

**VCL Master Residual Value S.A.  
Société Anonyme**

**AUDITED ANNUAL ACCOUNTS  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2022**

**Address:**  
22-24, Boulevard Royal  
L-2449 Luxembourg

**RCS Luxembourg : B 184 029**

**VCL Master Residual Value S.A.**

<b>Table of contents</b>	<b>Page</b>
Directors' report	2
Audit report	5
Balance sheet as at 31 December 2022	10
Profit and loss account for the year from 1 January 2022 to 31 December 2022	15
Notes to the annual accounts	17

**VCL Master Residual Value S.A.****DIRECTORS' REPORT**

The Board of Directors (the "**Board**") of VCL Master Residual Value S.A. (the "**Company**") herewith submits its report for the year ending 31 December 2022.

**General**

The Company is a securitisation company within the meaning of the Luxembourg Law of 22 March 2004 on securitisation, as amended ("**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 creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

**Summary of activities****Compartment 2**

On 3 November 2015 the Company created a compartment named Compartment 2 ("**C2**"). The C2 purchased a pool of expectancy rights (the "**Expectancy Rights**" or "**Permitted Assets**") from Volkswagen Leasing GmbH. The underlying vehicles were transferred as security to VCL Master S.A. acting on behalf of the C2.

**Portfolio of Permitted Assets**

During the year 2022, the Expectancy Rights principal amount held by the C2 increased by EUR 5,378,649,366.15 (2021: EUR 4,216,557,148.97) by way of additional issuances (Tap Up) or reinvestment of funds collected (Top Up). The Expectancy Rights principal amount was also decreased by EUR 4,007,626,212.67 (2021: EUR 3,584,608,072.78) by way of payments collected from Volkswagen Leasing GmbH.

The balance of Expectancy Rights as at 31 December 2022 is EUR 12,102,998,434.25 (2021: EUR 10,731,975,280.77).

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 Expectancy Rights has been financed by the issuance of Floating Rate Notes (the "**Notes**") and Subordinated Loan as follows:

**Notes**

During the year 2022, the C2 has issued Notes for a total amount of EUR 964,800,000.00 (2021: EUR 405,800,000.00) and had EUR 286,200,000.00 redemption of Notes (2021: EUR nil). The Notes are listed on Luxembourg Stock Exchange.

**Subordinated Loan**

During the year under review, the outstanding balance of the Subordinated Loan increased by a total amount of EUR 275,904,319.61 (2021: EUR 166,564,435.72) due to additional subscription and by EUR nil (2021: EUR 18,627,904.53) due to capitalisation of interest.

During the same period, C2 repaid EUR 312,900,283.71 of the Subordinated Loan (2021: EUR 222,021,975.00).

As at 31 December 2022, the balance of the Notes and Subordinated Loan are as follows:

<b>Instrument</b>	<b>CCY</b>	<b>Outstanding amount</b>	<b>Initial maturity</b>
Notes	EUR	7,365,000,000.00	September 2029
Subordinated Loan	EUR	2,702,452,832.22	September 2029

The Notes are backed by substantially all of the assets allocated to C2 consisting primarily of the Company's right, title and interest in the Expectancy Rights and in the Final repayment Receivables which have been transferred to the Company.

## **VCL Master Residual Value S.A.**

### **DIRECTORS' REPORT (CONTINUED)**

#### **Summary of activities (continued)**

The Subordinated Loan has been initially granted to the Company by Volkswagen Bank GmbH for the purpose of credit enhancement and it ranks 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 Issuer to pay only those amounts which are actually available to it, being essentially the amounts received under the Expectancy Rights.

#### **Corporate Governance**

The Board 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) N° 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.

#### **Corporate Governance - Internal control and risk management procedures**

The Board 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.

#### **Voting rights**

Each issued share holds one vote in a Meeting of Shareholders. No special voting rights exist, nor does the Sole Shareholder has 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 31 December 2022, 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 31 December 2022.

#### **Branches and participations of the Company**

The Company does not have any branches or participations.

#### **Board**

The Company is managed by a Board comprising at least 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.

The Board is vested with the powers to perform all acts of administration and disposition in compliance with the corporate objects of the Company. The Company will be bound in any circumstances by the joint signatures of two members of the Board unless special decisions have been reached concerning the authorised signature in case of delegation of powers or proxies.

On 31st December 2022, Mrs Zamyra H. Cammans, Mrs Hélène Grine-Siciliano and Mrs Meenakshi Mussai-Ramassur were Directors of the Company.

**VCL Master Residual Value S.A.**

**DIRECTORS' REPORT (CONTINUED)**

**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 Notes and the Subordinated Loan will bear 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 considers however that the Excess spread of the Structure would cover any movements in 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**

No event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December 2022.

**Future outlook**

No material changes in activities are contemplated for the year 2023.

Luxembourg, 21 June 2023



\_\_\_\_\_  
Mrs Z.H. Cammans  
Director



\_\_\_\_\_  
Mrs M. Mussai-Ramassur  
Director



\_\_\_\_\_  
Mrs H. Grine-Siciliano  
Director

## Independent auditor's report

To the Shareholders of  
VCL Master Residual Value S.A.  
22-24, Boulevard Royal  
L-2449 Luxembourg

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of VCL Master Residual Value S.A. (the "Company"), which comprise the balance sheet as at 31 December 2022, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the 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 the "réviseur d'entreprises agréé" for the audit of the financial statements" 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 financial statements, 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 financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Existence & Valuation of Expectancy Rights

#### Risk identified

The purpose of the Company is purchasing portfolios of Expectancy Rights (the “Receivables”) of customers from Volkswagen Leasing GmbH (the “Originator” and “Asset Servicer”) against the issuance of listed notes. The selection process of the Receivables is conducted by the Asset Servicer. Hence, controls and processes implemented by the Asset Servicer are critical to ensure that Receivables balances exist and are accurate. The Receivables as at 31 December 2022 amounted to EUR 12,102,998,434 representing 96% of the total balance sheet and related disclosures are included in Notes 2.2.1 and 3 to the financial statements. Considering the materiality of the amount involved and the judgment required in assessing the recoverability, we identified existence and valuation of lease receivables as a key audit matter.

#### Our audit response

Our audit procedures over the Investments held as fixed assets included, among others:

- Obtaining the legal documentation in order to confirm the existence of a servicer agreement between the Company, the Originator and Asset Servicer;
- Obtaining a confirmation as at 31 December 2022 of the Receivables from the Originator;
- Understanding and evaluating controls and processes implemented at the Asset Servicer, including among others the IT system and controls in relation to receivables management;
- Performing a sample test on Receivables by obtaining supporting lease contracts reconciling them to the Originator source system;
- Obtaining all monthly reports from the Asset Servicer in charge of collecting, monitoring and reporting on the Receivables and we performed on a sample basis reconciliations of such monthly reports to the Asset Servicer IT system, to the accounting records of the Company, and to external bank statements;
- Recalculating, on a sample basis the amortization of lease receivables to verify outstanding principal and calculated interest income
- Reconciling reported write-offs by the Asset Servicer to the accounting records of the Company;
- Assessing the adequacy of the Company’s disclosures in respect of the Investments held as fixed assets in Notes 2.1, 2.2.1 and 3 to the financial statements.

### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report but does not include the financial statements and our report of the “réviseur d’entreprises agréé” thereon.

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

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

### **Responsibilities of the Board of Directors for the financial statements**

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

In preparing the financial statements, 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 financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements 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 EU Regulation N° 537/2014, the Law of 23 July 2016 and with the 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 financial statements.



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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 29 November 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is three years.

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

The corporate governance statement, included in the management report, is the responsibility of the Board of Directors. 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 financial statements and has been prepared in accordance with applicable legal requirements.

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

Ernst & Young  
Société anonyme  
Cabinet de révision agréé



Oliver Cloess

Luxembourg, 21 June 2023

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

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

VCL Master Residual Value S.A.

22-24, Boulevard Royal

L-2449 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	109 <b>12,102,998,434.25</b>	110 <b>10,731,975,280.77</b>
I. Intangible assets	1111	111	112
1. Costs of development	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible assets under development	1123	123	124
II. Tangible assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
<b>III. Financial assets</b>	1135	<b>3</b>	<b>12,102,998,434.25</b>
1. Shares in affiliated undertakings	1137	135	136
2. Loans to affiliated undertakings	1139	137	138
3. Participating interests	1141	139	140
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	141	142
5. Investments held as fixed assets	1145	143	144
6. Other loans	1147	145	146
		<b>12,102,998,434.25</b>	<b>10,731,975,280.77</b>
<b>D. Current assets</b>	1151	<b>548,484,889.01</b>	<b>629,194,455.64</b>
<b>I. Stocks</b>	1153	151	152
1. Raw materials and consumables	1155	153	154
2. Work in progress	1157	155	156
3. Finished goods and goods for resale	1159	157	158
4. Payments on account	1161	159	160
<b>II. Debtors</b>	1163	<b>327,097,015.86</b>	<b>334,154,732.33</b>
1. Trade debtors	1165	161	162
a) becoming due and payable within one year	1167	163	164
b) becoming due and payable after more than one year	1169	165	166
2. Amounts owed by affiliated undertakings	1171	167	168
a) becoming due and payable within one year	1173	169	170
b) becoming due and payable after more than one year	1175	171	172
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	173	174
a) becoming due and payable within one year	1179	175	176
b) becoming due and payable after more than one year	1181	177	178
4. Other debtors	1183	179	180
a) becoming due and payable within one year	1185	181	182
b) becoming due and payable after more than one year	1187	183	184
		<b>6,341.96</b>	<b>11,741.96</b>
		<b>6,341.96</b>	<b>11,741.96</b>

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

	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 _____ <b>5</b>	197 _____ <b>221,387,873.15</b>	198 _____ <b>295,039,723.31</b>
<b>E. Prepayments</b>	1199 _____	199 _____ <b>10,578.08</b>	200 _____ <b>13,899.18</b>
<b>TOTAL (ASSETS)</b>		201 _____ <b>12,651,493,901.34</b>	202 _____ <b>11,361,183,635.59</b>

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

## CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
I. Subscribed capital	1301 _____ 6	301 _____ 31,000.00	302 _____ 31,000.00
II. Share premium account	1303 _____	303 _____ 31,000.00	304 _____ 31,000.00
III. Revaluation reserve	1305 _____	305 _____	306 _____
IV. Reserves	1307 _____	307 _____	308 _____
1. Legal reserve	1309 _____	309 _____	310 _____
2. Reserve for own shares	1311 _____	311 _____	312 _____
3. Reserves provided for by the articles of association	1313 _____	313 _____	314 _____
4. Other reserves, including the fair value reserve	1315 _____	315 _____	316 _____
a) other available reserves	1429 _____	429 _____	430 _____
b) other non available reserves	1431 _____	431 _____	432 _____
V. Profit or loss brought forward	1433 _____	433 _____	434 _____
VI. Profit or loss for the financial year	1319 _____	319 _____	320 _____
VII. Interim dividends	1321 _____	321 _____ 0.00	322 _____ 0.00
VIII. Capital investment subsidies	1323 _____	323 _____	324 _____
	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 _____ 8	331 _____ 13,211.29	332 _____ 12,493.55
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____ 13,211.29	338 _____ 12,493.55
<b>C. Creditors</b>	1435 _____	435 _____ 12,651,449,690.05	436 _____ 11,361,140,142.04
1. Debenture loans	1437 _____	437 _____ 7,367,298,864.45	438 _____ 6,686,460,340.24
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____ 9	445 _____ 7,367,298,864.45	446 _____ 6,686,460,340.24
i) becoming due and payable within one year	1447 _____	447 _____ 2,298,864.45	448 _____ 60,340.24
ii) becoming due and payable after more than one year	1449 _____	449 _____ 7,365,000,000.00	450 _____ 6,686,400,000.00
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

	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	5,283,526,941.94	379	4,674,058,398.46
a) becoming due and payable within one year	1381		542,772,445.17	381	305,964,209.94
b) becoming due and payable after more than one year	1383		4,740,754,496.77	383	4,368,094,188.52
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		623,883.66	451	621,403.34
a) Tax authorities	1393		15,396.20	393	13,167.92
b) Social security authorities	1395			395	396
c) Other creditors	1397	11	608,487.46	397	608,235.42
i) becoming due and payable within one year	1399		608,487.46	399	608,235.42
ii) becoming due and payable after more than one year	1401			401	402
<b>D. Deferred income</b>	1403			403	404
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>			12,651,493,901.34	405	11,361,183,635.59

RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

## PROFIT AND LOSS ACCOUNT

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

VCL Master Residual Value S.A.

22-24, Boulevard Royal

L-2449 Luxembourg

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701	701	702
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703	703	704
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705	705	706
<b>4. Other operating income</b>	1713	713	714
<b>5. Raw materials and consumables and other external expenses</b>	1671	671 -112,719,152.08	672 -104,624,247.65
a) Raw materials and consumables	1601	601	602
b) Other external expenses	1603 12	603 -112,719,152.08	604 -104,624,247.65
<b>6. Staff costs</b>	1605	605	606
a) Wages and salaries	1607	607	608
b) Social security costs	1609	609	610
i) relating to pensions	1653	653	654
ii) other social security costs	1655	655	656
c) Other staff costs	1613	613	614
<b>7. Value adjustments</b>	1657	657	658
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	660
b) in respect of current assets	1661	661	662
<b>8. Other operating expenses</b>	1621 13	621 -209,847,707.49	622 -226,680,973.12
<b>9. Income from participating interests</b>	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720



RCSL Nr. :	B184029	Matricule :	2014.2200.873
------------	---------	-------------	---------------

	Reference(s)	Current year	Previous year
<b>10. Income from other investments and loans forming part of the fixed assets</b>			
	14		
1721		721 482,490,827.02	722 444,848,405.41
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725 482,490,827.02	726 444,848,405.41
<b>11. Other interest receivable and similar income</b>			
	15		
1727		727 5,057,836.47	728 0.00
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731 5,057,836.47	732 0.00
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>			
1663		663	664
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>			
1665		665	666
<b>14. Interest payable and similar expenses</b>			
	16		
1627		627 -164,977,638.41	628 -113,539,091.89
a) concerning affiliated undertakings	1629	629 -84,420,793.82	630 -86,514,752.34
b) other interest and similar expenses	1631	631 -80,556,844.59	632 -27,024,339.55
<b>15. Tax on profit or loss</b>			
1635		635	636
<b>16. Profit or loss after taxation</b>			
1667		667 4,165.51	668 4,092.75
<b>17. Other taxes not shown under items 1 to 16</b>			
1637		637 -4,165.51	638 -4,092.75
<b>18. Profit or loss for the financial year</b>			
1669		669 0.00	670 0.00

## **VCL Master Residual Value S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS**

#### **Note 1 - General information**

The Company is a Luxembourg public limited liability company incorporated in Luxembourg on 28 January 2014 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 de Commerce et des Sociétés of Luxembourg City under number B 184.029.

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

The purpose of the Company is the Securitisation, within the meaning of the Securitisation Law, of 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.

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 Volkswagen AG 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 Leasing GmbH, 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 Volkswagen Leasing GmbH 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**

These 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 19 December 2002, as amended (the "**Amended Law**") determined and applied by the Board.

The preparation of annual accounts required the use of certain critical accounting estimates. It also requires the Board 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 year in which the assumptions changed. The Board believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Board 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.

These annual accounts are stated in EUR, the functional and presentation currency of the Company.

##### **2.2 Significant accounting policies**

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

###### **2.2.1 Financial assets**

Permitted Assets included in financial assets are recorded at their discounted nominal value. In case of a durable depreciation in value according to the opinion of the Board, value adjustments are made in respect of financial 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.

**VCL Master Residual Value S.A.**

**NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)**

**Note 2 - Summary of significant accounting policies (continued)**

**2.2.2 Debtors**

Other debtors are recorded at their nominal value. They are subject to value adjustments where their recoverability is either uncertain or compromised. These value adjustments are not continued if the reason for which the value adjustments were made has ceased to apply.

**2.2.3 Prepayments**

This asset item includes expense received during the financial year but relating to a subsequent financial year.

**2.2.4 Provisions**

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

**2.2.5 Debenture loans**

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

**2.2.6 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.

**2.2.7 Interest receivable and payable**

Interest receivable and payable are recorded on an accrual basis.

**2.2.8 Equalisation provision / Overcollateralisation charges**

Losses during the year as a result from sales, defaults, lower market values or cost may cause a partial reduction on the assets. Such shortfalls will be borne by the holders of the Subordinated Loan in inverse order of the priority of payments when there is no Overcollateralisation liability.

Consequently, a decrease in value will be made and deducted from the amount repayable on the Subordinated Loan / Overcollateralisation liability and booked in the profit and loss account as "Other operating income".

Similarly, in case of profit made during the period, the Equalisation provision/ Overcollateralisation charges booked in the profit and loss as "Other operating expenses" will accordingly increase the Subordinated Loan / Overcollateralisation liability.

**2.2.9 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. The interest linked to derivative instruments are recorded on an accrual basis at the closing date. Commitments relating to swap transactions are recorded in the off-balance sheet accounts (see note 24).

**VCL Master Residual Value S.A.****NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)****Note 3 - Financial assets****Investments held as fixed assets**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Permitted Assets</u>		
Opening balance	10,731,975,280.77	10,100,026,204.58
Additions for the year	5,378,649,366.15	4,216,557,148.97
Reimbursements for the year	(4,007,626,212.67)	(3,584,608,072.78)
Closing balance	<u>12,102,998,434.25</u>	<u>10,731,975,280.77</u>

The Company does not record any default on the Permitted Assets.

During the year 2022, the Expectancy Rights principal amount held by the C2 increased by EUR 5,378,649,366.15 (2021: EUR 4,216,557,148.97) by way of additional issuances (Tap Up) or reinvestment of funds collected (Top Up). The Expectancy Rights principal amount was also decreased by EUR 4,007,626,212.67 (2021: EUR 3,584,608,072.78) by way of payments collected from Volkswagen Leasing GmbH.

Interest income for the year ended 31 December 2022 for C2, amounted to EUR 482,490,827.02 (2021: EUR 444,848,405.41) (see note 14).

As at 31 December 2022, no value adjustment is recorded in the annual accounts in respect of financial fixed assets given the absence of durable depreciation.

**Note 4 - Amounts owed by affiliated undertakings**

This amount stands for the receivable due from Volkswagen Leasing GmbH for the December 2022 collection of the Permitted Assets, which is due in January 2023.

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Receivable from Volkswagen Leasing GmbH	327,090,673.90	334,142,990.37
Amounts owed by affiliated undertakings - becoming due and payable within one year	<u>327,090,673.90</u>	<u>334,142,990.37</u>

**Note 5 - Cash at bank and in hand**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
Cash collateral account	221,354,287.99	288,852,480.00
Distribution account	33,356.64	461.86
Accumulation account	228.52	6,159,051.25
Capital account	-	27,730.20
Total cash at bank and in hand	<u>221,387,873.15</u>	<u>295,039,723.31</u>

**Note 6 - Subscribed capital**

As at 31 December 2022, the subscribed capital amounts to EUR 31,000.00 and is divided into 3,100 shares fully paid-up with a par value of EUR 10.00 each. The authorised capital amounts to EUR 31,000.00.

**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**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Other provisions</u>		
Audit fees	12,018.76	11,382.05
Tax advisory fees	1,192.53	1,111.50
Total other provisions	<u>13,211.29</u>	<u>12,493.55</u>

**VCL Master Residual Value S.A.****NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)****Note 9 - Non convertible loans**

	<b>2022</b>	<b>2021</b>
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Interest on Class A Notes	1,841,768.07	932.17
Interest on Class B Notes	457,096.38	59,408.07
Total becoming due and payable within one year	<u>2,298,864.45</u>	<u>60,340.24</u>
<u>Becoming due and payable after more than one year</u>		
Class A Notes	6,152,900,000.00	5,593,000,000.00
Class B Notes	1,212,100,000.00	1,093,400,000.00
Total becoming due and payable after more than one year	<u>7,365,000,000.00</u>	<u>6,686,400,000.00</u>
<b>Total non convertible loans</b>	<b><u>7,367,298,864.45</u></b>	<b><u>6,686,460,340.24</u></b>

Payments on the Notes are made monthly in arrears on the 25th of each month. The Notes mature in 2029.

The floating rate interest on the Notes is swapped to a fixed rate of 3.17% for Class A Notes and of 3.91% for Class B Notes.

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 Expectancy Rights and in the Final Repayment Receivables which have been transferred to the Company.

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

**Note 10 - Amounts owed to affiliated undertakings**

	<b>2022</b>	<b>2021</b>
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Amounts due to Volkswagen Leasing GmbH	531,052,182.70	279,782,199.58
Service fees	9,851,637.88	8,957,612.02
Accrued interest on Subordinated Loan	1,628,678.24	541,497.71
Advanced payments	239,946.35	239,946.35
Subordinated Loan - redemption within one year	-	16,442,954.28
Total becoming due and payable within one year	<u>542,772,445.17</u>	<u>305,964,209.94</u>
<u>Becoming due and payable after more than one year</u>		
Subordinated Loan	2,702,452,832.22	2,723,005,842.04
Overcollateralisation payable	2,038,301,664.55	1,645,088,346.48
Total becoming due and payable after more than one year	<u>4,740,754,496.77</u>	<u>4,368,094,188.52</u>
<b>Total amounts owed to affiliated undertakings</b>	<b><u>5,283,526,941.94</u></b>	<b><u>4,674,058,398.46</u></b>

Overcollateralisation payable represents the difference between the Aggregate Discounted Expectancy Rights Balance minus the Outstanding Expectancy Rights Funding Amounts, the Equalisation provision and year-end payable towards Volkswagen Leasing GmbH.

The advanced payments mainly relate to the amounts paid in advance by Volkswagen Leasing GmbH with regards to collections of Expectancy Rights.

**Note 11 - Other creditors**

	<b>2022</b>	<b>2021</b>
	EUR	EUR
<u>Becoming due and payable within one year</u>		
Accrued interest on Swaps	587,326.51	120,103.04
Other creditors	21,160.95	488,132.38
Total other creditors - becoming due and payable within one year	<u>608,487.46</u>	<u>608,235.42</u>

**VCL Master Residual Value S.A.****NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)****Note 12 - Other external expenses**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
Servicer fees	111,249,578.98	102,574,210.31
Bank charges	1,198,840.54	1,864,092.66
Rating agency fees	197,915.03	116,478.42
Maintenance fees	28,915.00	22,696.25
Other miscellaneous operating charges	15,272.35	12,772.70
Audit fees	12,146.52	11,382.05
Trustee services	10,975.10	17,257.26
Legal fees	4,095.00	4,095.00
Tax advisory fees	1,273.56	1,123.00
Chambre de Commerce	140.00	140.00
Total other external expenses	<u>112,719,152.08</u>	<u>104,624,247.65</u>

**Note 13 - Other operating expenses**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
Overcollateralisation charges	209,847,707.49	226,680,973.12
Total other operating expenses	<u>209,847,707.49</u>	<u>226,680,973.12</u>

Overcollateralisation charges represent payments obligations towards Volkswagen Leasing GmbH out of any surplus of cash-flows in accordance with the Order of Priority as defined in the Trust Agreement.

**Note 14 - Income from other investments and loans forming part of the fixed assets**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Other income not included under a)</u>		
Interest income from Permitted Assets	482,490,827.02	444,848,405.41
Total other income not included under a)	<u>482,490,827.02</u>	<u>444,848,405.41</u>

**Note 15 - Other interest receivable and similar income**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Other interest and similar income</u>		
Interest income on Swaps	4,653,483.08	-
Bank interest income	404,353.39	-
Total other interest and similar income	<u>5,057,836.47</u>	<u>-</u>

**Note 16 - Interest payable and similar expenses**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<u>Concerning affiliated undertakings</u>		
Interest expense on Subordinated Loan	84,420,793.82	86,514,752.34
Total concerning affiliated undertakings	<u>84,420,793.82</u>	<u>86,514,752.34</u>
<u>Other interest and similar expenses</u>		
Interest expense on Class A Notes	39,342,364.38	11,961,188.26
Interest expense on Swaps	25,923,282.42	4,931,636.43
Interest expense on Class B Notes	15,291,197.79	10,131,514.86
Total other interest and similar expenses	<u>80,556,844.59</u>	<u>27,024,339.55</u>
<b>Total interest payable and similar expenses</b>	<u><b>164,977,638.41</b></u>	<u><b>113,539,091.89</b></u>

## VCL Master Residual Value S.A.

## NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

## Note 17 - Balance sheet as at 31 December 2022 per compartment

	Compartment 2		General compartment		Total compartment	
	2022 EUR	2021 EUR	2022 EUR	2021 EUR	2022 EUR	2021 EUR
<b>ASSETS</b>						
<b>A. Fixed assets</b>	<b>12,102,998,434.25</b>	<b>10,731,975,280.77</b>	-	-	<b>12,102,998,434.25</b>	<b>10,731,975,280.77</b>
Financial assets						
Investments held as fixed assets	12,102,998,434.25	10,731,975,280.77	-	-	12,102,998,434.25	10,731,975,280.77
<b>B. Current assets</b>	<b>548,484,889.01</b>	<b>629,166,725.44</b>	<b>31,000.00</b>	<b>31,000.00</b>	<b>548,515,889.01</b>	<b>629,197,725.44</b>
Debtors						
Amounts owed by affiliated undertakings						
- becoming due and payable within one year	327,090,673.90	334,142,990.37	-	-	327,090,673.90	334,142,990.37
Other debtors						
- becoming due and payable within one year	6,341.96	11,741.96	-	-	6,341.96	11,741.96
- becoming due and payable within one year from another compartment	-	-	31,000.00	3,269.80	31,000.00	3,269.80
Cash at bank and in hand	221,387,873.15	295,011,993.11	-	27,730.20	221,387,873.15	295,039,723.31
<b>C. Prepayments</b>	<b>10,578.08</b>	<b>13,899.18</b>	-	-	<b>10,578.08</b>	<b>13,899.18</b>
<b>Total Assets</b>	<b>12,651,493,901.34</b>	<b>11,361,155,905.39</b>	<b>31,000.00</b>	<b>31,000.00</b>	<b>12,651,524,901.34</b>	<b>11,361,186,905.39</b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>						
<b>A. Capital and reserves</b>	-	-	<b>31,000.00</b>	<b>31,000.00</b>	<b>31,000.00</b>	<b>31,000.00</b>
Subscribed capital	-	-	31,000.00	31,000.00	31,000.00	31,000.00
<b>B. Provisions</b>	<b>13,211.29</b>	<b>12,493.55</b>	-	-	<b>13,211.29</b>	<b>12,493.55</b>
Other provisions	13,211.29	12,493.55	-	-	13,211.29	12,493.55
<b>C. Creditors</b>	<b>12,651,480,690.05</b>	<b>11,361,143,411.84</b>	-	-	<b>12,651,480,690.05</b>	<b>11,361,143,411.84</b>
Debtenture loans						
Non convertible loans						
- becoming due and payable within one year	2,298,864.45	60,340.24	-	-	2,298,864.45	60,340.24
- becoming due and payable after more than one year	7,365,000,000.00	6,686,400,000.00	-	-	7,365,000,000.00	6,686,400,000.00
Amounts owed to affiliated undertakings						
- becoming due and payable within one year	542,772,445.17	305,964,209.94	-	-	542,772,445.17	305,964,209.94
- becoming due and payable after more than one year	4,740,754,496.77	4,368,094,188.52	-	-	4,740,754,496.77	4,368,094,188.52
Other creditors						
- Tax authorities	15,396.20	13,167.92	-	-	15,396.20	13,167.92
- becoming due and payable within one year	608,487.46	608,235.42	-	-	608,487.46	608,235.42
- becoming due and payable within one year against another compartment	31,000.00	3,269.80	-	-	31,000.00	3,269.80
<b>Total capital, reserves and Liabilities</b>	<b>12,651,493,901.34</b>	<b>11,361,155,905.39</b>	<b>31,000.00</b>	<b>31,000.00</b>	<b>12,651,524,901.34</b>	<b>11,361,186,905.39</b>

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 amounts receivable or payable between compartments of the Company and are eliminated in the eCDF balance sheet previously display.

## VCL Master Residual Value S.A.

## NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Note 18 - Profit and loss account for the year from 1 January 2022 to 31 December 2022 per compartment

	Compartment 2		General compartment		Total compartment	
	2022	2021	2022	2021	2022	2021
	EUR	EUR	EUR	EUR	EUR	EUR
Other external expenses	(112,719,152.08)	(104,624,247.65)	-	-	(112,719,152.08)	(104,624,247.65)
Other operating expenses	(209,847,707.49)	(226,680,973.12)	-	-	(209,847,707.49)	(226,680,973.12)
Income from other investments and loans forming part of the fixed assets	<b>482,490,827.02</b>	<b>444,848,405.41</b>	-	-	<b>482,490,827.02</b>	<b>444,848,405.41</b>
- derived from affiliated companies	-	-	-	-	-	-
- other income not included under a)	482,490,827.02	444,848,405.41	-	-	482,490,827.02	444,848,405.41
Other interest receivable and similar income	<b>5,057,836.47</b>	-	-	-	<b>5,057,836.47</b>	-
- derived from affiliated companies	-	-	-	-	-	-
- other interest and similar income	5,057,836.47	-	-	-	5,057,836.47	-
Interest payable and similar expenses	<b>(164,977,638.41)</b>	<b>(113,539,091.89)</b>	-	-	<b>(164,977,638.41)</b>	<b>(113,539,091.89)</b>
- concerning affiliated undertakings	(84,420,793.82)	(86,514,752.34)	-	-	(84,420,793.82)	(86,514,752.34)
- other interest and similar expenses	(80,556,844.59)	(27,024,339.55)	-	-	(80,556,844.59)	(27,024,339.55)
Other taxes	(4,165.51)	(4,092.75)	-	-	(4,165.51)	(4,092.75)
Profit or loss for the financial year	-	-	-	-	-	-



**VCL Master Residual Value S.A.****NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)****Note 19 - Taxes**

The Company is subject to the tax regulations applicable to securitisation companies in Luxembourg.

**Note 20 - Staff**

The Company did not employ any staff during the year under review.

**Note 21 - Emoluments granted to the Members of the Board**

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

**Note 22 - Loans or advances granted to the Members of the Board**

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

**Note 23 - Audit and non-audit services**

Fees that were recognized as other external expenses for services provided during the financial year to the Company by Ernst & Young S.A. as Réviseur d'Entreprises agréé and as authorised Cabinet de révision agréé were as follows:

Amount excluding VAT	2022	2021
	EUR	EUR
Audit fees	10,381.64	9,728.25
Other assurance services	-	-
Tax advisory services	-	-
Non-audit services	-	-
Total	10,381.64	9,728.25

**Note 24 - Off balance sheet commitments**

The Company entered into Swap Agreements to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see note 9). Settlement of the Swaps is performed on the 25th day of each month. On 21 September 2022, all swap contracts for C2 have been renewed with Crédit Agricole Corporate and Investment Bank as counterparty. The termination date of the Swap contracts is September 2029.

The interest rate swaps for C2 can be detailed as follows:

<u>Swaps on Note A series</u>	Curr	Nominal amount	Fair value
Compartment 2 - Class A 2015-1 swap - Crédit Agricole	EUR	464,100,000.00	7,226,022.00
Compartment 2 - Class A 2015-2 swap - Crédit Agricole	EUR	491,300,000.000	8,140,432.00
Compartment 2 - Class A 2015-3 swap - Crédit Agricole	EUR	875,500,000.00	14,455,990.00
Compartment 2 - Class A 2015-4 swap - Crédit Agricole	EUR	743,700,000.00	11,976,710.00
Compartment 2 - Class A 2015-5 swap - Crédit Agricole	EUR	573,300,000.00	9,248,725.00
Compartment 2 - Class A 2015-6 swap - Crédit Agricole	EUR	300,000,000.00	4,663,223.00
Compartment 2 - Class A 2016-1 swap - Crédit Agricole	EUR	468,100,000.00	7,406,752.00
Compartment 2 - Class A 2016-2 swap - Crédit Agricole	EUR	50,000,000.00	777,204.00
Compartment 2 - Class A 2016-4 swap - Crédit Agricole	EUR	511,700,000.00	8,630,071.00
Compartment 2 - Class A 2018-2 swap - Crédit Agricole	EUR	338,700,000.00	5,427,991.00
Compartment 2 - Class A 2018-4 swap - Crédit Agricole	EUR	185,000,000.00	2,875,654.00
Compartment 2 - Class A 2018-5 swap - Crédit Agricole	EUR	346,800,000.00	5,619,183.00
Compartment 2 - Class A 2021-1 swap - Crédit Agricole	EUR	202,900,000.00	3,153,893.00
Compartment 2 - Class A 2021-2 swap - Crédit Agricole	EUR	75,900,000.00	1,279,277.00
Compartment 2 - Class A 2022-1 swap - Crédit Agricole	EUR	286,200,000.00	4,772,031.00
	EUR	5,913,200,000.00	95,653,158.00

**VCL Master Residual Value S.A.****NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)****Note 24 - Off balance sheet commitments (continued)**Swaps on Note B series

Compartment 2 - Class B 2015-1 swap - Crédit Agricole	EUR	110,900,000.00	1,921,349.00
Compartment 2 - Class B 2015-3 swap - Crédit Agricole	EUR	166,400,000.00	2,882,890.00
Compartment 2 - Class B 2016-1 swap - Crédit Agricole	EUR	79,600,000.00	1,379,075.00
Compartment 2 - Class B 2016-3 swap - Crédit Agricole	EUR	355,100,000.00	6,810,480.00
Compartment 2 - Class B 2017-1 swap - Crédit Agricole	EUR	94,400,000.00	1,635,486.00
Compartment 2 - Class B 2018-1 swap - Crédit Agricole	EUR	83,000,000.00	1,437,980.00
Compartment 2 - Class B 2018-2 swap - Crédit Agricole	EUR	48,300,000.00	836,800.00
Compartment 2 - Class B 2019-1 swap - Crédit Agricole	EUR	51,900,000.00	985,796.00
Compartment 2 - Class B 2020-1 swap - Crédit Agricole	EUR	31,500,000.00	609,842.00
Compartment 2 - Class B 2020-2 swap - Crédit Agricole	EUR	82,900,000.00	1,578,313.00
Compartment 2 - Class B 2021-1 swap - Crédit Agricole	EUR	53,200,000.00	921,693.00
	EUR	<u>1,157,200,000.00</u>	<u>20,999,704.00</u>
Total	EUR	<u><u>7,070,400,000.00</u></u>	<u><u>116,652,862.00</u></u>

The interest rate received for each swap consists of 1 month EURIBOR plus a spread.

As at 31 December 2022, the Swaps have a nominal value of EUR 7,070,400,000.00 for C2 (2021: EUR 6,686,400,000.00).

The total interest income on swaps amounted to EUR 4,653,483.08 (2021: EUR nil) for C2 (see note 15).

The total interest expense on swaps amounted to EUR 25,923,282.42 (2021: EUR 4,931,636.43) for C2 (see note 16).

**Note 25 - Subsequent events**

No event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December 2022.

Luxembourg, 21 June 2023



Mrs Z.H. Cammans  
Director



Mrs M. Mussai-Ramassur  
Director



Mrs H. Grine-Siciliano  
Director