <u>134.238.057,00</u>	198 _____ <u>130.786.205,00</u>
E. Prepayments	1199 _____	199 _____	200 _____
TOTAL (ASSETS)		201 _____ <u>3.166.871.174,00</u>	202 _____ <u>3.335.711.491,00</u>

RCSL Nr. : B148436

Matricule : 2009 2219 233

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301	31.000,00	31.000,00
I. Subscribed capital	1303 <u>6</u>	31.000,00	31.000,00
II. Share premium account	1305		
III. Revaluation reserve	1307		
IV. Reserves	1309		
1. Legal reserve	1311 <u>7</u>		
2. Reserve for own shares	1313		
3. Reserves provided for by the articles of association	1315		
4. Other reserves, including the fair value reserve	1429		
a) other available reserves	1431		
b) other non available reserves	1433		
V. Profit or loss brought forward	1319		
VI. Profit or loss for the financial year	1321		
VII. Interim dividends	1323		
VIII. Capital investment subsidies	1325		
B. Provisions	1331 <u>2.2.6, 8</u>	94.621,00	73.276,00
1. Provisions for pensions and similar obligations	1333		
2. Provisions for taxation	1335		
3. Other provisions	1337	94.621,00	73.276,00
C. Creditors	1435 <u>2.2.8</u>	3.157.210.841,00	3.329.344.249,00
1. Debenture loans	1437	2.840.039.537,00	3.004.492.245,00
a) Convertible loans	1439		
i) becoming due and payable within one year	1441		
ii) becoming due and payable after more than one year	1443		
b) Non convertible loans	1445 <u>9</u>	2.840.039.537,00	3.004.492.245,00
i) becoming due and payable within one year	1447	1.841.334.486,00	1.782.176.283,00
ii) becoming due and payable after more than one year	1449	998.705.051,00	1.222.315.962,00
2. Amounts owed to credit institutions	1355		
a) becoming due and payable within one year	1357		
b) becoming due and payable after more than one year	1359		

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

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Matricule : 2009 2219 233

	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 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ 10	379 _____ 316.629.300,00	380 _____ 324.705.238,00
a) becoming due and payable within one year	1381 _____	381 _____ 267.299.591,00	382 _____ 271.251.216,00
b) becoming due and payable after more than one year	1383 _____	383 _____ 49.329.709,00	384 _____ 53.454.022,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 _____ 542.004,00	452 _____ 146.766,00
a) Tax authorities	1393 _____	393 _____ 87.015,00	394 _____ 48.598,00
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____ 11	397 _____ 454.989,00	398 _____ 98.168,00
i) becoming due and payable within one year	1399 _____	399 _____ 454.989,00	400 _____ 98.168,00
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
D. Deferred income	1403 _____ 2.2.9	403 _____ 9.534.712,00	404 _____ 6.262.966,00
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 3.166.871.174,00	406 _____ 3.335.711.491,00

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

Annual Accounts Helpdesk :

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Matricule : 2009 2219 233

eCDF entry date :

PROFIT AND LOSS ACCOUNT

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

VCL Multi-Compartment S.A.

22-24, Boulevard Royal
L-2449 Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____ 12	713 _____ 9.934,00	714 _____ 51.688,00
5. Raw materials and consumables and other external expenses	1671 _____	671 _____ -30.524.497,00	672 _____ -32.338.308,00
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ 13	603 _____ -30.524.497,00	604 _____ -32.338.308,00
6. Staff costs	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____ 14	621 _____ -131.566.573,00	622 _____ -134.267.896,00

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

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Matricule : 2009 2219 233

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

VCL Multi-Compartment S.A.

Notes to the annual accounts

Note 1 - General information

VCL Multi-Compartment S.A. (hereafter the "**Company**") is a Luxembourg public limited liability company incorporated in Luxembourg on 16 September 2009 for an unlimited period of time under the legal form of "Société Anonyme" having its corporate office at 22-24, Boulevard Royal, L-2449 Luxembourg, Grand-Duchy of Luxembourg. The Company is registered at the Registre du Commerce et Sociétés of Luxembourg City under number B 148.436.

The accounting period of the Company begins 1st January and terminates on 31st December.

The purpose of the Company is the securitisation, within the meaning of the Luxembourg Law of 22 March 2004 on Securitisations (hereinafter the "**Securitisation Law**"), of receivables (the "**Permitted Assets**"). The Company may enter into any agreement and perform any action necessary or useful for the purposes of securitising Permitted Assets, including, without limitation, disposing of its assets in accordance with the relevant agreements.

The Company may only carry out the above activities if and to the extent that they are compatible with the Securitisation Law.

The Company may, in accordance with the terms of the Securitisation Law, and in particular its article 5, create one or more compartments. 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. Disclosure per compartments is included as from Note 22 of these audited annual accounts.

The Company is included in the consolidated accounts of Volkswagen AG, forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at Berliner Ring 2, 38440 Wolfsburg, (HRB Nr. 100484) and the consolidated accounts are available at the same address.

In addition, the Company is included in the consolidated accounts of Volkswagen Financial Services AG, forming the smallest body of undertakings included in the body of undertakings referred to in the above-mentioned paragraph of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at Gifhorner Str. 57, 38112 Braunschweig, (HRB Nr. 1858) and the consolidated accounts are available at the same address.

Capitalised terms not defined within these audited annual accounts are defined in the respective Transaction Documents of each compartment of the Company.

Note 2 - Summary of significant accounting policies

2.1 Basis of preparation

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

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. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Comparative figures of captions "Other creditors", "Non convertible loans", "Amounts owed to affiliated undertakings" and "Other provisions" as at 31 December 2018 have been modified to enable comparability with the figures presented as at 31 December 2019.

VCL Multi-Compartment S.A.

Notes to the annual accounts

Note 2 - Summary of significant accounting policies (continued)

2.2 Significant accounting policies

The main valuation rules applied by the Company are the following:

2.2.1 Formation expenses

The formation expenses of the Company are directly charged to the profit and loss account of the year in which they are incurred.

2.2.2 Financial assets

Permitted Assets included in financial assets are recorded at their acquisition price. In case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made, have ceased to apply. In case of repayment above discounted value, these payments are accounted as a gain.

2.2.3 Debtors

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

2.2.4 Derivative financial instruments

The Company may enter into derivative financial instruments such as swaps in order to reduce its exposure coming from the floating rate of the Notes against the fixed rate of the Permitted Assets. In case of hedging on asset or liability which is not recorded at fair value, unrealised gains or losses are deferred until the realised gains or losses on the hedged item are realised. The interests linked to derivatives instruments are recorded on accrual basis at the closing date. Commitments relating to swap transactions are recorded in the off-balance sheet accounts.

2.2.5 Foreign currency translation

The Company maintains its books and records in EUR.

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Cash, short-term debtors and creditors are translated on the basis of the exchange rates effective at balance sheet date. The exchange gains and losses are thus recorded in the profit and loss account. Other assets and liabilities are translated separately at the lower or the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at balance sheet date. Solely the unrealised exchange losses are recorded in the profit and loss account. The exchange gains and losses are recorded in the profit and loss account at the moment of realisation.

Where there is an economic link between an asset and 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 whereas the net unrealised exchange gains are not recognised.

2.2.6 Provisions

Provisions are intended to cover charges which at the balance sheet date are either likely to incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

2.2.7 Notes issued

Notes issued are stated at par value less any repayments made to their principal.

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 2 - Summary of significant accounting policies (continued)****2.2.8 Creditors**

Where the amount repayable on account is greater than the amount received, the difference may be accounted for in the profit and loss account when the debt is issued.

2.2.9 Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

2.2.10 Interest receivable and payable

Interest receivable and payable are recorded on an accrual basis.

2.2.11 Equalisation provision

Losses during the year as a result from sales, default, lower market values or cost may cause a partial reduction on the assets. Such shortfalls will first be borne by the originator in inverse order of the priority of payments.

Consequently, a provision for decrease in value will be made and deducted from the amount repayable of the Subordinated Loan and booked in the profit and loss account as "Other operating income".

Similarly, in case of profit made during the year, the Equalisation provision booked in the profit and loss as "Other operating expense" would result into an additional liability towards the Originator.

Note 3 - Financial assets

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Investments held as fixed assets		
Permitted Assets		
<u>Movements for the year</u>		
Opening balance	3,015,827,079	2,696,428,792
Acquisitions for the year	2,000,026,873	2,553,203,764
Disposals for the year	(115,922,194)	(191,973,000)
Reimbursements for the year	(2,056,045,083)	(2,041,832,477)
Closing balance	<u>2,843,886,675</u>	<u>3,015,827,079</u>

On 18 April 2019, Compartment VCL 28 acquired from VCL Master S.A. - Compartment 1 a portfolio of Permitted Assets valued at EUR 1,000,018,756 following a discount on its nominal value of 5.7016 per cent per annum on the basis of a 360/360 day year. This portfolio was purchased for a price of EUR 983,277,156 calculated as the discounted nominal amount, less (i) an amount of EUR 7,000,000 for overcollateralisation purposes, and less (ii) an amount of EUR 12,000,000 for the endowment of the cash collateral account and plus (iii) EUR 2,258,400 being an amount equal to the amount of the issue price of the Class A Notes in excess of 100 per cent.

On 20 November 2019, Compartment VCL 29 acquired from VCL Master S.A. - Compartment 1 a portfolio of Permitted Assets valued at EUR 1,000,008,117 following a discount on its nominal value of 5.7016 per cent per annum on the basis of a 360/360 day year. This portfolio was purchased for a price of EUR 985,701,167 calculated as the discounted nominal amount, less (i) an amount of EUR 8,000,000 for overcollateralisation purposes, and less (ii) an amount of EUR 12,000,000 for the endowment of the cash collateral account and plus (iii) EUR 5,693,050 being an amount equal to the amount of the issue price of the Class A Notes in excess of 100 per cent.

Acquisition of the Permitted Assets was financed by the issue of Class A and Class B Floating Rate Asset Backed Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

As at 31 December 2019, no value adjustment is recorded in the annual accounts in respect of financial assets given the absence of durable depreciation.

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 4 - Debtors**

The other receivables becoming due and payable within one year consist predominantly of the receivable due from Volkswagen Leasing GmbH for the December 2019 collection of the Permitted Assets, which is due in January 2020.

Note 5 - Cash at bank and in hand

	2019	2018
	EUR	EUR
<u>Cash at bank</u>		
Disbursement account	71,506	119,273
Cash collateral account	134,138,322	130,643,470
Capital account	28,229	23,462
Total cash at bank and in hand	<u>134,238,057</u>	<u>130,786,205</u>

Note 6 - Subscribed capital

As of 31 December 2019, the subscribed capital amounts to EUR 31,000 and is divided into 3,100 shares fully paid-up with a par value of EUR 10 each. The authorised capital amounts to EUR 31,000.

Note 7 - Legal reserve

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

Note 8 - Provisions

	2019	2018
	EUR	EUR
<u>Other provisions</u>		
Audit fees	93,540	72,000
Tax advisory fees	1,081	1,276
Total other provisions	<u>94,621</u>	<u>73,276</u>

Note 9 - Non convertible loans

	2019	2018
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Interest on Class A Notes	44,694	24,192
Interest on Class B Notes	3,522	3,590
Class A Asset Backed Floating Rate Notes	1,791,113,471	1,738,796,644
Class B Asset Backed Floating Rate Notes	50,172,799	43,351,857
Total becoming due and payable within one year	<u>1,841,334,486</u>	<u>1,782,176,283</u>
<u>Becoming due and payable after more than one year</u>		
Class A Asset Backed Floating Rate Notes	955,591,143	1,166,345,017
Class B Asset Backed Floating Rate Notes	43,113,908	55,970,945
Total becoming due and payable after more than one year	<u>998,705,051</u>	<u>1,222,315,962</u>
Total non convertible loans	<u>2,840,039,537</u>	<u>3,004,492,245</u>

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 9 - Non convertible loans (continued)****Class A Asset Backed Floating Rate Notes**

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Opening balance	2,905,141,661	2,599,314,422
Issuance for the year	1,882,000,000	2,400,000,000
Repayment for the year	(2,040,437,047)	(2,094,172,761)
Closing balance	<u>2,746,704,614</u>	<u>2,905,141,661</u>
Thereof scheduled for redemption within one year	1,791,113,471	1,738,796,644
Amount due and payable after more than one year	<u>955,591,143</u>	<u>1,166,345,017</u>

The details of notes issued in 2019 are as follows:

	<u>floating interest rate</u>	<u>swapped fixed interest rate</u>
VCL 28 - 9,410 Class A Notes of EUR 100,000 each	1m Euribor + 0.4000%	0.0920%
VCL 29 - 9,410 Class A Notes of EUR 100,000 each	1m Euribor + 0.6500%	0.2100%

Payments on the Class A Notes are made monthly in arrears on the 21st of each month.

Following the received payments from the Permitted Assets, the Company intends to make further repayments on the outstanding principal of the Class A Notes during the year 2020. The Board of Directors has been able to estimate reliably that the following amounts will be repaid in the course of 2020 and has thus classified these amounts as becoming due and payable within one year.

	<u>Amount</u>
VCL 25 - Class A Notes	EUR 245,162,550
VCL 26 - Class A Notes	EUR 439,968,900
VCL 27 - Class A Notes	EUR 310,367,614
VCL 28 - Class A Notes	EUR 377,061,280
VCL 29 - Class A Notes	EUR 418,553,127
Total becoming due and payable within one year	EUR 1,791,113,471

Class B Asset Backed Floating Rate Notes

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Opening balance	99,322,802	91,194,015
Issuance for the year	38,000,000	51,700,000
Repayment for the year	(44,036,095)	(43,571,213)
Closing balance	<u>93,286,707</u>	<u>99,322,802</u>
Thereof scheduled for redemption within one year	50,172,799	43,351,857
Amount due and payable after more than one year	<u>43,113,908</u>	<u>55,970,945</u>

The details of notes issued in 2019 are as follows:

	<u>floating interest rate</u>	<u>swapped fixed interest rate</u>
VCL 28 - 190 Class B Notes of EUR 100,000 each	1m Euribor + 0.6500%	0.3460%
VCL 29 - 190 Class B Notes of EUR 100,000 each	1m Euribor + 0.7800%	0.3400%

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 9 - Non convertible loans (continued)****Class B Asset Backed Floating Rate Notes**

Payments on the Class B Notes are made monthly in arrears on the 21st of each month.

Following the received payments from the Permitted Assets, the Company intends to make further repayments on the outstanding principal of the Class B Notes during the year 2020. The Board of Directors has been able to estimate reliably that the following amounts will be repaid in the course of 2020 and has thus classified these amounts as becoming due and payable within one year.

		<u>Amount</u>
VCL 25 - Class B Notes	EUR	13,270,773
VCL 26 - Class B Notes	EUR	23,815,934
VCL 27 - Class B Notes	EUR	9,769,686
VCL 28 - Class B Notes	EUR	3,316,406
VCL 29 - Class B Notes	EUR	-
Total becoming due and payable within one year	EUR	50,172,799

The Notes are substantially backed by all of the assets of the Company consisting primarily of the Company's right, title and interest in the Lease Receivables and in the title ownership of the leased vehicles which have been transferred to the Company.

All series of Notes are listed on the Luxembourg Stock Exchange. B series rank junior to A series.

Note 10 - Amounts owed to affiliated undertakings

	<u>2019</u>	<u>2018</u>
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Overcollateralisation payable	116,013,375	108,269,491
Servicer fees	2,515,447	2,658,482
Accrued interest Subordinated Loan	19,073	28,362
VWL Risk Reserve	67,740,000	71,837,956
Subordinated loan	69,754,679	76,448,173
Other amounts payable	11,257,017	12,008,752
Total becoming due and payable within one year	<u>267,299,591</u>	<u>271,251,216</u>
<u>Becoming due and payable after more than one year</u>		
Subordinated loan	49,329,709	53,454,022
Total becoming due and payable after more than one year	<u>49,329,709</u>	<u>53,454,022</u>
Total amounts owed to affiliated undertakings	<u>316,629,300</u>	<u>324,705,238</u>

Overcollateralisation payable represents an excess of the Permitted Assets' nominal value over the nominal value of the Notes and the Subordinated Loan and equalisation provision.

The VWL Risk Reserve includes the German Trade Tax Risk Reserve and is paid to the Cash Collateral Account. German Trade Tax Risk Reserve is required as security to cover any potential German trade tax risk. These reserves have been implemented in VCL 25, VCL 26, VCL 27, VCL 28 and VCL 29.

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 10 - Amounts owed to affiliated undertakings (continued)**

	<u>2019</u>	<u>2018</u>
	EUR	EUR
<u>Subordinated Loan</u>		
Opening balance	129,902,195	104,409,249
Issuance for the year	65,026,873	77,603,764
Capitalised interest for the year	310,579	391,071
Repayment for the year	(76,155,259)	(52,501,889)
Closing balance	<u>119,084,388</u>	<u>129,902,195</u>
Thereof scheduled for redemption within one year	69,754,679	76,448,173
Amount becoming due and payable after more than one year	<u>49,329,709</u>	<u>53,454,022</u>

On 18 April 2019, the Company has been granted a Subordinated Loan from Volkswagen Financial Services AG for VCL 28 amounting to EUR 33,018,756 with an interest of 1m Euribor + 1.28%.

On 20 November 2019, the Company has been granted a Subordinated Loan from Volkswagen Financial Services AG for VCL 29 amounting to EUR 32,008,117 with an interest of 1m Euribor + 1.02%.

Note 11 - Other creditors

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Swap on Class A Notes	69,273	94,423
Swap on Class B Notes	4,090	3,719
Other creditors	381,626	26
Total other creditors	<u>454,989</u>	<u>98,168</u>

Note 12 - Other operating income

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Equalisation provision	9,934	51,688
Total other operating income	<u>9,934</u>	<u>51,688</u>

The Equalisation provision represents charges incurred by compartment that were inactive during the year and which are borne by the Originator.

Note 13 - Other external expenses

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Listing fees	82,468	88,976
Audit fees	110,286	113,534
Tax advisory fees	1,698	1,984
Servicer fees	29,117,792	30,633,529
Rating agency fees	137,497	208,422
Trustee services	54,698	68,147
Maintenance fees	60,511	99,788
Other external charges	85,477	84,814
Bank charges	874,070	1,039,114
Total other external expenses	<u>30,524,497</u>	<u>32,338,308</u>

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 14 - Other operating expenses**

	<u>2019</u>	<u>2018</u>
	EUR	EUR
Equalisation provision	131,566,573	134,267,896
Total other operating expenses	<u>131,566,573</u>	<u>134,267,896</u>

Note 15 - Income from other investments and loans forming part of the fixed assets

	<u>2019</u>	<u>2018</u>
	EUR	EUR
<u>Derived from affiliated undertakings</u>		
Interest income from Permitted Assets	162,161,094	170,688,287
Total derived from affiliated undertakings	<u>162,161,094</u>	<u>170,688,287</u>
<u>Other income</u>		
Net interest income Class B Notes swap	4,044	23,018
Amortisation note issue premium	4,679,704	655,034
Total other income	<u>4,683,748</u>	<u>678,052</u>
Total income from other investments and loans forming part of the fixed assets	<u>166,844,842</u>	<u>171,366,339</u>

Note 16 - Interest payable and similar expenses

	<u>2019</u>	<u>2018</u>
	EUR	EUR
<u>Concerning affiliated undertakings</u>		
Interest expense on subordinated loan	769,002	895,389
Total concerning affiliated undertakings	<u>769,002</u>	<u>895,389</u>
<u>Other interest and similar expenses</u>		
Interest charges on Class A Notes	603,929	1,037,072
Interest charges on Class B Notes	118,483	231,814
Net interest expense Class A Notes swap	3,114,940	2,558,855
Net interest expense Class B Notes swap	151,196	85,180
Total other interest and similar expenses	<u>3,988,548</u>	<u>3,912,921</u>
Total interest payable and similar expenses	<u>4,757,550</u>	<u>4,808,310</u>

Note 17 - Tax on profit or loss

The Company is subject to all taxes applicable to commercial companies in Luxembourg incorporated under the Securitisation Law.

Note 18 - Staff

The Company did not employ any staff during the year under review (2018: nil).

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 19 - Emoluments granted to the Members of the Board of Directors**

No emoluments have been granted to any member of the Board of Directors, nor have any obligations arisen or been entered into by the Company in respect of retirement pensions for former members of the Board of Directors.

Note 20 - Loans or advances granted to the Members of the Board of Directors

No loans or advances have been granted to any member of the Board of Directors.

Note 21 - Off balance sheet commitments

As from 27 November 2017, the Compartment VCL 25 entered into Class A and Class B Swap Agreements (the “**Swaps**”) with The Skandinaviska Enskilda Banken AB. Each swap agreement hedges the Company’s interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 21st day of each month. The termination date of the Swap contracts is 21 September 2023.

As from 23 April 2018, the Compartment VCL 26 entered into Class A and Class B Swap Agreements (the “**Swaps**”) with DZ Bank AG. Each swap agreement hedges the Company’s interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 21st day of each month. The termination date of the Swap contracts is 21 February 2024.

As from 21 November 2018, the Compartment VCL 27 entered into Class A and Class B Swap Agreements (the “**Swaps**”) with ING Bank N.V.. Each swap agreement hedges the Company’s interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 21st day of each month. The termination date of the Swap contracts is 21 August 2024.

As from 18 April 2019, the Compartment VCL 28 entered into Class A and Class B Swap Agreements (the “**Swaps**”) with Skandinaviska Enskilda Banken AB. Each swap agreement hedges the Company’s interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 21st day of each month. The termination date of the Swap contracts is 21 January 2025.

As from 20 November 2019, the Compartment VCL 29 entered into Class A and Class B Swap Agreements (the “**Swaps**”) with DZ Bank AG. Each swap agreement hedges the Company’s interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 21st day of each month. The termination date of the Swap contracts is 21 June 2025.

The interest rate swaps can be detailed as follows:

	Curr	nominal amount	Spread interest rate received	Interest rate Paid
Comp. VCL 25 - Class A swap - SEB AB	EUR	245,162,550	0.4000%	0.1250%
Comp. VCL 25 - Class B swap - SEB AB	EUR	13,270,773	0.4200%	0.1650%
Comp. VCL 26 - Class A swap - DZ Bank AG	EUR	439,968,900	0.4000%	0.1600%
Comp. VCL 26 - Class B swap - DZ Bank AG	EUR	23,815,934	0.4000%	0.2070%
Comp. VCL 27 - Class A swap - ING Bank N.V.	EUR	487,284,210	0.4000%	0.1800%
Comp. VCL 27 - Class B swap - ING Bank N.V.	EUR	18,200,000	0.6800%	0.5100%
Comp. VCL 28 - Class A swap - SEB AB	EUR	666,795,047	0.4000%	0.0920%
Comp. VCL 28 - Class B swap - SEB AB	EUR	19,000,000	0.6500%	0.3460%
Comp. VCL 29 - Class A swap - DZ Bank AG	EUR	907,493,907	0.6500%	0.2100%
Comp. VCL 29 - Class B swap - DZ Bank AG	EUR	19,000,000	0.7800%	0.3400%

The interest rate received for each swap consists of 1 month Euribor plus the spread as mentioned above.

VCL Multi-Compartment S.A.**Notes to the annual accounts****Note 22 - Balance sheet as at 31 December 2019 per compartment**

Notes	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
ASSETS														
A. Fixed assets														
Financial assets														
Investments held as fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	244,301,101
24	-	-	-	-	-	-	-	-	-	-	-	-	-	244,301,101
B. Current assets														
Other debtors														
- becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- becoming due and payable within one year from another compartment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Prepayments														
Credit at bank and in hand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ASSETS)														
	3,267	23,902	27,893	9,297	26,474	30,706	44,820	54,580	35,492	316,072,182	316,072,182	316,072,182	316,072,182	316,072,182
CAPITAL, RESERVES AND LIABILITIES														
A. Capital and reserves														
Subscribed capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Provisions														
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Creditors														
Debiture loans														
- becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- becoming due and payable within one year from another compartment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amounts owed to affiliated undertakings														
- becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other creditors														
Other debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other creditors														
- becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- becoming due and payable within one year against another compartment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D. Deferred income														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (CAPITAL, RESERVES AND LIABILITIES)														
	3,267	23,902	27,893	9,297	26,474	30,706	44,820	54,580	35,492	316,072,182	316,072,182	316,072,182	316,072,182	316,072,182

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Note 22 - Balance sheet as at 31 December 2019 per compartment (continued)

Notes	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		General compartment		Total compartment	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
ASSETS														
A. Fixed assets														
Financial assets	245,651,673	799,894,124	488,200,658	1,077,981,503	513,886,891	885,650,351	683,189,258	683,189,258	832,776,195	832,776,195	-	-	2,843,886,675	3,016,527,079
Investments held as fixed assets	245,651,673	799,894,124	488,200,658	1,077,981,503	513,886,891	885,650,351	683,189,258	683,189,258	832,776,195	832,776,195	-	-	2,843,886,675	3,016,527,079
B. Current assets														
Other debtors	71,739,511	95,080,145	79,006,434	95,015,552	59,274,159	57,858,239	57,867,559	57,867,559	60,924,876	60,924,876	31,683	31,000	323,014,294	319,854,412
- becoming due and payable within one year	34,891,721	59,290,081	45,998,990	61,416,436	33,126,701	36,168,381	36,867,496	36,867,496	38,326,548	38,326,548	-	7,538	188,746,442	188,059,207
- becoming due and payable within one year from another compartment	11,661	-	7,395	-	7,395	-	-	-	-	-	3,334	-	29,785	-
Cash at bank and in hand	36,800,129	36,800,062	33,800,049	33,600,116	20,140,062	21,681,858	21,000,063	21,000,063	22,598,328	22,598,328	28,229	23,462	134,239,057	130,766,205
C. Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ASSETS)	317,445,184	894,974,267	537,287,092	1,172,997,055	567,263,049	951,468,590	751,056,817	751,056,817	993,701,071	993,701,071	31,683	31,000	3,166,900,989	3,335,711,491
CAPITAL, RESERVES AND LIABILITIES														
A. Capital and reserves														
Subscribed capital	-	-	-	-	-	-	-	-	-	-	31,000	31,000	31,000	31,000
B. Provisions														
Other provisions	15,770	12,255	15,770	12,255	15,770	12,255	15,770	15,770	15,770	15,770	-	-	94,621	73,276
C. Creditors														
Debtors (loans)	317,429,414	894,962,012	583,715,496	1,169,371,467	566,312,748	949,856,702	749,431,554	749,431,554	998,250,439	998,250,439	683	-	3,157,240,628	3,329,344,249
- becoming due and payable within one year	258,433,323	527,001,753	483,784,834	600,202,009	320,198,333	399,420,451	380,376,622	380,376,622	418,599,374	418,599,374	-	-	1,841,334,486	1,782,176,283
- becoming due and payable after more than one year	-	269,631,730	-	47,191,731	185,946,910	488,776,501	305,417,361	305,417,361	507,940,780	507,940,780	-	-	998,705,051	1,222,315,962
Amounts owed to affiliated undertakings	59,784,951	99,250,686	71,655,277	75,700,730	56,952,734	35,700,952	48,906,741	48,906,741	31,577,108	31,577,108	-	-	267,299,581	271,251,216
- becoming due and payable within one year	-	5,059,029	-	2,050,966	4,170,916	27,867,425	15,055,224	15,055,224	30,103,369	30,103,369	-	-	46,329,709	53,454,022
- becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other creditors	20,576	10,398	13,668	2,482	12,719	2,380	3,739	3,739	3,629	3,629	563	-	87,015	46,538
Other debtors	190,954	20,628	54,717	38,547	91,076	39,993	69,867	69,867	26,039	26,039	-	-	454,989	98,169
- becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- becoming due and payable within one year against another compartment	-	-	7,000	-	-	-	-	-	-	-	-	-	-	29,785
D. Deferred income	-	-	1,855,826	4,613,333	934,531	1,649,633	1,609,493	1,609,493	5,434,862	5,434,862	-	-	9,153,472	6,262,966
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	317,445,184	894,974,267	537,287,092	1,172,997,055	567,263,049	951,468,590	751,056,817	751,056,817	993,701,071	993,701,071	31,683	31,000	3,166,900,989	3,335,711,491

The captions "Other debtors - becoming due and payable within one year from another compartment" and "Other creditors - becoming due and payable within one year against another compartment" state amount receivable or payable between compartments of the Company and are eliminated in the eCDF balance sheet previously displayed.

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Notes to the annual accounts

Note 23 - Profit and loss account for the year ended 31 December 2019 per compartment

Notes	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
30	-	-	-	10,643	-	41,045	2,678	-	6,077	-	-	1,179	-	-
31	-	1,407	-	(10,643)	-	(39,874)	(2,678)	(670,790)	(6,077)	(1,066,596)	(1,179)	(1,067,124)	(1,067,124)	(4,916,730)
32	-	(1,407)	-	-	-	-	-	(1,190,982)	-	(5,066,188)	-	(3,433,979)	(2,976,352)	(19,673,523)
33	-	-	-	-	-	-	-	2,199,994	-	7,066,836	-	4,714,751	4,088,605	25,042,809
	-	-	-	-	-	-	-	37,51	-	-	-	-	4,044	19,267
34	-	-	-	-	-	(21,672)	-	(106,583)	-	(66,006)	-	(16,878)	(39,172)	(272,475)
	-	-	-	-	-	(255,179)	-	(282,051)	-	(149,270)	-	(189,147)	(189,147)	-
Tax on profit or loss	-	-	-	-	-	-	-	-	-	-	-	(2,112)	(2,112)	-
Other taxes not shown under items 1 to 16	-	-	-	-	-	(1,171)	-	(1,171)	-	-	-	(1,011)	(1,011)	-
Profit or loss for the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		General compartment		Total compartment	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
30	-	-	-	-	-	-	-	-	-	-	-	-	9,934	51,688
31	(5,696,866)	(11,964,034)	(8,136,083)	(10,369,551)	(7,419,016)	(1,616,903)	(6,603,845)	-	(1,701,509)	-	-	-	(30,524,497)	(32,338,308)
32	(21,972,994)	(51,405,672)	(36,309,072)	(46,310,082)	(32,011,526)	(7,186,163)	(30,646,800)	-	(7,649,829)	-	-	-	(131,966,573)	(134,267,899)
33	28,370,636	65,199,364	42,741,132	57,672,450	40,302,569	8,912,284	37,344,287	-	9,309,865	-	-	-	162,161,094	170,668,287
	-	-	3,057,507	576,667	715,102	78,367	646,907	-	258,188	-	-	-	4,683,748	678,052
34	(146,979)	(280,798)	(123,079)	(127,960)	(271,452)	(16,695)	(192,240)	-	(16,374)	-	-	-	(789,002)	(866,389)
	(652,666)	(1,438,660)	(1,223,394)	(1,421,524)	(1,314,666)	(167,890)	(554,306)	-	(198,341)	-	-	-	(3,966,548)	(3,912,921)
Tax on profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	(2,112)	-
Other taxes not shown under items 1 to 16	(1,011)	-	(1,011)	-	(1,011)	-	-	-	-	-	-	-	(6,044)	(6,513)
Profit or loss for the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Notes to the annual accounts

Note 24 - Financial assets per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24		
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	
Investments held as fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Movements during the year</i>															
Balance as at 1 January	-	-	-	-	-	-	154,012,103	-	227,773,479	-	152,891,285	-	244,301,101	680,267,630	
Acquisitions for the year	-	-	-	-	-	-	(85,387,181)	-	(63,860,407)	-	(42,715,412)	-	(115,922,194)	-	
Disposals for the year	-	-	-	-	-	-	(68,614,922)	-	(163,913,072)	-	(110,175,873)	-	(128,376,907)	(435,966,529)	
Reimbursements for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance as at 31 December	-	-	-	-	-	-	-	-	-	-	-	-	-	244,301,101	
Investments held as fixed assets															
<i>Movements during the year</i>															
Balance as at 1 January	799,894,124	1,481,484,295	1,077,981,503	-	893,650,351	-	1,000,018,756	-	-	-	3,015,827,079	2,696,428,792	-	-	
Acquisitions for the year	-	-	1,595,754,013	-	957,449,751	1,000,018,756	-	1,000,008,117	-	-	2,000,026,873	2,553,203,764	-	-	
Disposals for the year	-	-	(619,700,845)	(517,772,510)	(379,661,460)	(63,799,400)	(306,829,498)	-	(87,231,922)	-	(115,822,194)	(191,973,000)	-	-	
Reimbursements for the year	(554,242,451)	(681,590,171)	(819,700,845)	(517,772,510)	(379,661,460)	(63,799,400)	(306,829,498)	-	(87,231,922)	-	(2,056,045,083)	(2,041,832,477)	-	-	
Balance as at 31 December	245,651,673	799,894,124	458,280,658	1,077,981,503	513,988,891	893,650,351	693,189,258	-	932,776,195	-	2,843,866,675	3,015,827,079	-	-	

Note 25 - Cash at bank and in hand per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24		
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	
Cash at bank	-	-	-	-	-	-	74	-	1,232	1,516	-	-	-	-	
Capital account	-	3,267	-	23,902	-	27,893	-	-	-	-	-	-	24,971	89	
Disbursement account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash collateral account	-	-	-	-	-	-	-	-	-	-	-	-	-	38,597,956	
Total cash at bank and in hand	-	3,267	-	23,902	-	27,893	74	-	1,232	1,516	-	-	24,971	38,598,045	
Cash at bank															
Capital account	129	62	49	116	62	6,344	-	-	-	-	28,229	23,462	28,229	23,462	
Disbursement account	36,800,000	36,800,000	33,600,000	33,600,000	20,140,000	21,645,514	21,000,000	63	6	-	-	-	71,506	119,273	
Cash collateral account	-	-	-	-	-	-	-	-	22,598,322	-	-	-	134,138,322	130,643,470	
Total cash at bank and in hand	36,800,129	36,800,062	33,600,049	33,600,116	20,140,062	21,651,858	21,000,063	28,229	22,598,328	-	28,229	23,462	134,238,057	130,786,205	

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Note 26 - Provisions per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax advisory fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-
Audit fees	15,590	12,000	15,590	12,000	15,590	12,000	15,590	12,000	15,590	12,000	93,540	72,000
Tax advisory fees	180	180	180	255	180	255	180	180	180	1,276	1,081	1,276
Total other provisions	15,770	12,255	15,770	12,255	15,770	12,255	15,770	12,255	15,770	12,276	94,621	73,276

Note 27 - Non convertible loans per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Class A Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Class B Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class A Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class B Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total becoming due and payable within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class A Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class B Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non convertible loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Notes to the annual accounts

Note 27 - Non convertible loans per compartment (continued)

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Becoming due and payable within one year												
Interest on Class A Notes	-	6,728	-	9,242	-	8,222	-	936	-	44,694	-	24,192
Interest on Class B Notes	-	505	-	298	1,033	1,730	-	1,553	-	1,553	-	3,522
Class A Notes	245,162,550	506,031,852	439,968,900	590,926,082	310,367,614	399,410,499	-	377,061,280	-	418,553,127	-	1,738,796,644
Class B Notes	13,270,773	20,962,668	23,815,934	9,266,387	9,769,686	-	3,316,406	-	-	-	-	43,351,857
Total becoming due and payable within one year	258,433,323	527,001,753	463,784,834	600,202,009	320,138,333	399,420,451	-	380,378,622	-	418,599,374	-	1,841,334,486
Becoming due and payable after more than one year												
Class A Notes	-	250,084,398	-	447,684,118	176,916,596	468,576,501	289,733,767	-	488,940,780	-	955,591,143	1,166,345,017
Class B Notes	-	13,537,332	-	24,233,613	8,430,314	18,200,000	15,683,594	-	19,000,000	-	43,113,908	55,970,845
Total becoming due and payable after more than one year	-	263,621,730	-	471,917,731	185,346,910	486,776,501	305,417,361	-	507,940,780	-	998,705,051	1,222,315,862
Total non convertible loans	258,433,323	790,623,483	463,784,834	1,072,119,740	505,485,243	886,196,952	685,795,983	-	926,540,154	-	2,840,039,537	3,004,492,245
Class A Asset Backed Floating Rate Notes												
Balance as at January 1	-	-	-	-	-	-	-	152,747,760	-	218,080,372	-	146,326,471
Issuance during the year	-	-	-	-	-	-	-	-	-	-	-	-
Repayment during the year	-	-	-	-	-	-	-	(152,747,760)	-	(218,080,372)	-	(146,326,471)
Balance as at December 31	-	-	-	-	-	-	-	-	-	-	-	242,428,211
Thereof scheduled for redemption within one year	-	-	-	-	-	-	-	-	-	-	-	242,428,211
Amount due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-
Class A Asset Backed Floating Rate Notes												
Balance as at January 1	756,116,250	1,439,374,800	1,038,610,200	-	867,987,000	-	-	-	-	-	2,905,141,661	2,599,314,422
Issuance during the year	-	-	1,500,000,000	-	900,000,000	941,000,000	-	-	941,000,000	-	1,862,000,000	2,400,000,000
Repayment during the year	(510,953,700)	(683,258,550)	(598,641,300)	(461,389,800)	(380,702,790)	(32,013,000)	(274,204,953)	-	(33,506,093)	-	(2,040,437,047)	(2,084,172,761)
Balance as at December 31	245,162,550	756,116,250	439,968,900	1,038,610,200	487,284,210	867,987,000	666,795,047	-	907,493,907	-	2,746,704,614	2,905,141,661
Thereof scheduled for redemption within one year	245,162,550	506,031,852	439,968,900	590,926,082	310,367,614	399,410,499	377,061,280	-	418,553,127	-	1,791,113,471	1,738,796,644
Amount due and payable after more than one year	-	250,084,398	-	447,684,118	176,916,596	468,576,501	289,733,767	-	488,940,780	-	955,591,143	1,166,345,017

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Notes to the annual accounts

Note 27 - Non convertible loans per compartment (continued)

Notes	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Class B Asset Backed Floating Rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at January 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at December 31	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Thereof scheduled for redemption within one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Class B Asset Backed Floating Rate	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at January 1	34,500,000	34,500,000	33,500,000	-	18,200,000	-	-	-	-	-	99,322,802	91,194,015
Issuance during the year	-	-	33,500,000	-	-	19,000,000	-	-	-	-	38,000,000	51,700,000
Repayment during the year	(21,229,227)	-	(9,684,066)	-	-	-	-	-	-	-	(44,036,095)	(43,571,213)
Balance as at December 31	13,270,773	34,500,000	23,815,934	33,500,000	18,200,000	18,200,000	19,000,000	-	19,000,000	-	93,286,707	99,322,802
Thereof scheduled for redemption within one year	13,270,773	20,962,668	23,815,934	9,266,387	9,769,686	-	3,316,406	-	-	-	50,172,799	43,351,857
Amount due and payable after more than one year	-	13,537,332	-	24,233,613	8,430,314	18,200,000	15,683,594	-	19,000,000	-	43,113,908	55,970,945

Note 28 - Amounts owed to affiliated undertakings per compartment

Becoming due and payable within one year	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Overcollateralisation payable	-	3,267	-	23,562	-	25,559	-	-	-	-	23,170	24,349	-	24,607,703
Services fees	-	-	-	-	-	-	-	-	-	-	-	-	-	230,226
Accrued interest Subordinated Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	2,761
VWL Risk Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	26,097,966
Subordinated loan	-	-	-	-	-	-	-	-	-	-	-	-	-	8,505,421
Other amounts payable	-	-	-	-	-	-	-	-	-	7,500	-	10,708	-	1,059,636
Total becoming due and payable within one year	-	3,267	-	23,562	-	25,559	-	-	-	7,500	23,170	35,057	-	60,503,703
Becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amounts owed to affiliated undertakings	-	3,267	-	23,562	-	25,559	-	-	-	7,500	23,170	35,057	-	60,503,703

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Notes to the annual accounts

Note 28 - Amounts owed to affiliated undertakings per compartment (continued)

Becoming due and payable within one year	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Overcollateralisation payable	33,908,875	35,563,118	29,731,067	28,455,980	19,680,388	19,565,953	18,001,194	-	14,668,681	-	116,013,375	108,269,491
Services fees	232,823	711,898	417,824	945,142	453,821	771,216	605,540	-	805,439	-	2,515,447	2,658,482
Accrued interest	745	12,495	1,317	6,077	6,077	13,106	6,452	-	4,482	-	19,073	28,382
VWL Risk Reserve	17,600,000	17,600,000	17,600,000	17,600,000	10,540,000	10,540,000	11,000,000	-	11,000,000	-	67,740,000	71,837,956
Subordinated loan	5,992,714	42,126,119	22,531,977	24,442,205	23,663,846	1,374,428	16,149,321	-	1,516,821	-	69,734,679	76,448,173
Other amounts payable	1,049,404	3,237,256	1,873,092	4,257,403	2,008,602	3,436,249	2,744,234	-	3,581,685	-	11,257,017	12,008,752
Total becoming due and payable within one year	58,784,561	99,250,886	71,855,277	75,700,730	56,552,734	35,700,952	48,506,741	-	31,577,108	-	267,299,591	271,251,216
Becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated loan	-	5,056,629	-	20,509,968	4,170,976	27,867,425	15,055,224	-	30,103,509	-	49,329,709	53,454,022
Total becoming due and payable after more than one year	-	5,056,629	-	20,509,968	4,170,976	27,867,425	15,055,224	-	30,103,509	-	49,329,709	53,454,022
Total amounts owed to affiliated undertakings	58,784,561	104,307,515	71,855,277	96,210,698	60,723,710	63,588,377	63,561,965	-	61,680,617	-	316,629,300	324,705,238
Subordinated Loan												
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Balance as at January 1	-	-	-	-	-	-	-	-	-	-	-	-
Issuance during the year	-	-	-	-	-	-	-	4,659,167	-	-	11,225,187	7,389,084
Capitalised interest during the year	-	-	-	-	-	-	-	-	-	-	-	-
Repayment during the year	-	-	-	-	-	-	-	-	-	-	(11,225,187)	(7,389,084)
Balance as at December 31	-	-	-	-	-	-	-	-	-	-	8,505,421	34,229,679
Thereof scheduled for redemption within one year	-	-	-	-	-	-	-	-	-	-	-	66,676
Amount due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	(8,505,421)	(25,790,934)
	-	-	-	-	-	-	-	-	-	-	-	8,505,421
	-	-	-	-	-	-	-	-	-	-	-	8,505,421

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Notes to the annual accounts

Note 28 - Amounts owed to affiliated undertakings per compartment (continued)

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Subordinated Loan												
Balance as at January 1	47,182,748	46,906,132	44,952,173	-	29,261,853	-	-	-	-	-	129,902,195	104,409,249
Issuance during the year	-	-	-	47,954,013	-	29,649,751	33,018,756	-	32,008,117	-	65,026,873	77,603,764
Capitalised interest during the year	-	276,616	73,264	47,779	172,051	-	65,264	-	-	-	310,579	391,071
Repayment during the year	(41,190,034)	-	(22,793,460)	(3,049,619)	(1,399,082)	(387,898)	(1,879,475)	-	(387,787)	-	(76,155,259)	(52,501,889)
Balance as at December 31	5,992,714	47,182,748	22,231,977	44,952,173	28,034,822	29,261,853	31,204,545	-	31,620,330	-	119,084,388	129,902,195
Thereof scheduled for redemption within one year	5,992,714	42,126,119	22,231,977	24,442,205	23,863,846	1,374,428	16,149,321	-	1,516,821	-	69,754,679	76,448,173
Amount due and payable after more than one year	-	5,056,629	-	20,509,968	4,170,976	27,887,425	15,055,224	-	30,103,509	-	49,329,709	53,454,022

Note 29 - Other creditors per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Becoming due and payable after more than one year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Swap on Class A Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Swap on Class B Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other creditors	-	-	-	-	-	-	-	-	14,791	-	-	-	-	7,545
Total other creditors - becoming due and payable after more than one year	-	-	-	-	-	-	-	-	14,791	-	-	-	-	7,545

Note 30 - Amounts owed to affiliated undertakings per compartment (continued)

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Becoming due and payable after more than one year												
Swap on Class A Notes	7,926	19,526	18,206	36,919	22,684	37,978	15,865	-	4,592	-	69,273	94,423
Swap on Class B Notes	566	1,076	1,275	1,628	1,368	1,015	764	-	117	-	4,090	3,719
Other creditors	182,462	26	35,236	-	67,024	-	53,238	-	21,330	-	381,626	26
Total other creditors - becoming due and payable after more than one year	190,954	20,628	54,717	38,547	91,076	38,993	69,867	-	26,039	-	454,989	98,168

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Note 30 - Other operating income per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Equalisation provision	-	-	-	10,643	-	41,045	2,678	-	6,077	-	1,179	-	-	-
Total other operating income	-	-	-	10,643	-	41,045	2,678	-	6,077	-	1,179	-	-	-
	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment			
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Equalisation provision	-	-	-	-	-	-	-	-	-	-	9,934	51,688	-	-
Total other operating income	-	-	-	-	-	-	-	-	-	-	9,934	51,688	-	-

Note 31 - Other external expenses per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Listing fees	-	-	-	-	-	827	-	827	-	827	-	827	931	-
Audit fees	-	3,510	-	-	-	272	-	12,799	2,791	12,799	2,791	24,227	18,381	12,799
Tax advisory fees	-	128	-	5,850	-	283	-	(28)	141	141	(128)	99	194	227
Service fees	-	-	-	283	-	-	-	419,994	-	-	-	813,200	778,146	4,718,702
Rating agency fees	-	(10,300)	-	-	-	16,227	-	52,065	-	1,212,182	-	33,540	5,582	57,710
Trustee services	-	5,097	-	2,510	-	9,207	2,676	5,010	2,973	4,751	(1,484)	9,418	3,674	14,744
Maintenance fees	-	-	-	2,000	-	7,000	-	23,942	-	23,942	-	23,837	10,250	14,419
Other external charges	-	12	-	1,307	-	16,584	2	21,786	-	7,128	-	7,128	8,454	12,075
Bank charges	-	146	-	-	-	190,691	-	316,143	170	316,143	-	154,320	231,512	86,054
Total other external expenses	(1,407)	-	-	10,643	-	39,874	2,678	670,790	6,077	1,644,594	1,179	1,066,596	1,057,124	4,916,730
	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment			
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Listing fees	60,495	60,495	521	13,000	521	-	13,000	-	7,000	-	82,468	88,976	-	-
Audit fees	18,381	24,227	18,381	12,000	18,381	-	15,590	-	15,590	-	110,286	113,534	-	-
Tax advisory fees	1,012	363	194	255	(75)	180	180	255	180	180	1,698	1,984	-	-
Service fees	5,245,457	11,663,847	7,804,504	10,236,513	7,179,202	1,569,091	6,472,704	6,472,704	1,638,779	-	29,117,792	30,633,529	-	-
Rating agency fees	15,500	16,810	60,255	-	56,160	16,380	-	-	-	-	137,497	208,422	-	-
Trustee services	14,787	17,410	6,685	-	13,742	-	7,524	-	4,111	-	54,698	68,147	-	-
Maintenance fees	821	417	15,500	10,750	15,500	5,973	13,956	-	4,784	-	60,511	99,788	-	-
Other external charges	9,957	8,302	13,545	17,416	13,426	204	18,577	-	21,514	-	85,477	84,814	-	-
Bank charges	230,876	192,143	216,488	99,617	123,159	-	62,314	-	9,551	-	874,070	1,039,114	-	-
Total other external expenses	5,596,986	11,984,034	8,136,083	10,389,551	7,419,016	1,616,903	6,603,845	-	1,701,509	-	30,524,497	32,338,308	-	-

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Note 32 - Other operating expenses per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Equalisation provision	-	1,407	-	-	-	-	-	-	-	-	-	-	2,976,352	19,673,523
Total other operating expenses	-	1,407	-	-	-	-	-	-	-	-	-	-	2,976,352	19,673,523
	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment			
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Equalisation provision	21,972,994	51,405,672	36,309,072	46,310,082	32,011,526	7,186,163	30,646,800	-	7,649,829	-	131,566,573	134,267,896	-	-
Total other operating expenses	21,972,994	51,405,672	36,309,072	46,310,082	32,011,526	7,186,163	30,646,800	-	7,649,829	-	131,566,573	134,267,896	-	-

Note 33 - Income from other investments and loans forming part of the fixed assets per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		PVCL 2016-1		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Derived from affiliated undertakings	-	-	-	-	-	-	-	-	-	-	-	-	4,714,751	25,042,608
Interest income from Permitted Assets	-	-	-	-	-	-	-	2,139,994	-	-	-	-	4,088,605	25,042,608
Total derived from affiliated undertakings	-	-	-	-	-	-	-	2,139,994	-	-	-	-	4,088,605	25,042,608
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net interest income Class B Notes swap	-	-	-	-	-	-	-	-	-	3,751	-	-	4,044	19,267
Amortisation note issue premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other income	-	-	-	-	-	-	-	-	-	-	-	-	4,044	19,267
Total income from other investments and loans forming part of the fixed assets	-	-	-	-	-	-	-	2,139,994	-	7,100,587	-	4,714,751	4,092,649	25,061,875

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Note 33 - Income from other investments and loans forming part of the fixed assets per compartment (continued)

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Derived from affiliated undertakings												
Interest income from Permitted Assets	28,370,636	65,109,364	42,741,132	57,672,450	40,302,569	8,912,284	37,348,287	-	9,309,865	-	162,161,094	170,688,287
Total derived from affiliated undertakings	28,370,636	65,109,364	42,741,132	57,672,450	40,302,569	8,912,284	37,348,287	-	9,309,865	-	162,161,094	170,688,287
Other income												
Net interest income Class B Notes swap	-	-	-	-	-	-	-	-	-	-	4,044	23,018
Amortisation note issue premium	-	-	3,057,507	576,667	715,102	78,367	648,907	-	258,188	-	4,679,704	655,034
Total other income	-	-	3,057,507	576,667	715,102	78,367	648,907	-	258,188	-	4,683,748	678,052
Total income from other investments and loans forming part of the fixed assets	28,370,636	65,109,364	45,798,639	58,249,117	41,017,671	8,990,651	37,997,194	-	9,568,053	-	166,844,842	171,366,339

Note 34 - Income from other investments and loans forming part of the fixed asset interest payable and similar expenses per compartment

	VCL 19		VCL 20		VCL 21		VCL 22		VCL 23		VCL 24	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR
Concerning affiliated undertakings												
Interest expense on Subordinated loan	-	-	-	-	-	-	-	-	21,872	-	106,583	66,006
Total concerning affiliated undertakings	-	-	-	-	-	-	-	-	21,872	-	106,583	66,006
Other interest and similar expenses												
Interest charges on Class A Notes	-	-	-	-	-	-	-	-	-	-	215,786	-
Interest charges on Class B Notes	-	-	-	-	-	-	-	-	-	-	64,040	107,593
Net interest expense Class A Notes swap	-	-	-	-	-	-	-	-	-	-	2,225	40,677
Net interest expense Class B Notes swap	-	-	-	-	-	-	-	-	-	-	-	26,545
Total other interest and similar expenses	-	-	-	-	-	-	-	-	-	-	282,051	148,270
Total interest payable and similar expenses	-	-	-	-	-	-	-	-	277,051	-	388,634	214,276
											56,050	471,622

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Note 34 - Income from other investments and loans forming part of the fixed asset interest payable and similar expenses per compartment (continued)

	VCL 25		VCL 26		VCL 27		VCL 28		VCL 29		Total compartment	
	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019 EUR	2018 EUR	2019	2018
Concerning affiliated undertakings												
Interest expense on Subordinated loan	146,979	280,798	123,079	127,960	271,452	19,695	192,240	-	18,374	-	769,002	895,389
Total concerning affiliated undertakings	146,979	280,798	123,079	127,960	271,452	19,695	192,240	-	18,374	-	769,002	895,389
Other interest and similar expenses												
Interest charges on Class A Notes	100,225	336,505	142,948	235,867	125,633	26,972	52,834	-	182,289	-	603,929	1,037,072
Interest charges on Class B Notes	10,974	17,494	5,437	11,279	51,854	5,648	31,338	-	6,253	-	118,483	231,814
Net interest expense Class A Notes swap	510,032	1,044,376	1,020,536	1,138,271	1,096,557	131,727	456,678	-	4,592	-	3,114,940	2,558,855
Net interest expense Class B Notes swap	31,435	40,485	60,473	36,107	40,622	3,543	13,459	-	5,207	-	151,196	85,180
Total other interest and similar expenses	652,666	1,438,860	1,229,394	1,421,524	1,314,666	167,890	554,309	-	198,341	-	3,988,548	3,912,921
Total interest payable and similar expenses	799,645	1,719,658	1,352,473	1,549,484	1,586,118	187,585	746,549	-	216,715	-	4,757,550	4,808,310

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Notes to the annual accounts

Note 35 - Related parties

There are no other parties transactions other than the ones disclosed in Notes 3, 4, 10, 12, 13, 14, 15 and 16 of these annual accounts.

Note 36 - Subsequent events

On 21 January, 2020, the Board of Directors created Compartment VCL 30.

During the first quarter of 2020, COVID-19, an infectious disease caused by the Coronavirus has widespread across the world, resulting in thousands of casualties and economic instability. At the approval date of these annual accounts, the long-term consequences of the pandemic are unknown but it will likely affect the financial markets performance and industries as whole. However, at this date, there is no significant increase at the defaulted receivables balances. The Company is in its full capacity to continue its usual operations and the Board will continue to monitor the situation as well as potential impacts on the Company.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December, 2019.

Luxembourg, 31 July 2020



Mrs Z.H. Cammans
Director



Mrs M.D. Mussai-Ramassur
Director