# PBD GERMANY AUTO LEASE MASTER S.A. Société Anonyme

AUDITED ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

RCS Luxembourg : B 234.988

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#### **DIRECTORS' REPORT**

The Board of Directors (the "Board") of PBD GERMANY AUTO LEASE MASTER S.A. (the "Company") herewith submits its report for the financial year ended 31 December 2021.

#### General

The Company is a securitisation company within the meaning of the Luxembourg Law of 22 March 2004, as amended, on securitisation (the "Securitisation Law") and has as its corporate purpose to enter into and carry out transactions as permitted under 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 creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

#### Summary of activities

#### Compartments 1 and 2

On 3 June 2019, the Board created compartment 1 ("Compartment 1") to purchase lease receivables derived from leases of cars ( "Lease Receivables") as well as compartment 2 ("Compartment 2") to purchase certain expectancy rights/residual value ("Expectancy Rights") of the cars from which originate the Lease Receivables.

Compartment 1 and Compartment 2 shall not be considered as separate compartments in the relation between the note purchasers.

On 7 June 2019, Compartments 1 and 2 purchased certain Lease Receivables and the related Expectancy rights ( the "Permitted Assets") originated by PSA Bank Deutschland GmbH ( "PSA") via the Stellantis group dealership network (which, inter alia, comprises of Peugeot, Citroen and DS brands) throughout Germany and are entered into with both private and business customers.

Acquisition of the Permitted Assets is financed by the issuance of Class A1 Notes, Class A2 Notes and Class B Notes (" together the **Notes**").

Compartments 1 and 2 entered into an interest swap agreement 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 Class A1 Notes.

### Portfolio of Permitted Assets

During the year 2021, the Company, on behalf of its Compartments 1 and 2, acquired Permitted Assets for a total amount of EUR 675.480.610,52 (2020: EUR 510.011.550,30) from PSA.

During 2021, the Permitted Assets principal was reduced by EUR 878.990.601,78 (2020: EUR 90.582.571,21) by way of collections and EUR 350.290,91 (2020: EUR 253.186,82) by defaulted Permitted Assets written off.

During 2021, the balance of the Permitted Assets held by Compartments 1 and 2 amounts to EUR 551.168.055,03 (2020: EUR 755.027.454,25).

### **Notes**

During the year 2021, Compartments 1 and 2 increased the principal amount of Notes by and amount of EUR 387.514.138,26 and repaid the principal amount of the Notes by an amount of EUR 585.549.908,49.

As at 31 December , the outstanding balance of the Notes are as follows:

Instrument	CCY	Outstanding	Initial maturity
		amount	
Class A1 Notes (unsubordinated registered bonds)	EUR	100.000.000,00	26 June 2025
Class A2 Notes (unsubordinated registered bonds)	EUR	279.845.805,83	26 June 2025
Class B Notes (unsubordinated registered bonds)	EUR	187.088.232,73	26 June 2025
	Total	566.934.038,56	

Notes are limited recourse obligations of Compartments 1 and 2 to pay only those amounts which are actually available to them, being essentially the amounts received under the Permitted Assets less costs.

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

#### Compartment 2021-1

On 20 October 2021, the Board created a new separate compartment named Compartment 2021-1 ("Compartment 2021-1"). Compartment 2021-1 acquired a portfolio of receivables arising out of leases to retail customers relating to new vehicles and Demonstration Cars manufactured by Peugeot, DS or Citroën (the "Purchased Lease Receivables") originated by PSA as seller and expectancy rights in the associated leased vehicles (the "Purchased Expectancy Rights").

On 24 November 2021, Compartments 2021-1 purchased certain Lease Receivables and the related Expectancy rights (the "Permitted Assets") originated by PSA Bank Deutschland GmbH ( "PSA") via the Stellantis group dealership network (which, inter alia, comprises of Peugeot, Citroen and DS brands) throughout Germany and are entered into with both private and business customers.

Acquisition of the Permitted Assets is financed by the issuance of Floating Rate and Fixed Rate Class A Notes to Class G Notes (together the "Notes") as well a Seller Loan.

On 24 November 2021, the Company acting on behalf of Compartment 2021-1, entered into a derivative agreement ("Cap agreement") to hedge its exposure to floating interest rate on Notes issued. Pursuant to the Cap agreement, on 26 November 2021, the Company paid a premium amount of EUR 3,242,000.

On 24 November 2021, PSA, as lender, granted an interest free VAT Bridge Loan facility ("VAT Bridge Loan") up to EUR 100,000,000, on a revolving basis, for the purpose of providing the Company with the funds required to finance any VAT payable on the purchase of Purchase Expectancy Rights.

As at 31 December 2021, the principal balance of VAT Bridge Loan amounts to EUR 82.259.923,57.

#### Portfolio of Permitted Assets

During the year 2021, the Company, on behalf of its Compartment 2021-1, acquired Permitted Assets from PSA for a total amount of EUR 604.397.677.89.

During 2021, the Permitted Assets principal was reduced by EUR 13.597.532,78 by way of collections and EUR 80.339,09 by defaulted Permitted Assets written off.

As at 31 December the balance of the Permitted Assets held by Compartment 2021-1 amounts to EUR 590.718.923,07.

### <u>Notes</u>

On 26 November 2021, Compartment 2021-1 issued Notes for a total amount of 600.000.000.

Class A Notes were issued an issue price of 100.527 per cent. The premium of EUR 2.444.226 on a straight-line basis through profit and loss account.

Compartment 2021-1 issued Notes that are listed on the official list of the Luxembourg Stock Exchange (Bourse de Luxembourg) and are traded on the regulated market of the Luxembourg Stock Exchange (segment for professional investors).

As at 31 December, the outstanding balance of the Notes are as follows:

Instrument	Isin	CCY	Outstanding	Initial maturity
			amount	
Class A Floating Rate Notes	XS2399669006	EUR	463.800.000,00	November 2030
Class B Floating Rate Notes	XS2399669931	EUR	23.100.000,00	November 2030
Class C Floating Rate Notes	XS2399672216	EUR	31.500.000,00	November 2030
Class D Floating Rate Notes	XS2399683098	EUR	21.000.000,00	November 2030
Class E Floating Rate Notes	XS2399684658	EUR	39.600.000,00	November 2030
Class F Floating Rate Notes	XS2399684815	EUR	12.000.000,00	November 2030
Class G Fixed Rate Notes	XS2399689020	EUR	9.000.000,00	November 2030
		Total	600.000.000,00	

The Notes are backed by all of the assets of the Compartment 2021-1 consisting primarily of the Compartment 2021-1's right, title and interest in the Permitted Assets.

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

### Compartment 2021-1 (Continued)

#### Seller Loan

On 24 November 2021, PSA, as lender, granted Liquidity Reserve Loan ("Seller Loan") on a subordinated basis to fund inter alia the initial Required Reserve Liquidity amount of EUR 3,000,000 on behalf of Compartment 2021-1 and to fund an amount equal to EUR 797,774 as part of the cap premium payable to the hedge counterparty.

The balance of the Seller Loan owed by Compartment 2021-1 bears a fixed interest of 7% per annum and as at 31 December amounts to EUR 3.000.000,00.

#### **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, listing on EU-regulated market) and is subject to respective governance mechanisms.

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 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 ensuring 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, 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.

### Branches and participations of the Company

The Company does not have any branches or participations.

### Board

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 31 December 2021, Mrs Z.H. Cammans, Mrs H. Grine-Siciliano and Mrs M. Mussai-Ramassur were directors of the Company.

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

#### Internal control and risk management procedures

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 is exposed to a credit risk with third parties with whom it trades and may also bear the risk of settlement default. Ultimately, the credit risk is borne by the Noteholders due to the limited recourse nature of the Notes issued.

#### Counterparty risk:

Some of the assets and derivatives will expose the Company to the risk of Counterparty default. The Board has selected high quality and well known institution in order to mitigate the risk.

#### Interest rate risk:

The Permitted Assets bear interest at fixed rates while some Notes will bear interest at floating rates based on 1-month EURIBOR. The Company hedges 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 Board 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.

### Future outlook

No material changes in activities are contemplated for the year 2022.

### Subsequent events

In early 2020, a pandemic of coronavirus disease 2019 (COVID-19) spread around the world, leading to numerous cases and casualties and causing an economic instability. The pandemic has had no material impact on the operations or the figures of the Company as at 31 December 2021.

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

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

The Company regards these events as non-adjusting events after the reporting year.

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

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

### Subsequent events (Continued)

The gross purchase price paid by Compartment 2021-1 in November 2021 for its Receivables included a payment of VAT (the "German VAT") of approximately EUR 80 million. The acquisition of the Receivables by Compartment 2021-1 have been financed by issuance of Notes and an interest free VAT Bridge Loan granted by the Seller of the Receivables. Pursuant to the German tax laws, the Company would be entitled to claim input VAT on the acquisition of the Receivables and to do so the Company filed a VAT Advance Return claiming the refund of the EUR 80 million. The VAT Bridge Loan finances only the German VAT due on the transaction and its repayment is subject to the amount of German VAT recovered by the Company

As the Company signed an assignment ("Abtretungsanzeige") in March 2022 requesting the German Tax Authorities to pay the German VAT recoverable directly to the Seller and the VAT Bridge Loan is subject to repayment only to the extent of German VAT recovered, the VAT Refundable amount and the VAT Bridge Loans has been derecognised as assets and liabilities of the Company in 2022. For the avoidance of doubt, if the amount of German VAT recoverable is zero, the obligation of the Company to repay the VAT Bridge Loan is extinguished. As at 31 December 2021, the amount of German VAT recoverable amounts to approximately EUR 82 million.

The Company regards also these events as non-adjusting events after the reporting year.

No other events have occurred subsequent to the year end which would have a material impact on the financial statements as at 31 December 2021.

M. Mussai-Ramassur

Director

Luxembourg, 27 February 2023

Z.H. Cammans Director

H. Grine-Siciliano Director

# **Annual Accounts Helpdesk:**

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RCSL Nr.: B234988 Matricule: 2019 2203 245

eCDF entry date:

### **BALANCE SHEET**

Financial year from  $_{01}$  \_01/01/2021 to  $_{02}$  \_31/12/2021 (in  $_{03}$  EUR )

PBD GERMANY AUTO LEASE MASTER S.A.

22-24, Boulevard Royal L-2449 Luxembourg

# **ASSETS**

				Reference(s)		Current year		Previous year
A.	Su	bscı	ribed capital unpaid	1101	101		102	
	l.	Su	bscribed capital not called	1103	103		104	
	II.		bscribed capital called but paid	1105	105		106	
В.	Fo	rma	tion expenses	1107	107		108	
C.	Fix	ed a	assets	1109	109	1.145.128.978,10	110	755.027.454,25
	l.	Int	angible 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	
			<ul> <li>a) acquired for valuable consideration and need not be shown under C.I.3</li> </ul>	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.	Ta	ngible assets	1125				
			Land and buildings					
			Plant and machinery	1127				
		۷٠	riant and machinery	1129	129		130	

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					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						
	III.		nancial assets	1135	2.3.1	135	1.145.128.978,10	136	755.027.454,25
			Shares in affiliated undertakings	1137		137		138	
			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	1145		145			
		٥.	assets	1145	3	145	1.145.128.978,10	146	755.027.454,25
		6.	Other loans			147		148	
D.	Cu	rren	ıt assets	1151		151	121.196.189,17	152	23.052.091,78
	l.	Sto	ocks	1153		153		154	
		1.	Raw materials and consumables	1155		155		156	
		2.	Work in progress	1157					
		3.	Finished goods and goods for resale	1159		159		160	
		4.	Payments on account						
	II.	De	btors				85.075.648,20		2.174.719,11
		1.	Trade debtors				<u> </u>		· .
			a) becoming due and payable within one year						
			b) becoming due and payable after more than one year			169		170	
		2.	Amounts owed by affiliated undertakings	1171		171	3.350.519,18	172	2.174.719,11
			a) becoming due and payable within one year	1173	2.3.2	173	3.350.519,18	174	2.174.719,11
			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		179	
			a) becoming due and payable within one year					180	
			b) becoming due and payable after more than one year					182	
		4.	Other debtors			183			0,00
		••	a) becoming due and payable	1103		103		104	5,00
			within one year	1185	4	185	10.848,98	186	0,00
			b) becoming due and payable after more than one year	1187		187	81.714.280,04	188	0,00

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		Reference(s)		Current year		Previous year
	III. Investments	1189	189		190	
	1. Shares in affiliated undertakings	1191	191 _		192	
	2. Own shares	1209	209 _		210	
	3. Other investments	1195	195		196	
	IV. Cash at bank and in hand	1197	197 _	36.120.540,97	198	20.877.372,67
Ε.	. Prepayments	2.3.3 - 6	199 _	1.182,27	200 .	30.152,13
	TOTAL (A	SSETS)	201 _	1.266.326.349,54	202	778.109.698,16

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# **CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
A. Capital and reserves	1301	30.000,00	30.000,00
I. Subscribed capital	1303 7	30.000,00	30.000,00
II. Share premium account	1305	305	306
III. Revaluation reserve	1307	307	308
IV. Reserves	1309	309	310
1. Legal reserve	1311	311	312
2. Reserve for own shares	1313	313	314
<ol><li>Reserves provided for by the articles of association</li></ol>	1315	315	316
<ol> <li>Other reserves, including the fair value reserve</li> </ol>	1429	429	430
a) other available reserves	1431	431	432
b) other non available reserves	1433	433	434
V. Profit or loss brought forward	1319	319	320
VI. Profit or loss for the financial year	1321	3210,00	3220,00
VII. Interim dividends	1323	323	324
VIII. Capital investment subsidies	1325	325	326
B. Provisions	1331	331	332
<ol> <li>Provisions for pensions and similar obligations</li> </ol>	1333	333	334
2. Provisions for taxation	1335	335	336
3. Other provisions	1337	337	338
C. Creditors	1435 2.3.7	1.263.878.885,14	778.079.698,16
1. Debenture loans	1437	1.166.984.561,17	764.996.697,90
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 2.3.6 - 9	1.166.984.561,17	764.996.697,90
i) becoming due and payable within one year	1447	50.522,61	26.889,11
ii) becoming due and payable after more than one year	1449	1.166.934.038,56	450 764.969.808,79
<ol><li>Amounts owed to credit institutions</li></ol>	1355	355	356
<ul> <li>a) becoming due and payable within one year</li> </ul>	1357	357	358
b) becoming due and payable after more than one year	1359	359	360

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			Reference(s)		Current year		Previous year
3.	of order not show	ts received on account s in so far as they are wn separately as ons from stocks	1361	361		362	
		pecoming due and payable within one year	1363	363		364	
		pecoming due and payable ofter more than one year	1365	365		366	
4.	Trade cr	editors	1367	367		368	
		pecoming due and payable within one year	1369	369		370	
		pecoming due and payable ofter more than one year	1371	371		372	
5.	Bills of e	xchange payable	1373	373		374	
		pecoming due and payable within one year	1375	375		376	
		pecoming due and payable ofter more than one year	1377	377		378	
6.	Amount underta	s owed to affiliated kings	137910	379	96.681.724,41	380	12.646.227,16
		pecoming due and payable within one year	1381 2.3.9	381	93.681.724,41	382	12.646.227,16
		pecoming due and payable ofter more than one year	1383	383	3.000.000,00	384	0,00
7.	with wh	s owed to undertakings ich the undertaking is y virtue of participating s	1385	385		386	
		pecoming due and payable vithin one year	1387			388	
	b) k	pecoming due and payable ofter more than one year					
8.		•	1389		212.599,56		436.773,10
0.		ax authorities			212.599,56		436.773,10 6.878,33
	,	Social security authorities	1393	393	2.207,03		0.070,33
		Other creditors	1395		210.330,51	396 398	429.894,77
		becoming due and payable within one year				400	
	i	becoming due and payable after more than one year	1399				
		one year	1401	401		402	
. Deferi	red incon	ne	2.3.6 - 12	403	2.417.464,40	404	0,00
TOTA	AL (CAPIT	AL, RESERVES AND LIAB	SILITIES)	405	1.266.326.349,54	406	778.109.698,16

# **Annual Accounts Helpdesk:**

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RCSL Nr.: B234988 Matricule: 2019 2203 245

eCDF entry date:

## **PROFIT AND LOSS ACCOUNT**

Financial year from  $_{01}$  \_01/01/2021 to  $_{02}$  \_31/12/2021 (in  $_{03}$  EUR )

PBD GERMANY AUTO LEASE MASTER S.A.

22-24, Boulevard Royal L-2449 Luxembourg

		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	713	714
5.	Raw materials and consumables and other external expenses  a) Raw materials and consumables  b) Other external expenses	1671 <u>13</u>	671 -4.818.889,30 601 -4.818.889,30 603 -4.818.889,30	672 <u>-3.032.431,47</u> 602 <u>-3.032.431,47</u>
6	Staff costs	1603		
0.	a) Wages and salaries b) Social security costs i) relating to pensions ii) other social security costs c) Other staff costs	1605 1607 1609 1653 1655	605 607 609 653 655 613	606
7.	Value adjustments	1657	657	658
	<ul> <li>a) in respect of formation expenses and of tangible and intangible fixed assets</li> <li>b) in respect of current assets</li> </ul>	1659	659	660
8.	Other operating expenses	162114	-36.402.383,83	-22.636.524,67

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	Reference(s)		Current year		Previous year
9. Income from participating interests	1715	715		716	
a) derived from affiliated undertakings	1717				
<ul> <li>b) other income from participating interests</li> </ul>	1719				
10. Income from other investments and loans forming part of the fixed assets	1721	721	49.219.232,75	722	30.395.320,33
a) derived from affiliated undertakings	1723				
b) other income not included under a)	172515	725	49.219.232,75		30.395.320,33
11. Other interest receivable and similar income	172716	727	26.769,73	728	0,00
a) derived from affiliated undertakings	1729	729		730	
b) other interest and similar income	1731	731	26.769,73	732	0,00
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	16653	665	-430.630,00	666	-253.186,82
14. Interest payable and similar expenses	1627 17	627	-7.589.284,35	628	-4.468.362,37
a) concerning affiliated undertakings	1629	629	-5.420.210,54	630	-3.042.233,69
b) other interest and similar expenses	1631		-2.169.073,81	632	-1.426.128,68
15. Tax on profit or loss	163518	635	-770,40	636	0,00
16. Profit or loss after taxation	1667	667	4.044,60	668	4.815,00
17. Other taxes not shown under items 1 to 16	163718	637	-4.044,60	638	-4.815,00
18. Profit or loss for the financial year	1669	669	0,00	670	0,00

#### NOTES TO THE ANNUAL ACCOUNTS

#### Note 1 - General information

PBD GERMANY AUTO LEASE MASTER S.A. is a Luxembourg public limited liability company incorporated in Luxembourg on 29 May 2019 for an unlimited period 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 234.988.

The financial year of the Company begins 1 January and terminates on 31 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

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.

During the financial year under review, the Company had 3 active compartments. Compartments 1 and 2, created in 2019 and which, for reporting purposes, are interconnected and therefore reported as one and "Compartment 2021-1" created on 20 October 2021.

The Company is included in the consolidated accounts of Banco Santander S.A., forming the largest and the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of Banco Santander S.A. is located at Ciudad Grupo Santander, Av. Cantabria, 28660, Boadilla del Monte - Madrid (Spain) 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), 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.

### 2.2 Comparative figures

The format of the balance sheet and profit and loss account has been adjusted when compared to the presentation used in respect of the financial year ended 31 December 2021. The figures of the year-ended as well as comparative figures as at 30 December 2021 are shown with two decimals whilst balance sheet and profit and loss account published for the year ended 31 December 2021 were presented rounded.

Comparative figures of caption "Other external expenses" as at 31 December 2020 have been modified to enable comparability with the figures presented as at 31 December 2021.

### 2.3 Significant accounting policies

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

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

### Note 2 - Summary of significant accounting policies (Continued)

### 2.3 Significant accounting policies (Continued)

#### 2.3.1 Financial assets

Permitted Assets included in financial assets are recorded at their purchase price. In case of a durable impairment 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.

#### 2.3.2 Debtors

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.

### 2.3.3 Prepayments

This asset item includes expenses incurred during the financial year but relating to a subsequent financial year.

#### 2.3.4 Derivative financial instruments

The Company may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. These derivative financial instruments are initially recorded at cost. At each balance sheet date, unrealised losses are recognised in the profit and loss account whereas gains are accounted for when realised. In the case of hedging of an asset or a liability that is not recorded at fair value, unrealised gains or losses are deferred until the recognition of the realised gains or losses on the hedged item.

### 2.3.5 Foreign currency translation

These annual accounts are stated in EUR. No transactions in other currencies have occurred.

### 2.3.6 Notes issued

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

Losses during the year as a result of sales, default, lower market values or cost may cause a partial reduction on the assets. Such shortfalls will first be borne by the Seller/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 as deferred purchase price and booked in the profit and loss account as "other operating income".

Similarly, in case of profit made during the year, the Equalisation reserve expense booked in the profit and loss under "other operating expenses" would result into an additional liability towards the Originator.

### 2.3.7 Creditors

Debts are recorded at their reimbursement value.

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.

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

### Note 2 - Summary of significant accounting policies (Continued)

### 2.3 Significant accounting policies (Continued)

#### 2.3.8 Deferred income

Deferred income includes income received during the financial year but relating to a subsequent financial year.

### 2.3.9 Interest receivable and payable

Interest receivable and payable are recorded on an accrual basis.

#### Note 3 - Financial assets

Investments held as fixed assets		
	2021	2020
Permitted Assets	EUR	EUR
Opening balance as at 01 January	755.364.358,27	335.935.379,18
Acquisition during the year	1.279.878.288,41	510.011.550,30
Redemption during the year	(892.588.134,56)	(90.582.571,21)
Closing balance as at 31 December	1.142.654.512,12	755.364.358,27
Accumulated value adjustments - opening balance	(336.904,02)	(83.717,20)
Value adjustment during the year	(430.630,00)	(253.186,82)
Accumulated value adjustments - closing balance	(767.534,02)	(336.904,02)
Net book value - closing balance	1.141.886.978,10	755.027.454,25

### Compartments 1 and 2:

During the year 2021, the Company, on behalf of its Compartments 1 and 2, acquired Permitted Assets for a total amount of EUR 675.480.610,52 (2020: EUR 510.011.550,30) from PSA.

The purchase price was equal to the aggregate discounted or net present value of such eligible receivables becoming due under the respective lease agreements.

During 2021, the Permitted Assets principal was reduced by EUR 878.990.601,78 (2020: EUR 90.582.571,21) by way of collections and EUR 350.290,91 (2020: EUR 253.186,82) by defaulted Permitted Assets written off.

As 31 December 2021, Permitted Assets include Lease Receivables for a total amount of EUR 206.658.092,39 as well as Expectancy Rights for a total amount of EUR 344.509.962,64.

Interest income for the year ended 31 December 2021 amounted to EUR 44.963.691,99 (2020: EUR 30.395.320,33).

Acquisition of the Permitted Assets is financed by the issuance of Class A Notes and Class B Notes (see also note 9).

### Compartments 2021-1:

During the year 2021, the Company, on behalf of its Compartment 2021-1, acquired Permitted Assets from PSA for a total amount of EUR 604.397.677,89.

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

#### Note 3 - Financial assets (Continued)

### Compartments 2021-1 (Continued):

The purchase price was equal to the aggregate Discounted or net of such eligible receivables becoming due under the respective lease and expectancy rights agreements.

During 2021, the Permitted Assets principal was reduced by EUR 13.597.532,78 by way of collections and EUR 80.339,09 by defaulted Permitted Assets written off.

As 31 December 2021, Permitted Assets include Lease Receivables for a total amount of EUR 158.807.400,49 as well as Expectancy Rights for a total amount of EUR 431.911.522,58.

Interest income for the year ended 31 December 2021 amounted to EUR 4.255.540,76.

Acquisition of the Permitted Assets is financed by the issuance of Notes, from Class A to Class G (see also note 9).

Derivative financial instruments	<b>2021</b> EUR	2020 EUR
	LOIX	LOIX
Opening balance as at 01 January	-	-
Acquisition during the year	3.242.000,00	-
Redemption during the year		-
Closing balance as at 31 December	3.242.000,00	
Accumulated value adjustments - opening balance	-	-
Value adjustment during the year	-	-
Accumulated value adjustments - closing balance		
Net book value - closing balance	3.242.000,00	

On 24 November 2021, the Company acting on behalf of Compartment 2021-1, entered into a derivative agreement ("Cap agreement") to hedge its exposure to floating interest rate on Notes issued (see also note 9). Pursuant to the Cap agreement, on 26 November 2021, the Company paid a premium amount of EUR 3,242,000.

Termination date of the Cap agreement is the earlier of the 26th calendar day falling in November 2030 or floating rate payment date falling on January 2027.

As at 31 December 2021, cap premium's fair market value was EUR 3.737.409,73 and agreed cap notional was EUR 591,000,000.00

Total financial assets	1.145.128.978,10	755.027.454,25
Note 4 - Debtors	<b>2021</b> EUR	2020 EUR
Amounts owed by affiliated undertakings becoming due and payable within one year		
Receivable from PSA	3.350.519,18	2.174.719,11
Total becoming due and payable within one year	3.350.519,18	2.174.719,11
Amounts owed by affiliated undertakings mainly refers to receivables due collection of the Permitted Assets. The amount is due in January 2022.	from PSA in relation	to December 2021

### Other debtors

### becoming due and payable within one year

Total becoming due and payable within one year	10.848,98	
Net worth tax advances	2.407,50	-
Other receivables	8.441,48	-

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Note 4 - Debtors (Continued)	2021	2020
Other debtors (Continued)	EUR	EUR
becoming due and payable after more than one year		
German VAT refundable	81.714.280,04	-
Total becoming due and payable after more than one year	81.714.280,04	
Total debtors	85.075.648,20	2.174.719,11
German VAT refundable refers to input VAT on Permitted Assets re-purchased	by PSA.	
Note 5 - Cash at bank	<b>2021</b> EUR	<b>2020</b> EUR
Operating accounts Liquidity reserve account Purchase Shortfall Accounts	27.422.300,70 8.697.687,09 553,18	12.500.953,26 8.376.419,41 -
Total cash at bank	36.120.540,97	20.877.372,67
Note 6 - Prepayments	<b>2021</b> EUR	<b>2020</b> EUR
Prepaid expenses	1.182,27	30.152,13
Total prepayments	1.182,27	30.152,13

### Note 7 - Subscribed capital

As at 31 December 2021, the subscribed capital amounts to EUR 30,000 and is divided into 3,000 shares fully paid-up with a par value of EUR 10 each.

### Note 8 - 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 9 - Debenture loans	2021	2020
	EUR	EUR
Non convertible loans		
Becoming due and payable within one year		
Interest payable on Class A1 Notes (unsubordinated registered bonds)	-	3.527,78
Interest payable on Class A2 Notes (unsubordinated registered bonds)	3.886,75	412,24
Interest payable on Class B Notes (unsubordinated registered bonds)	20.787,58	22.949,09
Interest payable on Class A Floating rate Notes	2.201,39	-
Interest payable on Class B Floating rate Notes	687,31	-
Interest payable on Class C Floating rate Notes	2.249,78	-
Interest payable on Class D Floating rate Notes	2.549,70	-
Interest payable on Class E Floating rate Notes	9.428,05	-
Interest payable on Class F Floating rate Notes	3.857,01	-
Interest payable on Class G Fixed rate Notes	4.875,04	-
Total becoming due and payable within one year	50.522,61	26.889,11

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

#### Note 9 - Debenture loans (Continued)

	2021	2020
Becoming due and payable after more than one year	EUR	EUR
Class A1 Notes (unsubordinated registered bonds)	100.000.000,00	500.000.000,00
Class A2 Notes (unsubordinated registered bonds)	279.845.805,83	58.427.960,41
Class B Notes (unsubordinated registered bonds)	187.088.232,73	206.541.848,38
Class A Floating rate Notes	463.800.000,00	-
Class B Floating rate Notes	23.100.000,00	-
Class C Floating rate Notes	31.500.000,00	-
Class D Floating rate Notes	21.000.000,00	-
Class E Floating rate Notes	39.600.000,00	-
Class F Floating rate Notes	12.000.000,00	-
Class G Fixed rate Notes	9.000.000,00	=
Total becoming due and payable after more than one year	1.166.934.038,56	764.969.808,79
Total debenture loans	1.166.984.561,17	764.996.697,90

### Compartments 1 and 2:

On 8 May 2020, the existing Class A Notes became the Class A1 Notes. As from 29 November 2021, the Class A1 Notes bear a floating rate interest of one month Euribor plus 0.60% margin (0.70% margin before). The Class B Notes bear a fixed interest of 2.00%. The amount of interest is calculated monthly and paid on the 26th of each month.

As from 29 November 2021, the Class A2 Notes bear fixed rate interest of one 0.25% per annum (floating rate interest of one month Euribor plus 0.7% margin before).

All payments of interest on and principal of the Notes will be due and payable at the latest on 26 June 2025, the legal maturity date of the Notes.

Interest payable on the Class A1 Notes amounts to nil as at 31 December 2021 (2020: EUR 3.527,78) and total interest charge for the year ended 31 December 2021 amounts to EUR 656.291,67 (2020: EUR 754.701,63) (see also note 16).

Interest payable on the Class A2 Notes amounts to 3.886,75 as at 31 December 2021 (2020: EUR 412,24) and total interest charge for the year ended 31 December 2021 amounts to EUR 323.950,25 (2020: EUR 69.779,24) (see also note 16)

Interest payable on the Class A2 Notes amounts to 20.787,58 as at 31 December 2021 (2020: EUR 22.949,09) and total interest charge for the year ended 31 December 2021 amounts to EUR 5.070.141,24 (2020: EUR 2.972.454,45) (see also note 16).

### Compartment 2021-1:

During 2021, there was no change to the principal amount of the Notes. The Notes bear the following interest rate per annum:

Class A Floating rate Notes	Variable rate of 1 month Euribor + 0.7%
Class B Floating rate Notes	Variable rate of 1 month Euribor + 1%
Class C Floating rate Notes	Variable rate of 1 month Euribor + 1.5%
Class D Floating rate Notes	Variable rate of 1 month Euribor + 2.1%
Class E Floating rate Notes	Variable rate of 1 month Euribor + 3.5%
Class F Floating rate Notes	Variable rate of 1 month Euribor + 4.5%
Class G Fixed rate Notes	Fixed rate of 6.5%

The amount of interest is calculated monthly and paid on the 26th of each month.

All payments of interest on and principal of the Notes will be due and payable at the latest on 26 November 2030, the legal maturity date of the Notes.

The Notes issued by Compartment 2021-1 are listed on the Luxembourg Stock Exchange.

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

### Note 9 - Debenture loans (Continued)

Compartment 2021-1 (Continued):

Notes were issued at an issue price of 100%, except for the Class A Floating rate Notes that were issued at an issue price of 100.527%, therefore resulting in an issuance premium of EUR 2,444,226 recorded under the caption "Deferred income".

The issuance premium is amortised on a straight line basis and during the year and amount of EUR 26.761,60 was charged through the profit and loss accounts (see also note 12).

Interest payable on the Class A Floating rate Notes amounts to EUR 2.201,39 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 59.619,83 (2020: EUR nil) (see also note 16)

Interest payable on the Class B Floating rate Notes amounts to EUR 687,31 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 9.899,59 (2020: EUR nil) (see also note 16).

Interest payable on the Class C Floating rate Notes amounts to EUR 2.249,78 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 29.248,43 (2020: EUR nil) (see also note 16)

Interest payable on the Class D Floating rate Notes amounts to EUR 2.549,70 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 32.098,80 (2020: EUR nil) (see also note 16).

Interest payable on the Class E Floating rate Notes amounts to EUR 9.428,05 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 115.967,89 (2020: EUR nil) (see also note 16).

Interest payable on the Class F Floating rate Notes amounts to EUR 3.857,01 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 47.142,21 (2020: EUR nil) (see also note 16).

Interest payable on the Class G Fixed rate Notes amounts to EUR 4.875,04 as at 31 December 2021 (2020: EUR nil) and total interest charge for the year ended 31 December 2021 amounts to EUR 58.499,74 (2020: EUR nil) (see also note 16).

Note 10 - Amounts owed to affiliated undertakings	2021	2020
Becoming due and payable within one year	EUR	EUR
Liquidity Reserve Account	5.697.687,09	8.376.419,41
Equalisation provision	5.722.363,75	4.269.807,75
VAT Bridge Loan	82.259.923,57	-
Interest payable Seller Loan	1.750,00	-
Total becoming due and payable within one year	93.681.724,41	12.646.227,16

As per the incorporated terms memorandum dated 7 June 2019 of Compartments 1 and 2 ( amended on 8 May 2020, 16 December 2020 and further amended and restated on 24 November 2021), the Liquidity Reserve Account amounts to the higher of 1.50% of the Class A Notes (unsubordinated registered bonds) Outstanding Amount and EUR 500,000. Upon repayment of all Class A Notes, the Liquidity Reserve Account shall be zero.

On 24 November 2021, PSA, as lender, granted an interest free VAT Bridge Loan facility up to EUR 100,000,000, on a revolving basis, for the purpose of providing the Company with the funds required to finance any VAT payable on the purchase of Expectancy Rights.

The Company shall repay any outstanding VAT Bridge Loan, in whole or in part, upon reimbursement being made by the tax authorities of any VAT refund.

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

### Note 10 - Amounts owed to affiliated undertakings (Continued)

	2021	2020
Becoming due and payable after more than one year	EUR	EUR
Seller Loan	3.000.000,00	-
Total becoming due and payable after more than one year	3.000.000,00	-
Total amounts owed to affiliated undertakings	96.681.724,41	12.646.227,16

On 24 November 2021, PSA, as lender, granted a Seller Loan on a subordinated basis to fund inter alia the initial Required Reserve Liquidity amount of EUR 3,000,000 on behalf of Compartment 2021-1 and to fund an amount equal to EUR 797,774 as part of the cap premium payable to the hedge counterparty.

On 29 December 2021, Compartment 2021-1 partially reimbursed the Seller Loan in an amount of EUR 797,774.

All payments of interest on and principal of the Seller loan will be due and payable at the latest on 26 November 2030.

Note 11 - Other creditors	2021	2020
	EUR	EUR
Tax authorities		4 000 00
Net Worth tax payable	0.000.05	4.280,00
VAT payable	2.269,05	2.598,33
Total tax authorities	2.269,05	6.878,33
Other creditors		
Suppliers	72.474,85	40.338,40
Suppliers - invoices not yet received	137.855,66	389.556,37
Total other creditors	210.330,51	429.894,77
Note 12 - Deferred income		
	2021	2020
Premium on Class A Floating rate Notes	EUR	EUR
Opening balance as at 01 January	-	-
Issuance during the year	2.444.226,00	-
Closing balance as at 31 December	2.444.226,00	
Accumulated amortization - opening balance	-	-
Amortization during the year	(26.761,60)	-
Accumulated amortization- closing balance	(26.761,60)	
Net book value - closing balance	2.417.464,40	-

The premium on Class A Floating rate Notes is amortised on straight line basis (see also note 9).

# NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Note 13 - Other external expenses	2021	2020
	EUR	EUR
Servicer and realisation fees	4.558.887,30	2.855.816,14
Audit fees	60.610,40	50.000,00
Account bank fees	73.972.60	60.000,00
Maintenance fees	35.547,74	28.500,00
Legal fees	23.428,99	
Bank charges	8.000,00	6.000,00
Trustee fees	17.729,28	23.707,95
Listing fees	29.643,62	-
Other miscellaneous external charges	8.112,11	6.242,88
Tax advisory fees	2.957,26	2.164,50
Total other external expenses	4.818.889,30	3.032.431,47
Note 14 - Other operating expenses	2021	2020
note in the same of the same o	EUR	EUR
Equalisation provision	1.978.840,63	3.105.903,57
Excess spread *)	34.423.543,20	19.530.621,10
Total other operating expenses	36.402.383,83	22.636.524,67
Note 15 - Income from other investments and loans forming part of the fixed assets	2021	2020
Other income not included under a)	EUR	EUR
Interest income from Permitted Assets	49.219.232,75	30.395.320,33
Total other income not included under a)	49.219.232,75	30.395.320,33
Note 16 - Other interest receivable and similar income	2021	2020
other interest and similar financial income	EUR	EUR
Amortisation/Premium on Class A Floating rate Notes (see note 12) Foreign exchange gains	26.761,60 8,13	- -
g ,	,	- -
Foreign exchange gains	26.769,73 2021	2020 FUR
Foreign exchange gains  Total other interest and similar financial income	26.769,73	2020 EUR
Foreign exchange gains  Total other interest and similar financial income  Note 17 - Interest payable and similar expenses	8,13  26.769,73  2021  EUR  323.950,25	
Foreign exchange gains  Total other interest and similar financial income  Note 17 - Interest payable and similar expenses  Concerning affiliated undertakings  Interest expenses on Class A2 Notes (unsubordinated registered bonds) Interest expenses on Class B Notes (unsubordinated registered bonds)	8,13  26.769,73  2021  EUR  323.950,25 5.070.141,24	EUR
Foreign exchange gains  Total other interest and similar financial income  Note 17 - Interest payable and similar expenses  Concerning affiliated undertakings  Interest expenses on Class A2 Notes (unsubordinated registered bonds)	8,13  26.769,73  2021  EUR  323.950,25	EUR 69.779,24
Foreign exchange gains  Total other interest and similar financial income  Note 17 - Interest payable and similar expenses  Concerning affiliated undertakings  Interest expenses on Class A2 Notes (unsubordinated registered bonds) Interest expenses on Class B Notes (unsubordinated registered bonds)	8,13  26.769,73  2021  EUR  323.950,25 5.070.141,24	EUR 69.779,24

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Note 17 - Interest payable and similar expenses (Continued)	2021	2020
	EUR	EUR
Other interest and similar expenses		
Interest expenses on Class A1 Notes (unsubordinated registered bonds)	656.291,67	754.701,63
Interest expenses on Class A Floating rate Notes	59.619,83	-
Interest expenses on Class B Floating rate Notes	9.899,59	=
Interest expenses on Class C Floating rate Notes	29.248,43	-
Interest expenses on Class D Floating rate Notes	32.098,80	=
Interest expenses on Class E Floating rate Notes	115.967,89	-
Interest expenses on Class F Floating rate Notes	47.142,21	=
Interest expenses on Class G Fixed rate Notes	58.499,74	-
Interest expenses on bank accounts	280.150,60	78.181,88
Swap expenses	880.155,05	593.245,17
Total other interest and similar expenses	2.169.073,81	1.426.128,68
Total interest payable and similar expenses	7.589.284,35	4.468.362,37

#### Note 18 - Taxes

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

#### Note 19 - Staff

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

### Note 20 - Emoluments granted to the Members of the Board

No emoluments have been granted to 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 21 - Loans or advances granted to the Members of the Board

No loans or advances have been granted to the Board.

### Note 22 - Audit and non-audit services

Fees that were recognized as other external expenses for services provided during the financial year to the Company by PricewaterhouseCoopers, Société coopérative as Réviseur d'Entreprises agréé and as authorised Cabinet de révision agréé were as follows:

Amount excluding VAT	2021	2020
	EUR	EUR
Audit fees	51.803,76	42.735,04
Other assurance services	-	=
Tax advisory services	-	-
Non-audit services	-	-
Total	51.803,76	42.735,04

### Note 23 - Off-balance sheet commitments

The Company has entered into a Swap Agreement to hedge the Company's interest rate risk derived from floating interest rate on the Class A1 Note issued (previously Class A Notes) (see also note 9).

	Curr. Nominal amount	Fair value	Paying leg (fixed)	Receiving leg (floating)
Swaps on Class A1 Notes - DZ Bank AG	EUR 100.000.000,00	213.326,38	0,27%	1m EURIBOR+ 0.6%

### Note 23 - Off-balance sheet commitments (Continued)

On 24 November 2021, the Company, acting on behalf of its Compartment 2021-1, agreed to grant a first-ranking pledge to the security agent over all of its present, future, conditional and unconditional claims, rights, title and interest (whether actual or contingent) against the account bank arising from or in relation to its bank accounts.

### NOTES TO THE ANNUAL ACCOUNTS (CONTINUED)

Note 24 - Balance sheet of each Compartment as at 31 December 2021

-	General Co	mpartment	Compartme	nts 1 and 2	Compartmer	nt 2021-1	Tota	al
ASSETS	2021	2020	2021	2020	2021	2020	2021	2020
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
C. Fixed assets								
Financial assets Investments held as fixed assets	-	-	551.168.055,03	755.027.454,25	593.960.923,07	-	1.145.128.978,10	755.027.454,25
D. Current assets Debtors								
Amounts owed by affiliated undertakings -becoming due and payable within one year Other debtors	-	-	1.898.226,40	2.174.719,11	1.452.292,78	-	3.350.519,18	2.174.719,11
-becoming due and payable within one year -becoming due and payable after more than one	-	-	2.407,50	-	8.441,48	-	10.848,98	-
year -becoming due and payable within one year from	-	-	-	-	81.714.280,04	-	81.714.280,04	-
another compartment	30.000,00	30.000,00	-	-	-	-	30.000,00	30.000,00
Cash at bank and in hand Total current assets	30.000,00	30.000,00	22.038.097,01 23.938.730,91	20.877.372,67 23.052.091,78	14.082.443,96 97.257.458,26	<u> </u>	36.120.540,97 - 121.226.189,17	20.877.372,67 23.082.091,78
E.Prepayments	-	- -	-	30.152,13	1.182,27	-	1.182,27	30.152,13
TOTAL (ASSETS)	30.000,00	30.000,00	575.106.785,94	778.109.698,16	691.219.563,60	-	1.266.356.349,54	778.139.698,16
A. Capital and Reserves								
Subscribed Capital	30.000,00	30.000,00	-	-	-	-	30.000,00	30.000,00
C. Creditors Debenture Loans Non convertible loans								
<ul> <li>becoming due and payable within one year</li> <li>becoming due and payable after more than one</li> </ul>	-	-	24.674,33	26.889,11	25.848,28	-	50.522,61	26.889,11
year Amounts owed to affiliated undertakings	-	-	566.934.038,56	764.969.808,79	600.000.000,00	-	1.166.934.038,56	764.969.808,79
becoming due and payable within one year     becoming due and payable after more than one	-	-	7.988.654,21	12.646.227,16	85.693.070,20	-	93.681.724,41	12.646.227,16
year	-	-	-	-	3.000.000,00	-	3.000.000,00	-
Other creditors - Tax authorities - becoming due and payable within one year	-	-	1.621,80 127.797,04	6.878,33 429.894,77	647,25 82.533,47		2.269,05 210.330,51	6.878,33 429.894,77
becoming due and payable within one year against another compartment  Total creditors  Total creditors		-	30.000,00 575.106.785,94	30.000,00 778.109.698,16	0,00	-	30.000,00	30.000,00 778.109.698,16
	-	-	575.100.765,94	,	,	•	,	770.109.090,10
D. Deferred income	-	-	<u>-</u>	<del>-</del>	2.417.464,40	-	2.417.464,40	<u>-</u>
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	30.000,00	30.000,00	575.106.785,94	778.109.698,16	691.219.563,60	-	1.266.356.349,54	778.139.698,16

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 displayed.

# NOTES TO THE ANNUAL ACCOUNTS (ENDED)

Note 25 - Profit and loss account of each Compartment as at 31 December 2021

•	General Compartment		Compartments 1 and 2		Compartment 2021-1		Total	
•	2021	2020	2021	2020	2021	2020	2021	2020
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
5. Other external expenses	-	-	(4.437.215,57)	(3.032.431,47)	(381.673,73)	-	(4.818.889,30)	(3.032.431,47)
8. Other operating expenses	-	-	(32.960.681,70)	(22.636.524,67)	(3.441.702,13)	-	(36.402.383,83)	(22.636.524,67)
Income from other investments and loans forming part of the fixed assets     other income not included under a)	-	-	44.963.691,99	30.395.320,33	4.255.540,76	-	49.219.232,75	30.395.320,33
Other interest receivable and similar income     other interest and similar financial income	-	-	-	-	26.769,73	-	26.769,73	-
13. Value adjustments in respect of financial assets and on investments held as current assets	-	-	(350.290,91)	(253.186,82)	(80.339,09)	-	(430.630,00)	(253.186,82)
14. Interest payable and similar expenses     - concerning affiliated undertakings     - other interest and similar financial charges	- -	-	(5.394.091,49) (1.816.597,32)	(3.042.233,69) (1.426.128,68)	(26.119,05) (352.476,49)	-	(5.420.210,54) (2.169.073,81)	(3.042.233,69) (1.426.128,68)
15. Tax on profit or loss	-	-	(770,40)	-	-	-	(770,40)	-
17. Other taxes not shown under items 1 to 16	-	-	- (4.044,60)	- (4.815,00)	- -	-	- (4.044,60)	- (4.815,00)
Profit and loss for the financial year	-	-	-	-	-	-	-	-

#### Note 26 - Subsequent events

In early 2020, a pandemic of coronavirus disease 2019 (COVID-19) spread around the world, leading to numerous cases and casualties and causing an economic instability. The pandemic has had no material impact on the operations or the figures of the Company as at 31 December 2021.

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

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

The Company regards these events as non-adjusting events after the reporting year.

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

The gross purchase price paid by Compartment 2021-1 in November 2021 for its Receivables included a payment of VAT (the "German VAT") of approximately EUR 80 million. The acquisition of the Receivables by Compartment 2021-1 have been financed by issuance of Notes and an interest free VAT Bridge Loan granted by the Seller of the Receivables. Pursuant to the German tax laws, the Company would be entitled to claim input VAT on the acquisition of the Receivables and to do so the Company filed a VAT Advance Return claiming the refund of the EUR 80 million. The VAT Bridge Loan finances only the German VAT due on the transaction and its repayment is subject to the amount of German VAT recovered by the Company.

As the Company signed an assignment ("Abtretungsanzeige") in March 2022 requesting the German Tax Authorities to pay the German VAT recoverable directly to the Seller and the VAT Bridge Loan is subject to repayment only to the extent of German VAT recovered, the VAT Refundable amount and the VAT Bridge Loans has been derecognised as assets and liabilities of the Company in 2022. For the avoidance of doubt, if the amount of German VAT recoverable is zero, the obligation of the Company to repay the VAT Bridge Loan is extinguished. As at 31 December 2021, the amount of German VAT recoverable amounts to approximately EUR 82 million.

The Company regards also these events as non-adjusting events after the reporting year.

No other events have occurred subsequent to the year end which would have a material impact on the financial statements as at 31 December 2021.

Luxembourg, 27 February 2023

Z.H. Cammans

Director

H. Grine-Siciliano Director M. Mussai-Ramassur

Director