Date of Announcement: 31 July 2020
Reference: 05/2020

COMPANY ANNOUNCEMENT

The following is a Company Announcement in terms of the Listing Rules regulating the Institutional Financial Securities Market (IFSM)

BY

PCAM ISSUANCE III S.A. (the 'Company') acting in relation to its Compartment BER_USD_001 as Issuer

(incorporated as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg), registered with the Luxembourg Trade and Companies Register under number B. 203269 and having its registered office at 51, avenue John F. Kennedy, L-1855 Luxembourg.

Relating to the U.S.$600,000,000 Profit Contingent Secured Bonds Programme of a nominal value of USD 200,000 per Bond (ISIN CODE: XS 1453497965)

QUOTE

At a meeting of the Board of Directors of the Company held on 30th June 2020, the Board considered and approved the Company's Audited Financial Statements for the financial year ended 31st December 2019.

The above-mentioned Audited Financial Statements for the financial year ended 31st December 2019, as approved, are attached to this Company Announcement.

For further information, please contact the Issuer at its registered office address (indicated above) or by e-mail at PCAM_III@sannegroup.com

This announcement has been issued through the Company Announcement Service of the International Financial Securities Market.

UNQUOTE

By order of the Board of Directors of PCAM Issuance III S.A

Rolf Caspers
Director

Sandra Bur
Director

PCAM Issuance III S.A.
Société anonyme

Annual Accounts
with the independent auditor's report

For the financial year ended 31 December 2019

51, avenue John F. Kennedy
L-1855 Luxembourg
Luxembourg
R.C.S. Luxembourg: B 203269
Share Capital: EUR 31,000

PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269

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For the financial year ended 31 December 2019

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PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269

Directors' statement
For the financial year ended 31 December 2019

The Directors who held office during the year and to the date on which these Annual Accounts were approved are as shown below (the "Directors"):

Alexandra Fantuz (resigned 09 October 2019)
Rolf Caspers
Marketa Stranska
Sandra Bur (since 11 November 2019)

The Directors did not hold any shares or debt in the Company at the year end, through the financial year or until the date on which accounts were approved.

The Directors are responsible for preparing the management report and the annual accounts in accordance with applicable law and regulations.

The Directors have prepared the Annual Accounts in accordance with generally accepted accounting principles and legal and regulatory requirements in force in the Grand-Duchy of Luxembourg. The Annual Accounts are required by law to give a true and fair view of the state of affairs of the Company and of the Profit or Loss of the Company for that year.

In preparing these Annual Accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and estimates that are reasonable and prudent; and

- prepare the Annual Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that to the best of their knowledge, the Annual Accounts are prepared in accordance with the applicable set of accounting standards and give true and fair view of the assets, liabilities, financial positions and profit or loss of the Company and that the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

By order of the Board on 30 June 2020

Sandra Bur

Marketa Stranska

PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269

Management Report
For the financial year ended 31 December 2019

(The management report also includes the Corporate Governance Statement.)

The Board of Directors (the "Board") present their annual report and the annual accounts for the year ended 31 December 2019.

1.Activities and review of the development of the business

The object of PCAM Issuance III S.A. (the "Company") is to enter into, perform and serve as a vehicle for, any securitisation transactions as permitted under the Securitisation Act 2004.

The Company may acquire or assume, directly or through another entity or vehicle, the risks relating to the holding or ownership of claims, receivables and/or other goods, either movable or immovable, tangible or intangible, and/or risks relating to liabilities or commitments of third parties or which are inherent to all or part of the activities undertaken by third parties, by issuing securities (valeurs mobilieres) of any kind whose value or return is linked to these risks. The Company may assume or acquire these risks by acquiring, by any means, claims, structured deposits, receivables and/or other goods, structured products relating to commodities or assets, by guaranteeing the liabilities or commitments of third parties or by binding itself in any other way. The method that will be used to determine the value of the securitised assets will be set out in the relevant issue documents entered into by the Company.

The Company may, within the limits of the Securitisation Act 2004 and for as long as it is necessary to facilitate the performance of its corporate objects, borrow in any form and enter into any type of loan agreement. It may issue notes, bonds (including exchangeable or convertible securities and securities linked to an index or a basket of indices or shares), debentures, certificates, shares, beneficiary shares or parts, warrants and any kind of debt or equity securities, including under one or more issue programmes. The Company may lend funds including the proceeds of any borrowings and/or issues of securities, within the limits of the Securitisation Act 2004 and provided such lending or such borrowing relates to securitisation transactions, to its subsidiaries or affiliated companies or to any other company.

During the year ended 31 December 2019, Compartment 3 was liquidated and Compartment 1 redeemed USD 22,000,000 notes. Compartment 2 issued Series A and B notes of USD 4,732,609 and USD 10,817,391 respectively. Compartment 2 restructured its investments and disposed of the Limited Partnership Interests in a fund of variable capital amounting USD 36,000,000 and subsequently invested in portfolio of underlying loans for a total nominal amount of USD 45,712,865. The assets and liabilities of the Company have remained stable compared to the financial year 2019 and the profit and loss remains neutral. Any performance or remuneration of the assets is passed-through to the security holders. Running expenses of the Company are allocated through the Compartments.

During the year ended 31 December 2019, the Company has not purchased any of its own shares.

The Company was not involved or participating in any kind of research or development activities in the year ended 31 December 2019.

As at 31 December 2019, the Company had no branches.

As at 31 December 2019, the subscribed capital of the Company amounts to EUR 31,000 and is divided into 310 shares with a nominal value of EUR 100 per share of which 100% are issued and fully paid.

The total expenses of EUR 13,566,792 (2018: EUR 12,527,199) is mainly represented by the interest expenses for the bonds for an amount of EUR 8,322,397 (2018: EUR 6,136,980).

The total income of EUR 13,566,792 (2018: EUR 12,527,199) is mainly represented by the interest income from fixed assets for an amount of EUR 10,726,720 (2018: EUR 10,843,203).

2. Market developments during the year and future development of the Compartment

In the fourth quarter of 2019 the press coverage of aviation was muted compared to the previous quarters. The focus remained on Boeing and the B737 Max crisis. Boeing drew clear consequences and dismissed its CEO. In addition, production of the aircraft was temporarily discontinued starting at the end of January 2020. This is partly due to the fact that Boeing is running out of space to park the produced aircraft. It is currently estimated, that delivery of the 400 aircraft produced after grounding will take until 2021. With the new CEO, there has also been a significant change in the Group's communication strategy. Boeing announced in mid-January 2020 that it did not expect the aircraft to be re-certified before mid-2020. This deviates from the previous strategy of always pushing the date back by one or two months. The FAA has since then commented, that it considers the timeline to be conservative and expects an earlier certification without providing a precise date. Boeing has set aside a total of USD 18.6 billion for claims in the fourth quarter of 2019. At the same time, Boeing was able to secure a credit line of USD 12 billion. While the crisis continues to put significant strain on the aviation industry, it has also led to a rationalization of capacity and stabilizing values for existing aircraft. Due to the expected slow re-entry of the Boeing B737Max into the world fleet, this effect is expected to last for several quarters. Ishka estimates a shortfall of c. 1000 aircraft. This is also expected to slow trading among leasing companies.

Global revenue passenger kilometres (RPK) measuring the total demand of passenger traffic, increased by 4.5% (y-o-y) as of year end, up from 3.8% in September. The RPK growth is currently significantly below the 5-year average of 7% and also below the 10-year average. Available seat kilometres (ASK) increased by 2.1% year-on-year as of December, while the load factor slightly increased to 82.3% trending towards its all-time highs in 2018. The growth has significantly slowed during the past month, in line with economic expectations. IATA expects a growth around 5.5% for the coming year 2020. The annual growth is currently below expectations, but partially made up by the high-season contribution in the summer. The load factor has reversed its downward trend and is expected to stabilize, likely due to further consolidation in the airline industry. However, even though oil prices are tumbling, the industry is expected to further consolidate, due to competitive pricing and declining margins.

2. Market developments during the year and future development of the Compartment - continued

The preliminary fourth quarter of 2019 airline financial data gathered by IATA confirms a steady development in earnings on a global basis. Global airline share prices climbed in Q4 by 5.6%, while global equities have been up 8.2% over the same period. The initial fourth quarter of 2019 earnings announcements showed that strong demand and a lower fuel price continued to support especially North American airlines. Looking forward, although rising capacity in 2020 may be a challenge in some regions, moderate fuel prices together with an improvement in global economic growth are expected to support industry-wide financial performance. Following a short-lived improvement in October 2019, the global base passenger yields (excluding surcharges and ancillary revenues) eased modestly in US dollar terms in November 2019 despite the improvement in premium class yields. Overall, economy class yields trended downwards in the fourth quarter of 2019, while premium class yields improved in the last two months of the year. However, both economy and premium class yields are approx. 3% lower than their level at the beginning of the year. In 2020, moderate economic growth together with the planned capacity increases in some regions will likely maintain downward pressure on yields. In particular the international aviation industry is heavily impacted by COVID-19 due to grounding of many airplanes and a significant drop in number of passengers and revenues. The international aviation industry remains under high pressure with various airlines going into insolvency or insolvency protection and negotiations for restructuring are pending.

3. Principal Risks and Uncertainties

The purchase of the securities of the Company may involve substantial risks and is suitable only for sophisticated purchasers who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the securities. The securities of the Company are not principal protected and purchasers of the securities are exposed to the risk of full loss of principal.

The Issuer believes that the following factors may affect either its ability to fulfil its obligations under the securities or the performance of the securities. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Board believes that the factors described below represent the principal risks inherent in investing in the issued securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive.

General economic conditions

Over the past several years, financial markets have experienced volatility and have been adversely affected by concerns over economic contraction, rising government debt levels, credit rating downgrades, and risk of default or restructuring of government debt. These events could cause bond yields and credit spreads to increase and prices of outstanding fixed income securities to fall. Many economies continue to suffer from high rates of unemployment. This economic climate may have an adverse effect on the ability of consumers and businesses to repay or refinance their existing debt. While there are some signs of recovery in certain sectors, it is difficult to predict whether such recovery will be sustained, how long the current uncertain economic conditions will continue, whether they will deteriorate further and which markets, products, businesses and assets will continue to be adversely affected. The business, financial condition or results of operations of each obligor in respect of underlying investments may be adversely affected by such adverse economic and business conditions. To the extent that economic and business conditions deteriorate further, non-performing assets are likely to increase, and the collectability and or enforcement of each underlying investment may decrease and could ultimately affect the ability of the securities to pay in full.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty fails to meet its contractual obligations, and arises principally from the Company's financial assets.

The Company has exposure to credit risk, which is hedged by the legal structuring of the issuer Notes. The payment obligations of the Company are restricted to the amounts collected from its underlying investments. If a counterparty fails to meets its obligations, the Company is not required to repay its liabilities as they fall due.

The ability of the Issuer to meet its obligations under the securities of Compartments 1 and 2 will be dependent on, inter alia, the receipt by it of payments from the borrowers under the invested loans. Credit risks associated with loans include (among others): (i) the possibility that earnings of the obligors may be insufficient to meet its debt service, (ii) the obligor's assets and the value of the security granted for the Loans declining in value and (iii) the declining creditworthiness, default and potential for insolvency of the obligors during periods of rising interest rates and economic downturn.

However, the risk of financial loss to the Company is mitigated through controls in place for a timely receipt of the amounts due from underlying investments and other structural protections in place such as the over-collateralisation.

Market Risk

Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of the financial markets in which the investor is involved. The most common and relevant types of market risks include interest rate risk, price/valuation risk and currency risk.

The Company's exposure to such risks is outlined below:

Currency Risk

To the extent that the Company directly or indirectly holds assets in local currencies, the Company will be exposed to a degree of currency risk which may adversely affect performance. Changes in foreign currency exchange rates may affect the value of the investments. In addition, the Company will incur costs in connection with conversions between various currencies.

3. Principal Risks and Uncertainties - continued

Interest Rate Risk

Interest rate risk is the risk that the Company does not receive adequate interest from its financial assets to secure interest payments on the issued debt instruments. Due to the legal structuring of the securitisation transactions, which shifts basically all risks to the holders of the issued debt instruments, the company has fully hedged its exposure to interest rate risk.

Price / Valuation Risk

The direct and indirect loan investments of the Company on behalf of Compartments 1 and 2 will initially be recorded at their purchase price, including any capitalised expenses and premium incidental thereto. They will subsequently be valued at amortised cost less any permanent diminution in value. The loans will therefore not be valued at fair value and are not subject to price/valuation risk.

Liquidity Risk

In addition to the risks described above, since the loan investments of the Company on behalf of the Compartments are expected to be primarily in the form of interests in loans rather than bonds, the loans will generally be subject to additional liquidity risks and, in some cases, credit risks. Loans are not generally traded in organised exchange markets but are traded by banks and other institutional investors engaged in loan syndications. Consequently, the liquidity of the Loans will depend on the liquidity of these markets and there can be no assurance that there will be any market for such Loans if the Issuer Company or, after the security interests become enforceable, the security trustee is required to sell or otherwise dispose of them.

In addition, investors should take into account the prevailing and widely reported global credit market conditions referred to as the "credit crunch" (which continues at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the loans.

The Issuer cannot predict when these circumstances will change and if and when they do whether conditions of general market illiquidity for the Loans and investments similar to the Loans will return in the future. As such, there can be no assurance that the market for instruments similar to the Loans will recover at all or at the same time and to the same degree as other global credit market sectors.

Cashflow Risk

The current Compartments of the Company are attributable to the infrastructure asset class of aircrafts which is characterised by relatively stable cash flow by medium to long-term contracts secured. Usually aircrafts are leased to various operators for between 5 to 8 years for narrow body aircraft / regional jet aircraft and for between 10 to 12 years for wide body aircraft. These leases lock in fixed, regular cash flows which are more dependent on counterparty risk as opposed to operating risk.

4. Annual Corporate governance statement

The Board is responsible for establishing and maintaining adequate internal control and risk management systems for the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight. These include appointing Sanne Group Luxembourg S.A. (the "Administrator") to maintain the accounting records of the Company independently. The Administrator is contractually obliged to maintain proper books and records and to that end performs reconciliations of its records.

The Administrator is also contractually obliged to prepare the financial report including the annual accounts for review and approval by the Board. The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time, the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditor's performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and reports to the Board.

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's annual accounts.

The Administrator is contractually obliged to design and maintain a control structure to manage the risks which the Board judges to be significant for internal control over financial reporting. The control structure includes segregation of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in the financial reporting for every significant account in the annual accounts and the related notes in the Company's annual financial report.

The Company's policies and the Board's instructions relevant to financial reporting are updated and communicated via appropriate channels, such as email correspondence and meetings, to ensure that all financial reporting information requirements are met in a complete and accurate manner.

4. Annual Corporate governance statement - continued

Given the contractual obligations of the Administrator, the Board has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

The Directors believe that they have complied with the requirements with regard to the keeping of proper books of accounts of the Company and that the Administrator has personnel with the appropriate expertise to provide adequate resources to the financial function.

There are no restrictions on voting rights.

Appointment and replacement of the Board of Directors and amendments to the Articles of Association

With regard to the appointment and replacement of the Board, the Company is governed by its Articles of Association and Luxembourg Laws. The Articles of Association themselves may be amended by special resolution of the shareholders.

Power of the Board of Directors

The Board is responsible for managing the business affairs for the Company in accordance with Articles of Association. The Board may delegate certain functions to the administrator and other parties subject to the supervision and direction by the Board. The Board has delegated the day to day administration of the Company to Administrator as stated above.

Transfer of shares

The instrument of transfer of any share shall be executed by or on behalf of the transferor and, in case where the share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register in respect thereof.

Accounting records

The Board believes that it has complied with the requirements with regard to the keeping of proper accounting books by engaging accounting personnel with the appropriate expertise and by providing adequate resources to the financial function.

5. Result and allocation

The result for the year ended 31 December 2019 is Nil (2018: Nil) and does not require further allocation.

6. Subsequent events

Coronavirus disease (COVID-19)

PCAM Issuance III S.A. is invested into a portfolio of international aviation loans.

During December 2019, there was the emergence and spread of the COVID-19 pandemic across Asia and latterly the rest of the world in the beginning of 2020. The national governments have acted to implement a range of policies and actions to combat the virus and its economic impact to national markets and the global economy.

In particular the international aviation industry is heavily impacted by COVID-19 due to grounding of many airplanes and a significant drop in number of passengers and revenues. The international aviation industry remains under high pressure with various airlines going into insolvency or insolvency protection and negotiations for restructuring are pending. Credit risk spreads are significantly increasing due to the serious deterioration in liquidity and credit quality. Airlines started asking for deferral of leasing payments or of scheduled and due principal and interest payments. Also the residual airplane values that serve as collateral for the loans have to be reviewed in the context of current crisis-driven market developments. Therefore, and based on currently observable market developments, the Directors allocated additional stress factors to the airplanes serving as collateral in order to reflect the potentially reduced recovery values.

Since March 2020, the Directors noted significant drops of fair values on the aviation loans, but up to the approval of these financial statements has not discovered failure to pay interest and principal when due.

The Directors considers that it is too early to determine any reliable potential long-term impact of the coronavirus pandemic on the loan portfolios owned by the Company, but acknowledges that there is a significant risk that the shortfalls might increase as a result of this crisis. The impact of coronavirus pandemic is currently uncertain and cannot be quantified yet in terms of impairments due to limited information and still emergent nature of the outbreak. The risk of future impairment to reflect significant - if not full - losses on the aviation loans remains high and the Directors continues monitoring the situation closely. Therefore, it cannot be excluded that after the approval of these financial statements impairments are concluded on the aviation loan portfolio. The pandemic has nevertheless no impact on the valuation of the financial assets and liabilities as of 31 December 2019.

7. Proposal

We propose the approval of the annual accounts and to give the full discharge to the Board for its mandate during the year ended 31 December 2019.

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Building a better working world

Independent auditor's report

To the Shareholders of
PCAM Issuance III S.A.
51, Avenue John F. Kennedy
L-1855 Luxembourg

Opinion

We have audited the financial statements of PCAM Issuance III S.A. (the "Company"), which comprise the balance sheet as at 31 December 2019 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 2019, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with 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 those Law and standards 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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual 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.

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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 "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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;

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- 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 "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 "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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Sylvie Testa

Luxembourg, 30 June 2020

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PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269
Share Capital: EUR 31,000

BALANCE SHEET (in EUR)

As at 31 December 2019

ASSETS

		Reference(s)		Current year		
A. Subscribed capital unpaid	1101		101	-	102	-
I. Subscribed capital not called	1103		103	-	104	-
II. Subscribed capital called but unpaid	1105		105	-	106	-
B. Formation expenses	1107	Note 3	107	-	108	**128,132**
C. Fixed assets	1109	Note 4	109	**199,385,265**	110	**219,503,295**
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 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	-
3. Other fixtures and fittings, tools and equipment	1131		131	-	132	-
4. Payments on account and tangible assets in the course of construction						-
III. Financial assets	1133		133	-	134	
1. Shares in affiliated undertakings	1135		135	199,385,265	136	219,503,295
2. Loans to affiliated undertakings	1137		137		138	-
3. Participating interests	1139		139	-	140	-
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1141		141	-	142	-
5. Investments held as fixed assets	1143		143	-	144	-
6. Other loans	1145		145	-	146	30,434,709
	1147		147	199,385,265	148	189,068,586
D. Current assets	1151		151	**46,123,149**	152	**27,856,892**
I. Stocks	1153		153	-	154	-
1. Raw materials and consumables	1155		155	-	156	-
2. Work in progress	1157		157	-	158	-
3. Finished goods and goods for resale	1159		159	-	160	-
4. Payments on account	1161		161	-	162	-
II. Debtors	1163		163	1,839,116	164	786,462
1. Trade debtors	1165		165	-	166	-
a) becoming due and payable within one year	1167		167	-	168	-
b) becoming due and payable after more than one year	1169		169	-	170	-
2. Amounts owed by affiliated undertakings	1171		171	-	172	-
a) becoming due and payable within one year	1173		173	-	174	-
b) becoming due and payable after more than one year	1175		175	-	176	-
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177	-	178	-
a) becoming due and payable within one year	1179		179		180	-
b) becoming due and payable after more than one year	1181		181	-	182	-
4. Other debtors	1183	Note 5.1.	183	1,839,116	184	786,462
a) becoming due and payable within one year	1185		185	1,839,116	186	786,462
b) becoming due and payable after more than one year	1187		187		188	-
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	Note 5.2.	197	44,284,033	198	27,070,430
E. Prepayments	1199	Note 6	199	-	200	**7,000**
TOTAL (ASSETS)			201	**245,508,414**	202	**247,495,319**

The accompanying notes form an integral part of these annual accounts.

PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269
Share Capital: EUR 31,000

BALANCE SHEET (in EUR)

As at 31 December 2019

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		
A. Capital and reserves	1301	**Notes 7**	301	**31,000**	302	**31,000**
I. Subscribed capital	1303	Note 7.1.	303	31,000	304	31,000
II. Share premium account	1305		305	-	306	-
III. Revaluation reserve	1307		307	-	308	-
IV. Reserves	1309		309	-	310	-
1. Legal reserve	1311	Note 7.2.	311	-	312	-
2. Reserve for own shares	1313		313	-	314	-
3. Reserves provided for by the articles of association	1315		315	-	316	-
4. Other reserves, including the fair value reserve	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		321	-	322	-
VII. Interim dividends	1323		323	-	324	-
VIII. Capital investment subsidies	1325		325	-	326	-
B. Provisions	1331		331	-	332	-
1. Provisions for pensions and similar obligations	1333		333	-	334	-
2. Provisions for taxation	1335		335	-	336	-
3. Other provisions	1337		337	-	338	-
C. Creditors	1435		435	**245,477,414**	436	**247,464,319**
1. Debenture loans	1437		437	244,317,503	438	246,581,706
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		445	244,317,503	446	246,581,706
i) becoming due and payable within one year	1447	Note 8.1.	447	735,179	448	749,219
ii) becoming due and payable after more than one year	1449	Note 8.2.	449	243,582,324	450	245,832,487
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	-
3. Payments received on account of orders in so far as they are 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		379	-	380	-
a) becoming due and payable within one year	1381		381	-	382	-
b) becoming due and payable after more than one year	1383		383	-	384	-
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385	-	386	-
a) becoming due and payable within one year	1387		387	-	388	-
b) becoming due and payable after more than one year	1389		389	-	390	-
8. Other creditors	1451		451	1,159,911	452	882,613
a) Tax authorities	1393	Note 8.3.	393	14,149	394	9,335
b) Social security authorities	1395		395	-	396	-
c) Other creditors	1397	Note 8.3.	397	1,145,762	398	873,278
i) becoming due and payable within one year	1399		399	1,145,762	400	873,278
ii) becoming due and payable after more than one year	1401		401	-	402	-
D. Deferred income	1403		403	-	404	-
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	**245,508,414**	406	**247,495,319**

The accompanying notes form an integral part of these annual accounts.

PCAM Issuance III S.A.
R.C.S. Luxembourg: B 203269
Share Capital: EUR 31,000

PROFIT AND LOSS ACCOUNT (in EUR)

For the year from 1 January 2019 to 31 December 2019

PROFIT AND LOSS ACCOUNT

		Reference(s)		Current year		
1.	**Net turnover**	1701	701	-	701	-
2.	**Variation in stocks of finished goods and in work in progress**	1703	703	-	703	-
3.	**Work performed by the undertaking for its own purposes and capitalised**	1705	705	-	705	-
4.	**Other operating income**	1713 **Note 9**	713	**245,332**	713	-
5.	**Raw materials and consumables and other external charges**	1671 **Note 10**	671	**(1,688,835)**	671	**(1,697,937)**
	a) Raw materials and consumables	1601	601	-	601	-
	b) Other external expenses	1603	603	(1,688,835)	603	(1,697,937)
6.	**Staff costs**	1605	605	-	605	-
	a) Wages and salaries	1607	607	-	607	-
	b) Social security costs	1609	609	-	609	-
	i) relating to pensions	1653	653	-	653	-
	ii) other social security costs	1655	655	-	655	-
	c) Other staff costs	1613	613	-	613	-
7.	**Value adjustments**	1657 **Notes 3, 11**	657	**(128,132)**	657	**(201,792)**
	a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	(128,132)	659	(201,792)
	b) in respect of current assets	1661	661	-	661	-
8.	**Other operating expenses**	1621 **Note 12**	621	**(3,503,222)**	621	**(4,033,718)**
9.	**Income from participating interests**	1715	715	-	716	-
	a) derived from affiliated undertakings	1717	717	-	718	-
	b) other income from participating interest	1719	719	-	720	-
10.	**Income from other investments and loans forming part of the fixed assets**	1721 **Note 13**	721	**11,195,146**	722	**10,843,203**
	a) derived from affiliated undertakings	1723	723	-	724	
	b) other income not included under a)	1725	725	11,195,146	726	10,843,203
11.	**Other interest receivable and similar income**	1727 **Note 14**	727	**2,356,331**	728	**1,683,996**
	a) derived from affiliated undertakings	1729	729	-	730	-
	b) other interest and financial income	1731	731	2,356,331	732	1,683,996
12.	**Share of profit or loss of undertakings accounted for under the equity method**	1663	663	-	664	-
13.	**Value adjustments in respect of financial assets and of investments held as current assets**	1665	665	-	666	-
14.	**Interest payable and similar expenses**	1627 **Note 15**	627	**(8,471,805)**	628	**(6,588,937)**
	a) concerning affiliated undertakings	1629	629	-	630	-
	b) other interest and similar expenses	1631	631	(8,471,805)	632	(6,588,937)
15.	**Tax on profit or loss**	1635	635	-	636	-
16.	**Profit or loss after taxation**	1667	667	**4,815**	668	**4,815**
17.	**Other taxes not shown under items 1 to 16**	1637 **Note 16**	637	**(4,815)**	638	**(4,815)**
18.	**Profit or loss for the financial year**	1669	669	-	670	-

The accompanying notes form an integral part of these annual accounts.

Note 1 – General information

PCAM Issuance III S.A. (hereafter the "Company") was incorporated on 15 January 2016 and is organised under the laws of Luxembourg as a public limited liability company (société anonyme) for an unlimited period and is subject to the Law of 22 March 2004 on securitisation (the "Securitisation Law").

The registered office of the Company is established in 51, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg.

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

The corporate objects of the Company are to enter into, perform and serve as a vehicle for, any securitisation transactions as permitted under the Securitisation law.

The Company may acquire or assume, directly or through another entity or vehicle, the risks relating to the holding or ownership of claims, receivables and/or other goods, either movable or immovable, tangible or intangible, and/or risks relating to liabilities or commitments of third parties or which are inherent to all or part of the activities undertaken by third parties, by issuing securities (valeurs mobilieres) of any kind whose value or return is linked to these risks. The Company may assume or acquire these risks by acquiring, by any means, claims, structured deposits, receivables and/or other goods, structured products relating to commodities or assets, by guaranteeing the liabilities or commitments of third parties or by binding itself in any other way. The method that will be used to determine the value of the securitised assets will be set out in the relevant issue documents entered into by the Company.

The Company may, within the limits of the Securitisation law, proceed, so far as they relate to securitisation transactions, to (i) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, rights and interests in, and obligations of, Luxembourg and foreign companies, (ii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, bonds, debentures, notes and other securities or financial instruments of any kind (including notes or parts or units issued by Luxembourg or foreign mutual funds or similar undertakings and exchangeable or convertible securities), structured products relating to commodities or assets (including debt or equity securities of any kind), receivables, claims or loans or other credit facilities (and the agreements relating thereto) as well as all other types of assets, and (iii) the ownership, administration, development and management of a portfolio of assets (including, among other things, the assets referred to in (i) and (ii) above) in accordance with the provisions of the relevant issue documentation.

The Company may, within the limits of the Securitisation law and for as long as it is necessary to facilitate the performance of its corporate objects, borrow in any form and enter into any type of loan agreement. It may issue notes, bonds (including exchangeable or convertible securities and securities linked to an index or a basket of indices or shares), debentures, certificates, shares, beneficiary shares or parts, warrants and any kind of debt or equity securities, including under one or more issue programmes. The Company may lend funds including the proceeds of any borrowings and/or issues of securities, within the limits of the Securitisation law and provided such lending or such borrowing relates to securitisation transactions, to its subsidiaries or affiliated companies or to any other company.

The Company may, within the limits of the Securitisation law, give guarantees and grant security over its assets in order to secure the obligations it has assumed for the securitisation of those assets or for the benefit of investors (including their trustee or representative, if any) and/or any issuing entity participating in a securitisation transaction of the Company. The Company may not pledge, transfer, encumber or otherwise create security over some or all of its assets or transfer its assets for guarantee purposes, unless permitted by the Securitisation law.

The Company may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions for as long as such agreements and transactions are necessary to facilitate the performance of the Company's corporate objects. The Company may generally employ any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

The Company may, within the limits of the Securitisation law and in accordance with the provisions of the relevant issue documentation of the securities, assign or arrange for the assignment of the underlying assets and risks which guarantee the rights of the relevant investors.

The Board is entitled to create one or more Compartments (representing the assets relating to an issue of securities), in each case, corresponding to a separate part of the Company's estate.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate purpose of the Company shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing enumerated purposes.

Note 1 – General information - continued

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its corporate purpose to the largest extent permitted under the Securitisation law.

In accordance with the Company's Articles of Incorporation, the Board is authorised to create one or more compartments, each corresponding to a distinct part of the Company's assets and liabilities, and in addition, (i) the rights of instrument holders of a compartment are limited to the assets of such a compartment, and (ii) the assets of a compartment are exclusively available to satisfy the rights of the instrument holders of such a compartment. In the relationship between the instrument holders, each compartment is deemed to be a separate entity. As at financial period end the Company has two active Compartments.

For the time being, the particular rights or limitations attached to instruments, as may be specified in the Articles of Incorporation, are the following: if a compartment is liquidated, its assets shall be applied (a) firstly, in payment or satisfaction of all fees, costs, charges, expenses, liabilities and other amounts, including any taxes required to be paid (other than amounts referred to in paragraph (b) below) attributable or allocated to such compartments; and (b) secondly, pro rata in payment of any amounts owed, directly or indirectly, sued per compartment, assets will be subject to compliance with any priority of payment arrangement as defined in the relevant appendix applicable to such instruments.

If the realised net assets of any compartment are insufficient to pay the amounts otherwise payable on the relevant class in full, the relevant security holders shall have no claim against the Company for or in respect of any shortfall, and shall have no claim against any other compartment or any of the Company's other assets.

Note 2 – Summary of significant accounting policies and measurement basis

2.1 Basis of preparation

The Annual Accounts have been prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002 as subsequently amended, determined and applied by the Board.

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

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

2.2 Significant accounting policies

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

2.2.1. Formation expenses

Formation expenses are written off on a straight-line basis over a period of 3 years (Compartment 1) respectively 2 years (Compartment 2).

2.2.2. Financial fixed assets

Other loans are initially recorded at purchase price including the expenses incidental thereto. They are subsequently valued at amortised cost less any permanent diminution in value. Any permanent diminution in the value of the other loans will be charged to the Profit and Loss Account under the caption "Value adjustments in respect of financial assets and of investments held as current assets". Any reversal in the previously recorded value adjustment will be recorded in the Profit and Loss Account under the caption "Income from other investments and loans forming part of the fixed assets".

Investments held as fixed assets are initially recorded at purchase price including the expenses incidental thereto. They are subsequently valued at amortised cost less any permanent diminution in value. Any permanent diminution in the value of the other loans will be charged to the Profit and Loss Account under the caption "Value adjustments in respect of financial assets and of investments held as current assets". Any reversal in the previously recorded value adjustment will be recorded in the Profit and Loss Account under the caption "Income from other investments and loans forming part of the fixed assets".

Note 2 – Summary of significant accounting policies and measurement basis - continued

2.2 Significant accounting policies - continued

2.2.3. Capitalised expenses and Premium on loans and claims

Capitalised expenses and premium related to the acquisition of loans and claims are amortised over the life of underlying other loans.

2.2.4. Debtors

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

2.2.5. Foreign currency translation

The Company maintains its books and records in Euros ("EUR"). Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Financial fixed assets and formation expenses expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the Balance Sheet date, these assets are translated at historic exchange rates.

Cash at bank is translated at the exchange rate effective at the Balance Sheet date. Exchange losses and gains are recorded in the Profit and Loss Account.

Other assets and liabilities are translated separately at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the Balance Sheet date. Solely the unrealised exchange losses are recorded in the Profit and Loss Account. The exchange gains are recorded in the Profit and Loss Account at the moment of their realisation.

Where there is an economic link between an asset and a liability, both are valued in total according to the method described above, while the net unrealised exchange losses are recorded in the Profit and Loss Account and the net unrealised exchange gains are not recognised.

Assets and liabilities which are valued at market value are converted at the exchange rates effective at the Balance Sheet date. Foreign exchange differences on those items which are accounted at market value are recognised in the Profit and Loss Account or revaluation reserves with the change in market value.

2.2.6. Prepayments

Prepayments include expenditure incurred during the financial year but relating to a subsequent financial year.

2.2.7. Provisions

Provisions are intended to cover losses or debts, whose nature of which is clearly defined and which, at the date of the Balance Sheet, are either likely to be incurred or certain to be incurred but with uncertainty as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges that have originated in the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the Balance Sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

2.2.8. Non convertible loans

Non convertible loans are recorded at their reimbursement value. The repayable value of non convertible loans are subject to fluctuations in value calculated (i) based on value changes of financial assets; (ii) based on realised results on disposals; (iii) based on all the fees attributable to these non convertible loans; and (iv) based on any foreign exchange impact.

Note 2 – Summary of significant accounting policies and measurement basis - continued

2.2 Significant accounting policies - continued

2.2.9. Equalisation provision

Due to limited recourse nature of issued debts, any gains and losses incurred during the period, as a result from disposal of assets, default, market value changes and / or changes and cost will borne by the debtholders.

In case of a gain, an equalisation adjustment will be recorded under the caption "Other operating expenses" as the gain will increase the repayable value of debt instruments. On other hand in case of a loss an equalisation adjustment will be recorded under the caption "Other operating income" as the loss will decrease the repayable value of debt instruments.

2.2.10. Tax debts

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years are recorded under the "Other creditors" item. The advance payments are shown in the assets of the Balance Sheet under the "Other receivables" item.

2.2.11. Deferred income

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

(expressed in Euro)

Note 3

B. Formation expenses

The formation expenses consist of:

		2019	2018
General Compartment			
At beginning of the year		2,898	37,480
Additions for the year		-	-
Disposal for the year		-	-
Amortisation for the year		(2,898)	(34,582)
	Total General Compartment	**-**	**2,898**
Compartment 1			
At beginning of the year		108,047	256,507
Additions for the year		-	-
Amortisation for the year		(108,047)	(148,460)
	Total Compartment 1	**-**	**108,047**
Compartment 2			
At beginning of the year		17,187	35,937
Additions for the year		-	-
Amortisation for the year		(17,187)	(18,750)
	Total Compartment 2	**-**	**17,187**
	Total	**-**	**128,132**

Formation expenses relate to legal fees carried out at the transaction closing and other disbursements.

Note 4

C. Fixed assets

III. Financial assets

5. Investments held as fixed assets

	Balance as of 1 January 2019	Additions during the financial year	Repayments during the financial year	Addition to Premium / (Discount)	Amortisation during the financial year	Balance as of 31 December 2019
Compartment 2						
Limited Partnership interests	30,434,709	-	(30,434,709)	-	-	-
					Total	**-**

During the financial year 2017, the Compartment 2 acquired Limited Partnership Interests in a fund of variable capital amounting USD 36,000,000 equivalent to EUR 30,434,709. During the financial year 2019, the Compartment restructured its investments and disposed of the Limited Partnership Interests, on which a profit of EUR 345,259 was made. Following the redemption of the Limited Partnership interests the Compartment 2 invested in portfolio of underlying loans, refer to "Other loans" below.

6. Other loans

The Other loans held as fixed assets consist of:

Compartment 1		2019	2018
Total loans at nominal value brought forward		188,455,129	205,318,941
Additions of loans in the financial year		23,983,970	73,156,320
Repayments during the financial year		(54,748,671)	(90,020,132)
Total loans at nominal value as at 31 December 2019		157,690,428	188,455,129
Total premium value brought forward		613,457	1,448,684
Additions to premium / (discount) in the financial year		1,980	(392,709)
Amortisation during the financial year		(129,734)	(442,518)
Total premium as at 31 December 2019		485,703	613,457
	Total	**158,176,131**	**189,068,586**

During the year ended 31 December 2019, the Compartment 1 invested in portfolio of underlying loans for a total nominal amount of USD 27,207,825 (2018: USD 90,352,365) equivalent to EUR 23,983,970 (2018: EUR 73,156,320). Each specific underlying loan bears an interest and margin.

Compartment 2		2019	2018
Total loans at nominal value brought forward		-	-
Additions of loans in the financial year		41,632,286	-
Repayments during the financial year		(712,039)	-
Total loans at nominal value as at 31 December 2019		40,920,247	-
Total premium value brought forward		-	-
Additions to premium / (discount) in the financial year		298,520	-
Amortisation during the financial year		(9,633)	-
Total premium as at 31 December 2019		288,887	-
	Total	**41,209,134**	**-**

During the year ended 31 December 2019, the Compartment 2 invested in portfolio of underlying loans for a total nominal amount of USD 45,712,865, equivalent to EUR 41,632,286. Each specific underlying loan bears an interest and margin.

(expressed in Euro)

Note 5

D. Current assets

Note 5.1.

II. Debtors

The Debtors consist of:

4. Other debtors

a) becoming due and payable within one year

		2019	2018
General compartment			
Receivable from Compartment 1		112,631	80,443
Receivable from Compartment 2		67,334	67,334
Other debtors		58,573	58,573
Advances to the tax authorities		-	535
	Total General Compartment	**238,538**	**206,885**
Compartment 1			
Interest from loans		514,862	668,488
Receivable from Compartment 2		68,732	-
	Total Compartment 1	**583,594**	**668,488**
Compartment 2			
Other debtors *		674,916	58,866
Interest from loans		590,765	-
Receivable from Compartment 1		262,387	-
	Total Compartment 2	**1,528,068**	**58,866**
Intercompartment elimination		(511,084)	(147,777)
	Total	**1,839,116**	**786,462**

* Other debtors consists of EUR 674,916 receivable from the redemption of the Limited Partnership Interests, which will be received on liquidation of the Prime Capital Aviation Debt sub-fund

Note 5.2.

IV. Cash at bank and in hand

The Cash at bank and in hand consist of:

		2019	2018
General compartment			
Banque Internationale à Luxembourg Share Capital account EUR		22,554	24,708
	Total General Compartment	**22,554**	**24,708**
Compartment 1			
DBV Bank SE - Earnings Account USD		37,572,303	22,178,014
Bank of New York Mellon - USD		852,460	4,531,948
	Total Compartment 1	**38,424,763**	**26,709,962**
Compartment 2			
Bank of New York Mellon Series A - USD		697	102,246
Bank of New York Mellon Series B- USD		874,460	233,514
DBV Bank SE - Earnings Account Series A USD		1,469,505	-
DBV Bank SE - Earnings Account Series B USD		3,492,054	-
	Total Compartment 2	**5,836,716**	**335,760**
	Total	**44,284,033**	**27,070,430**

Note 6

E. Prepayments

	2019	2018
Compartment 1		
Prepayment bank account and trustee fees	-	7,000
	-	**7,000**

(expressed in Euro)

Note 7

A. Capital and reserves

Note 7.1.

I. Subscribed capital

As at 31 December 2019, the subscribed capital of the Company amounts to EUR 31,000 (31 December 2018: EUR 31,000) and is divided into 310 shares with a nominal value of EUR 100 per share of which 100% are issued and fully paid.

Note 7.2.

IV. Reserves

1. Legal reserve

Luxembourg Companies are required to appropriate to the legal reserve a minimum of 5 % of the net profit for the year after deduction of any losses brought forward, until this reserve equals 10 % of the subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, during the life of the Company. The appropriation to legal reserve is effected after approval at the general meeting of shareholders.

Note 8

C. Creditors

Note 8.1.

1. Debenture loans

b) Non convertible loans

The Non convertible loans consist of:

i) becoming due and payable within one year

		2019	2018
Compartment 1			
Accrued interest payable on secured bonds		735,179	749,219
	Total	**735,179**	**749,219**

Note 8.2.

1. Debenture loans

b) Non convertible loans

The Non convertible loans consist of:

ii) becoming due and payable after more than one year

	Notional amount USD	Notional amount EUR	Maturity date	Annual interest rate (fixed)	2019 EUR	2018 EUR
Compartment 1						
Profit Contingent bonds	206,800,000	187,053,892	22 September 2036	1.50%	187,053,892	206,675,021
Compartment 2						
Limited recourse secured loan asset-linked securities						
Series A	15,752,609	13,601,552	30 November 2027	n/a	13,601,552	9,316,403
Series B	35,997,391	31,115,315	30 November 2027	n/a	31,115,315	21,287,388
					231,770,759	**237,278,812**
Compartment 1						
Balance of the Notes (principal) at start of the year					206,675,021	219,397,836
Issuances for the year					-	42,035,869
Redemptions for the year					(19,621,129)	(54,758,684)
Balance of the Notes (principal) at end of the year					**187,053,892**	**206,675,021**
Provision for value diminution/equalisation - balance at start of the year					8,482,433	4,630,025
Provision for value diminution / equalisation - movement for the year					(244,932)	3,852,408
				Total Compartment 1	**195,291,393**	**215,157,454**
Compartment 2						
Balance of the Notes (principal) at start of the year					30,603,791	30,603,791
Issuances for the year					14,113,076	-
Balance of the Notes (principal) at end of the year					**44,716,867**	**30,603,791**
Provision for value diminution/equalisation - balance at start of the year					71,242	(110,068)
Provision for value diminution / equalisation - movement for the year					3,502,822	181,310
				Total Compartment 2	**48,290,931**	**30,675,033**

(expressed in Euro)

Note 8 - continued

Note 8.2. - continued

1. Debenture loans - continued

b) Non convertible loans - continued

The Non convertible loans consist of:

ii) becoming due and payable after more than one year - continued

	2019 EUR	2018 EUR
Compartment 3		
Balance of the Notes (principal) at start of the year	-	-
Issuances for the year	-	17,918,400
Note Redemptions for the year	-	(17,918,400)
Balance of the Notes (principal) at end of the year	-	-
Total Compartment 3	**-**	**-**
Total	**243,582,324**	**245,832,487**

On 7 September 2016, the Company issued a programme for "Aviation bonds" for a total value of USD 600 Millions in Compartment 1.

All of the bonds issued by the Company acting in respect of its Compartment 1 are secured by the relevant investment in other loans. Due to the limited recourse nature of the bonds issued, the obligations of the Company under the bonds are limited to the net proceeds from the realisation of the relevant investment and the Company is therefore not liable to make further payments to meet any shortfall which may arise in this respect.

In accordance with the terms and conditions of the bonds relating to Compartment 1, the term of the bonds will expire on the 20th anniversary of the initial issue date which are the respective first issue dates. On the first issue date, the Issuer intends to issue Bonds in an aggregate nominal amount of U.S.$83,500,000 to the Subscriber or such other amount as shall be agreed in writing by the Subscriber (the "Initial Subscription Amount"). Each outstanding bond shall bear fixed interest at a rate of 1.5 % per annum on its outstanding nominal amount generally payable on 1 October of each calendar year. In case of an issuance of further bonds the fixed interest period will be split and the stub-period will end on the day before each of such further issuance dates. Accounting loss made by Compartment 1 during the calendar year will be borne by the bondholders through a reduction in the variable nominal amounts of the debt securities. In case of accounting profit, this will be provided by the debt holder as profit contingent interest to the extent that accounting profit is not used for a recoupment of previous reduction in the variable nominal amount of debt instruments. Profit contingent interest amounts to be adjusted annual surplus of Compartment 1 for the period from January to December of each calendar year and is payable 6 business days after the date on which the Issuer's audited annual financial statements have been issued, provided such date shall be no later than 6 months after the calendar year-end.

The equalisation provision relates to losses / gains incurred during the period as a result of sales, default, lower market values or cost which may reduce / increase the value of the notes issued. Such shortfalls / additions will be allocated to the bond holders in inverse order of the priority of payments.

On 19 December 2017 Compartment 2 issued limited recourse fund-linked securities with a total commitment of USD 35,000,000 with respect of Series A of which USD 11,020,000 (equivalent to EUR 9,316,403) were funded on the initial issue date and a total commitment of USD 80,000,000 with respect of Series B of which USD 25,180,000 (equivalent to EUR 21,287,388) were funded on the initial issue date, together the "initial funded amounts". On 30 August 2019, the terms of the initial funded amounts in respect of limited recourse fund-linked securities were amended and restated to limited recourse secured loan asset-linked securities and further drawdowns will be made in accordance with these amended and restated terms. On 18 September 2019 a further USD 4,732,609 (equivalent to EUR 4,285,150) was drawn down in respect of Series A and USD 10,817,391 (equivalent to EUR 9,827,926) in respect of Series B.

Prior to the restructuring on 30 August 2019, all of the limited recourse fund-linked securities issued by the Company acting in respect of its Compartment 2 were secured by the relevant investment into investment held as fixed assets. As from 30 August 2019, following the amendment and restatement of the terms the limited recourse secured loan asset-linked securities issued by the Company acting in respect of its Compartment 2 are secured by the relevant investment in other loans. Due to the limited recourse nature of the securities issued, the obligations of the Company under the securities are limited to the net proceeds from the realisation of the relevant investment and the Company is therefore not liable to make further payments to meet any shortfall which may arise in this respect.

In accordance with the terms and conditions of the securities series A and B relating to Compartment 2, the term of the securities will expire on 30 November 2027 . The securities are entitled to receive a distribution on each distribution date, which is defined as 31 March, 30 June, 30 September and 31 December of each year and the maturity date, of an amount of redemption and interest less an amount kept for a fee reserve. Accounting profit or loss made by Compartment 2 during the financial year will be borne by the security holders through a reduction in the variable nominal amounts of the debt securities.

The total equalisation provision outstanding from Compartment 1 amounts to EUR 8,237,501. The total equalisation provision outstanding from Compartment 2 amounts to EUR 3,574,064.

Note 8.3.

8. Other creditors

The Other creditors consist of:

a) Tax authorities

	2019	2018
Compartment 1		
Provision for net wealth taxes 2017, 2018, 2019	14,127	9,313
Compartment 2		
Provision for net wealth tax 2017	22	22
Total	**14,149**	**9,335**

(expressed in Euro)

Note 8 - continued

Note 8.3.- continued

8. Other creditors - continued

The Other creditors consist of:

c) Other creditors

i) becoming due and payable within one year

General Compartment		2019	2018
Amount Payable to Arranger		168,325	149,481
Other payables		54,150	54,010
Audit fee provision		7,617	-
	Total General Compartment	**230,092**	**203,491**
Compartment 1			
Amount Payable to Compartment 2		262,387	-
VAT Payable to the public administrations		217,796	110,921
Monitoring Agent fee		241,070	152,996
Loan Monitor fee		227,818	125,821
Amount Payable to General Compartment		112,631	80,443
Arranger fee		45,524	22,316
Audit fees provision		26,125	13,221
Other payables		5,758	120,636
Tax advisory fees provision		4,680	2,340
Legal fees		-	17,403
	Total Compartment 1	**1,143,789**	**646,097**
Compartment 2			
Payable to Compartment 1		68,732	-
Payable to General Compartment		67,334	67,334
VAT Payable to the public administrations		42,246	7,076
Rating fees		7,500	28,500
Other payables		6,356	-
Legal fees		46,289	-
Loan Monitoring fees		31,471	-
Audit fees		9,037	4,791
Paying agency fees		2,500	2,500
Administration fees		1,500	2,400
	Total Compartment 2	**282,965**	**112,601**
Compartment 3			
Legal fees		-	40,388
Audit fees		-	4,791
Administration fees		-	6,774
VAT Payable to the public administrations		-	6,913
	Total Compartment 3	**-**	**58,866**
Intercompartment elimination		(511,084)	(147,777)
	Total	**1,145,762**	**873,278**

Note 9

Other operating income

Other operating income are comprised as follows:

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
General compartment			
Income reimbursement of the fees		32,187	60,919
	Total General Compartment	**32,187**	**60,919**
Compartment 1			
Equalisation provision		244,932	-
	Total Compartment 1	**244,932**	**-**
Compartment 2			
Equalisation provision		-	-
	Total Compartment 2	**-**	**-**
Compartment 3			
Income reimbursement of the fees		-	58,866
Administration fees *		400	-
	Total Compartment 3	**400**	58,866
Other operating income - Intercompartment elimination		(32,187)	(119,785)
	Total	**245,332**	**-**

* Administration fees in the current year is an income as a result of a reversal of the prior period accrual.

(expressed in Euro)

Note 10

Raw materials and consumables and other external charges

b) Other external expenses

Other external expenses are comprised as follows:

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
General Compartment			
Audit fees		(15,233)	-
Administration fees		(11,762)	(23,059)
Other fees		(140)	(140)
	Total General Compartment	**(27,135)**	**(23,199)**
Compartment 1			
Monitoring Agent fee		(502,181)	(604,785)
Loan Monitor fees		(471,259)	(582,159)
VAT reverse charge		(112,957)	(121,488)
Arranger fee		(90,895)	(86,230)
Audit fees		(49,444)	(9,530)
Rating fees		(37,500)	(56,250)
Intercompartment expenses		(32,187)	-
Professional and consultancy fees		(16,730)	(80,320)
Administration fees		(9,701)	(11,224)
Notary and legal fees		(9,215)	(67,710)
General Issuer costs		-	(60,919)
	Total Compartment 1	**(1,332,069)**	**(1,680,615)**
Compartment 2			
Legal fees		(115,297)	(7,879)
Professional fees		(130,636)	-
VAT reverse charge		(35,391)	(7,075)
Rating fees		(32,500)	(28,500)
Arranger fees		(7,309)	-
Loan Monitoring fees		(31,471)	-
Administration fees		(4,891)	(6,797)
Audit fees		(4,323)	(4,791)
	Total Compartment 2	**(361,818)**	**(55,042)**
Compartment 3			
Legal fees		-	(40,388)
VAT reverse charge		-	(6,913)
Administration fees		-	(6,774)
Audit fees		-	(4,791)
	Total Compartment 3	**-**	**(58,866)**
Other external expenses - intercompartment elimination		32,187	119,785
	Total	**(1,688,835)**	**(1,697,937)**

Note 11

Value adjustments

Value adjustments are comprised as follows:

a) in respect of formation expenses and of tangible and intangible fixed assets

	01/01/2019-31/12/2019	01/01/2018-31/12/2018
General Compartment		
Amortisation of formation expenses	(2,898)	(34,582)
Compartment 1		
Amortisation of formation expenses	(108,047)	(148,460)
Compartment 2		
Amortisation of formation expenses	(17,187)	(18,750)
Total	**(128,132)**	**(201,792)**

Formation expenses are written of on a straight-line basis over a period of 3 years in compartment 1 and over a period of 2 years in compartment 2.

(expressed in Euro)

Note 12

Other operating expenses

Other operating expenses are comprised as follows:

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
Compartment 1			
Equalisation provision		-	(3,852,408)
	Total Compartment 1	**-**	**(3,852,408)**
Compartment 2			
Equalisation provision		(3,502,822)	(181,310)
	Total Compartment 2	**(3,502,822)**	**(181,310)**
Compartment 3			
Equalisation provision		(400)	-
	Total Compartment 3	**(400)**	**-**
	Total	**(3,503,222)**	**(4,033,718)**

Note 13

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

Income from other investments and loans forming part of the fixed assets is comprised as follows:

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
Compartment 1			
Interest income from fixed assets		9,211,711	10,356,374
	Total Compartment 1	**9,211,711**	**10,356,374**
Compartment 2			
Income from fixed assets		1,638,176	486,829
Profit on disposal of investments held as fixed assets		345,259	-
	Total Compartment 2	**1,983,435**	**486,829**
	Total	**11,195,146**	**10,843,203**

Note 14

Other interest receivable and similar income

Other interest receivable and similar income is comprised as follows:

b) other interest and financial income

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
Compartment 1			
Upfront fees		79,160	1,239,433
Realised exchange gains		-	37,610
Unrealised exchange gains *		-	401,507
	Total Compartment 1	**79,160**	**1,678,550**
Compartment 2			
Realised exchange gains **		2,267,542	-
Upfront fees		9,629	-
Unrealised exchange gains *		-	5,446
	Total Compartment 2	**2,277,171**	**5,446**
	Total	**2,356,331**	**1,683,996**

* Unrealised exchange gains mainly relates of revaluation of foreign currency denominated cash.

** Realised exchange gains mainly relates to the realised exchange gain on disposal of the investments held as fixed assets.

(expressed in Euro)

Note 15

Interest payable and similar expenses

Interest payable and similar expenses comprises as follows:

b) other interest and similar expenses

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
General Compartment			
Bank charges		(2,154)	(3,138)
	Total General Compartment	**(2,154)**	**(3,138)**
Compartment 1			
Interest expenses non convertible loans		(7,954,613)	(5,899,807)
Amortisation of loans premium		(129,734)	(442,518)
Bank charges		(4,028)	(6,301)
Unrealised exchange losses*		(2,497)	-
	Total Compartment 1	**(8,090,872)**	**(6,348,626)**
Compartment 2			
Interest expenses non convertible loans		(367,784)	(237,173)
Amortisation of loans premium		(9,633)	
Bank charges		(1,227)	-
Bank interest		(135)	-
	Total Compartment 2	**(378,779)**	**(237,173)**
	Total	**(8,471,805)**	**(6,588,937)**

* Unrealised exchange losses mainly relates of revaluation of foreign currency denominated cash.

Note 16

Other taxes not shown under items 1 to 16

The Other taxes not shown under items 1 to 16 consist as follows:

		01/01/2019-31/12/2019	01/01/2018-31/12/2018
Compartment 1			
Net wealth tax		(4,815)	(4,815)
	Total	**(4,815)**	**(4,815)**

The Company is subject to all taxes applicable to commercial companies in Luxembourg. Pursuant to the provision of the law of 22 March 2004, the commitments to remunerate investors and other creditors are fully deductible.

Note 17

The total audit fees for the financial year net of VAT received by the independent auditor are as follows:

a) Statutory audit of the annual accounts as at 31 December 2019: EUR 34,136

b) Other assurance services: none

c) Tax advisory services: EUR 2,340

d) Other non-audit services: none

(expressed in Euro)

Note 18

Related party transactions

The Directors of the Company are Directors of Sanne Group (Luxembourg) S.A. which is also providing Corporate Administration Services to the Company.

During the year under review, the Directors of the Company received no remuneration by the Company.

There were no advances, loans or commitments given on their behalf by way of guarantee of any kind to the members of the management or supervising bodies.

Note 19

Subsequent events

Coronavirus disease (COVID-19)

PCAM Issuance III S.A. is invested into a portfolio of international aviation loans.

During December 2019, there was the emergence and spread of the COVID-19 pandemic across Asia and latterly the rest of the world in the beginning of 2020. The national governments have acted to implement a range of policies and actions to combat the virus and its economic impact to national markets and the global economy.

In particular the international aviation industry is heavily impacted by COVID-19 due to grounding of many airplanes and a significant drop in number of passengers and revenues. The international aviation industry remains under high pressure with various airlines going into insolvency or insolvency protection and negotiations for restructuring are pending. Credit risk spreads are significantly increasing due to the serious deterioration in liquidity and credit quality. Airlines started asking for deferral of leasing payments or of scheduled and due principal and interest payments. Also the residual airplane values that serve as collateral for the loans have to be reviewed in the context of current crisis-driven market developments. Therefore, and based on currently observable market developments, the Directors allocated additional stress factors to the airplanes serving as collateral in order to reflect the potentially reduced recovery values.

Since March 2020, the Directors noted significant drops of fair values on the aviation loans, but up to the approval of these financial statements has not discovered failure to pay interest and principal when due.

The Directors considers that it is too early to determine any reliable potential long-term impact of the coronavirus pandemic on the loan portfolios owned by the Company, but acknowledges that there is a significant risk that the shortfalls might increase as a result of this crisis. The impact of coronavirus pandemic is currently uncertain and cannot be quantified yet in terms of impairments due to limited information and still emergent nature of the outbreak. The risk of future impairment to reflect significant - if not full - losses on the aviation loans remains high and the Directors continues monitoring the situation closely. Therefore, it cannot be excluded that after the approval of these financial statements impairments are concluded on the aviation loan portfolio. The pandemic has nevertheless no impact on the valuation of the financial assets and liabilities as of 31 December 2019.

There were no other significant events since 31 December 2019, which could influence the presentation of the current Financial Statements or require a disclosure in the notes to annual accounts.

Note 20 - BALANCE SHEET PER COMPARTMENTS (in EUR)

As at 31 December 2019

ASSETS

		Reference(s)	Current year General compartment	Previous year General compartment	Current year Compartment 1	Previous year Compartment 1	Current year Compartment 2	Previous year Compartment 2	Current year Compartment 3	Previous year Compartment 3	Current year Intercompartment elimination	Previous year Intercompartment elimination		Current year Total		Previous year Total
A. Subscribed capital unpaid	1101		-	-	-	-	-	-	-	-	-	-	102	-	102	-
I. Subscribed capital not called	1103		-	-	-	-	-	-	-	-	-	-	104	-	104	-
II. Subscribed capital called but unpaid	1105		-	-	-	-	-	-	-	-	-	-	106	-	106	-
B. Formation expenses	1107	Note 3	-	2,898	-	108,047	-	17,187	-	-			108	-	108	128,132
C. Fixed assets	1109	Note 4	-	-	158,176,131	189,068,586	41,209,134	30,434,709	-	-	-	-	110	199,385,265	110	219,503,295
I. Intangible assets	1111		-	-	-	-	-	-	-	-	-	-	112	-	112	-
1. Costs of development	1113		-	-	-	-	-	-	-	-	-	-	114	-	114	-
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		-	-	-	-	-	-	-	-	-	-	116	-	116	-
a) acquired for valuable consideration and need not be shown under C.I.3	1117		-	-	-	-	-	-	-	-	-	-	118	-	118	-
b) created by undertaking itself	1119		-	-	-	-	-	-	-	-	-	-	120	-	120	-
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		-	-	-	-	-	-	-	-	-	-	122	-	122	-
4. Payments on account and intangible assets under development	1123		-	-	-	-	-	-	-	-	-	-	124	-	124	-
II. Tangible assets	1125		-	-	-	-	-	-	-	-	-	-	126	-	126	-
1. Land and buildings	1127		-	-	-	-	-	-	-	-	-	-	128	-	128	-
2. Plant and machinery	1129		-	-	-	-	-	-	-	-	-	-	130	-	130	-
3. Other fixtures and fittings, tools and equipment	1131		-	-	-	-	-	-	-	-	-	-	132	-	132	-
4. Payments on account and tangible assets in the course of construction	1133		-	-	-	-	-	-	-	-	-	-	134	-	134	-
III. Financial assets	1135		-	-	158,176,131	189,068,586	41,209,134	30,434,709	-	-	-	-	136	199,385,265	136	219,503,295
1. Shares in affiliated undertakings	1137		-	-	-	-	-	-	-	-	-	-	138	-	138	-
2. Loans to affiliated undertakings	1139		-	-	-	-	-	-	-	-	-	-	140	-	140	-
3. Participating interests	1141		-	-	-	-	-	-	-	-	-	-	142	-	142	-
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		-	-	-	-	-	-	-	-	-	-	144	-	144	-
5. Investments held as fixed assets	1145		-	-	-	-	-	30,434,709	-	-	-	-	146	-	146	30,434,709
6. Other loans	1147		-	-	158,176,131	189,068,586	41,209,134	-	-	-	-	-	148	199,385,265	148	189,068,586
D. Current assets	1151		261,092	231,593	39,008,357	27,378,450	7,364,784	335,760	-	58,866	(511,084)	(147,777)	152	46,123,149	152	27,856,892
I. Stocks	1153		-	-	-	-	-	-	-	-	-	-	154	-	154	-
1. Raw materials and consumables	1155		-	-	-	-	-	-	-	-	-	-	156	-	156	-
2. Work in progress	1157		-	-	-	-	-	-	-	-	-	-	158	-	158	-
3. Finished goods and goods for resale	1159		-	-	-	-	-	-	-	-	-	-	160	-	160	-
4. Payments on account	1161		-	-	-	-	-	-	-	-	-	-	162	-	162	-
II. Debtors	1163		238,538	206,885	583,594	668,488	1,528,068	-	-	58,866	(511,084)	(147,777)	164	1,839,116	164	786,462
1. Trade debtors	1165		-	-	-	-	-	-	-	-	-	-	166	-	166	-
a) becoming due and payable within one year	1167		-	-	-	-	-	-	-	-	-	-	168	-	168	-
b) becoming due and payable after more than one year	1169		-	-	-	-	-	-	-	-	-	-	170	-	170	-
2. Amounts owed by affiliated undertakings	1171		-	-	-	-	-	-	-	-	-	-	172	-	172	-
a) becoming due and payable within one year	1173		-	-	-	-	-	-	-	-	-	-	174	-	174	-
b) becoming due and payable after more than one year	1175		-	-	-	-	-	-	-	-	-	-	176	-	176	-
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		-	-	-	-	-	-	-	-	-	-	178	-	178	-
a) becoming due and payable within one year	1179		-	-	-	-	-	-	-	-	-	-	180	-	180	-
b) becoming due and payable after more than one year	1181		-	-	-	-	-	-	-	-	-	-	182	-	182	-
4. Other debtors	1183	Note 5.1.	238,538	206,885	583,594	668,488	1,528,068	-	-	58,866	(511,084)	(147,777)	184	1,839,116	184	786,462
a) becoming due and payable within one year	1185		238,538	206,885	583,594	668,488	1,528,068	-	-	58,866	(511,084)	(147,777)	185	1,839,116	186	786,462
b) becoming due and payable after more than one year	1187		-	-				-	-	-	-	-	188	-	188	-
III. Investments	1189		-	-	-	-	-	-	-	-	-	-	190	-	190	-
1. Shares in affiliated undertakings	1191		-	-	-	-	-	-	-	-	-	-	192	-	192	-
2. Own shares	1209		-	-	-	-	-	-	-	-	-	-	210	-	210	-
3. Other investments	1195		-	-	-	-	-	-	-	-	-	-	196	-	196	-
IV. Cash at bank and in hand	1197	Note 5.2.	22,554	24,708	38,424,763	26,709,962	5,836,716	335,760	-	-	-	-	198	44,284,033	198	27,070,430
E. Prepayments	1199	Note 6	-	-	-	7,000	-	-	-	-	-	-	200	-	200	7,000
TOTAL (ASSETS)			261,092	234,491	197,184,488	216,562,083	48,573,918	30,787,656	-	58,866	(511,084)	(147,777)	202	245,508,414	202	247,495,319

Note 20 - BALANCE SHEET PER COMPARTMENTS (in EUR) - continued

As at 31 December 2019

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)	Current year General compartment	Previous year General compartment	Current year Compartment 1	Previous year Compartment 1	Current year Compartment 2	Previous year Compartment 2	Current year Compartment 3	Previous year Compartment 3	Current year Intercompartment elimination	Previous year Intercompartment elimination	Current year Total	Previous year Total
A. Capital and reserves	1301	Notes 7	31,000	31,000	-	-	-	-	-	-	-	- 302	31,000 302	31,000
I. Subscribed capital	1303	Note 7.1.	31,000	31,000	-	-	-	-	-	-	-	- 304	31,000 304	31,000
II. Share premium account	1305		-	-	-	-	-	-	-	-	-	- 306	- 306	-
III. Revaluation reserve	1307		-	-	-	-	-	-	-	-	-	- 308	- 308	-
IV. Reserves	1309		-	-	-	-	-	-	-	-	-	- 310	- 310	-
1. Legal reserve	1311	Note 7.2.	-	-	-	-	-	-	-	-	-	- 312	- 312	-
2. Reserve for own shares	1313		-	-	-	-	-	-	-	-	-	- 314	- 314	-
3. Reserves provided for by the articles of association	1315		-	-	-	-	-	-	-	-	-	- 316	- 316	-
4. Other reserves, including the fair value reserve	1429		-	-	-	-	-	-	-	-	-	- 430	- 430	-
a) other available reserves	1431		-	-	-	-	-	-	-	-	-	- 432	- 432	-
b) other non available reserves	1433		-	-	-	-	-	-	-	-	-	- 434	- 434	-
V. Profit or loss brought forward	1319		-	-	-	-	-	-	-	-	-	- 320	- 320	-
VI. Profit or loss for the financial year	1321		-	-	-	-	-	-	-	-	-	- 322	- 322	-
VII. Interim dividends	1323		-	-	-	-	-	-	-	-	-	- 324	- 324	-
VIII. Capital investment subsidies	1325		-	-	-	-	-	-	-	-	-	- 326	- 326	-
B. Provisions	1331		-	-	-	-	-	-	-	-	-	- 332	- 332	-
1. Provisions for pensions and similar obligations	1333		-	-	-	-	-	-	-	-	-	- 334	- 334	-
2. Provisions for taxation	1335		-	-	-	-	-	-	-	-	-	- 336	- 336	-
3. Other provisions	1337		-	-	-	-	-	-	-	-	-	- 338	- 338	-
C. Creditors	1435		230,092	203,491	197,184,488	216,562,083	48,573,918	30,787,656	-	58,866	(511,084)	(147,777) 436	245,477,414 436	247,464,319
1. Debenture loans	1437		-	-	196,026,572	215,906,673	48,290,931	30,675,033	-	-	-	- 438	244,317,503 438	246,581,706
a) Convertible loans	1439		-	-	-	-	-	-	-	-	-	- 440	- 440	-
i) becoming due and payable within one year	1441		-	-	-	-	-	-	-	-	-	- 442	- 442	-
ii) becoming due and payable after more than one year	1443		-	-	-	-	-	-	-	-	-	- 444	- 444	-
b) Non convertible loans	1445		-	-	196,026,572	215,906,673	48,290,931	30,675,033	-	-	-	- 446	244,317,503 446	246,581,706
i) becoming due and payable within one year	1447	Note 8.1.	-	-	735,179	749,219	-	-	-	-	-	- 448	735,179 448	749,219
ii) becoming due and payable after more than one year	1449	Note 8.2.	-	-	195,291,393	215,157,454	48,290,931	30,675,033	-	-	-	- 450	243,582,324 450	245,832,487
2. Amounts owed to credit institutions	1355		-	-	-	-	-	-	-	-	-	- 356	- 356	-
a) becoming due and payable within one year	1357		-	-	-	-	-	-	-	-	-	- 358	- 358	-
b) becoming due and payable after more than one year	1359		-	-	-	-	-	-	-	-	-	- 360	- 360	-
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361		-	-	-	-	-	-	-	-	-	- 362	- 362	-
a) becoming due and payable within one year	1363		-	-	-	-	-	-	-	-	-	- 364	- 364	-
b) becoming due and payable after more than one year	1365		-	-	-	-	-	-	-	-	-	- 366	- 366	-
4. Trade creditors	1367		-	-	-	-	-	-	-	-	-	- 368	- 368	-
a) becoming due and payable within one year	1369		-	-	-	-	-	-	-	-	-	- 370	- 370	-
b) becoming due and payable after more than one year	1371		-	-	-	-	-	-	-	-	-	- 372	- 372	-
5. Bills of exchange payable	1373		-	-	-	-	-	-	-	-	-	- 374	- 374	-
a) becoming due and payable within one year	1375		-	-	-	-	-	-	-	-	-	- 376	- 376	-
b) becoming due and payable after more than one year	1377		-	-	-	-	-	-	-	-	-	- 378	- 378	-
6. Amounts owed to affiliated undertakings	1379		-	-	-	-	-	-	-	-	-	- 380	- 380	-
a) becoming due and payable within one year	1381		-	-	-	-	-	-	-	-	-	- 382	- 382	-
b) becoming due and payable after more than one year	1383		-	-	-	-	-	-	-	-	-	- 384	- 384	-
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		-	-	-	-	-	-	-	-	-	- 386	- 386	-
a) becoming due and payable within one year	1387		-	-	-	-	-	-	-	-	-	- 388	- 388	-
b) becoming due and payable after more than one year	1389		-	-	-	-	-	-	-	-	-	- 390	- 390	-
8. Other creditors	1451		230,092	203,491	1,157,916	655,410	282,987	112,623	-	58,866	(511,084)	(147,777) 452	1,159,911 452	882,613
a) Tax authorities	1393		-	-	14,127	9,313	22	22	-	-		394	14,149 394	9,335
b) Social security authorities	1395		-	-	-	-	-	-	-	-	-	- 396	- 396	-
c) Other creditors	1397	Note 8.3.	230,092	203,491	1,143,789	646,097	282,965	112,601	-	58,866	(511,084)	(147,777) 398	1,145,762 398	873,278
i) becoming due and payable within one year	1399		230,092	203,491	1,143,789	646,097	282,965	112,601	-	58,866	(511,084)	(147,777) 400	1,145,762 400	873,278
ii) becoming due and payable after more than one year	1401		-	-	-	-	-	-	-	-	-	- 402	- 402	-
D. Deferred income	1403		-	-	-	-	-	-	-	-	-	- 404	- 404	-
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			261,092	234,491	197,184,488	216,562,083	48,573,918	30,787,656	-	58,866	(511,084)	(147,777) 406	245,508,414 406	247,495,319

Note 20 - PROFIT AND LOSS ACCOUNT PER COMPARTMENTS (in EUR) - continued

For the year from 1 January 2019 to 31 December 2019

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year General compartment	Previous year General compartment	Current year Compartment 1	Previous year Compartment 1	Current year Compartment 2	Previous year Compartment 2	Current year Compartment 3	Previous year Compartment 3	Current year Intercompartment elimination	Previous year Intercompartment elimination	Current year Total	Previous year Total
1. Net turnover	1701	-	-	-	-	-	-	-	-	-	-	-	-
2. Variation in stocks of finished goods and in work in progress	1703	-	-	-	-	-	-	-	-	-	-	-	-
3. Work performed by the undertaking for its own purposes and capitalised	1705	-	-	-	-	-	-	-	-	-	-	-	-
4. Other operating income	1713 Note 9	32,187	60,919	244,932	-	-	-	400	58,866	(32,187)	(119,785)	245,332	-
5. Raw materials and consumables and other external charges	1671 Note 10	(27,135)	(23,199)	(1,332,069)	(1,680,615)	(361,818)	(55,042)	-	(58,866)	32,187	119,785	(1,688,835)	(1,697,937)
a) Raw materials and consumables	1601	-	-	-	-	-	-	-	-	-	-	-	-
b) Other external expenses	1603	(27,135)	(23,199)	(1,332,069)	(1,680,615)	(361,818)	(55,042)	-	(58,866)	32,187	119,785	(1,688,835)	(1,697,937)
6. Staff costs	1605	-	-	-	-	-	-	-	-	-	-	-	-
a) Wages and salaries	1607	-	-	-	-	-	-	-	-	-	-	-	-
b) Social security costs	1609	-	-	-	-	-	-	-	-	-	-	-	-
i) relating to pensions	1653	-	-	-	-	-	-	-	-	-	-	-	-
ii) other social security costs	1655	-	-	-	-	-	-	-	-	-	-	-	-
c) Other staff costs	1613	-	-	-	-	-	-	-	-	-	-	-	-
7. Value adjustments	1657 Notes 3, 11	(2,898)	(34,582)	(108,047)	(148,460)	(17,187)	(18,750)	-	-	-	-	(128,132)	(201,792)
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	(2,898)	(34,582)	(108,047)	(148,460)	(17,187)	(18,750)	-	-	-	-	(128,132)	(201,792)
b) in respect of current assets	1661	-	-	-	-	-	-	-	-	-	-	-	-
8. Other operating expenses	1621 Note 12	-	-	-	(3,852,408)	(3,502,822)	(181,310)	(400)	-	-	-	(3,503,222)	(4,033,718)
9. Income from participating interests	1715	-	-	-	-	-	-	-	-	-	-	-	-
a) derived from affiliated undertakings	1717	-	-	-	-	-	-	-	-	-	-	-	-
b) other income from participating interest	1719	-	-	-	-	-	-	-	-	-	-	-	-
10. Income from other investments and loans forming part of the fixed assets	1721 Note 13	-	-	9,211,711	10,356,374	1,983,435	486,829	-	-	-	-	11,195,146	10,843,203
a) derived from affiliated undertakings	1723	-	-	-	-	-	-	-	-	-	-	-	-
b) other income not included under a)	1725	-	-	9,211,711	10,356,374	1,983,435	486,829	-	-	-	-	11,195,146	10,843,203
11. Other interest receivable and similar income	1727 Note 14	-	-	79,160	1,678,550	2,277,171	5,446	-	-	-	-	2,356,331	1,683,996
a) derived from affiliated undertakings	1729	-	-	-	-	-	-	-	-	-	-	-	-
b) other interest and financial income	1731	-	-	79,160	1,678,550	2,277,171	5,446	-	-	-	-	2,356,331	1,683,996
12. Share of profit or loss of undertakings accounted for under the equity method	1663	-	-	-	-	-	-	-	-	-	-	-	-
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	-	-	-	-	-	-	-	-	-	-	-	-
14. Interest payable and similar expenses	1627 Note 15	(2,154)	(3,138)	(8,090,872)	(6,348,626)	(378,779)	(237,173)	-	-	-	-	(8,471,805)	(6,588,937)
a) concerning affiliated undertakings	1629	-	-	-	-	-	-	-	-	-	-	-	-
b) other interest and similar expenses	1631	(2,154)	(3,138)	(8,090,872)	(6,348,626)	(378,779)	(237,173)	-	-	-	-	(8,471,805)	(6,588,937)
15. Tax on profit or loss	1635	-	-	-	-	-	-	-	-	-	-	-	-
16. Profit or loss after taxation	1667	-	-	4,815	4,815	-	-	-	-	-	-	4,815	4,815
17. Other taxes not shown under items 1 to 16	1637 Note 16	-	-	(4,815)	(4,815)	-	-	-	-	-	-	(4,815)	(4,815)
18. Profit or loss for the financial year	1669	-	-	-	-	-	-	-	-	-	-	-	-

Note 21 - BALANCE SHEET (in USD)

As at 31 December 2019

ASSETS

	Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101	101	-	102	-
I. Subscribed capital not called	1103	103	-	104	-
II. Subscribed capital called but unpaid	1105	105	-	106	-
B. Formation expenses	1107	107	-	108	**123,713**
C. Fixed assets	1109	109	**173,236,297**	110	**207,186,510**
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 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	-
3. Other fixtures and fittings, tools and equipment	1131	131	-	132	-
4. Payments on account and tangible assets in the course of construction	1133	133	-	134	-
III. Financial assets	1135	135	173,236,297	136	207,186,510
1. Shares in affiliated undertakings	1137	137	-	138	-
2. Loans to affiliated undertakings	1139	139	-	140	-
3. Participating interests	1141	141	-	142	-
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143	-	144	-
5. Investments held as fixed assets	1145	145	-	146	-
6. Other loans	1147	147	173,236,297	148	207,186,510
D. Current assets	1151	151	**43,844,937**	152	**31,382,014**
I. Stocks	1153	153	-	154	-
1. Raw materials and consumables	1155	155	-	156	-
2. Work in progress	1157	157	-	158	-
3. Finished goods and goods for resale	1159	159	-	160	-
4. Payments on account	1161	161	-	162	-
II. Debtors	1163	163	703,683	164	793,948
1. Trade debtors	1165	165	-	166	-
a) becoming due and payable within one year	1167	167	-	168	-
b) becoming due and payable after more than one year	1169	169	-	170	-
2. Amounts owed by affiliated undertakings	1171	171	-	172	-
a) becoming due and payable within one year	1173	173	-	174	-
b) becoming due and payable after more than one year	1175	175	-	176	-
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177	-	178	-
a) becoming due and payable within one year	1179	179	-	180	-
b) becoming due and payable after more than one year	1181	181	-	182	-
4. Other debtors	1183	183	703,683	184	793,948
a) becoming due and payable within one year	1185	185	-	186	-
b) becoming due and payable after more than one year	1187	187	703,683	188	793,948
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	43,141,254	198	30,588,066
E. Prepayments	1199	199	-	200	**8,015**
TOTAL (ASSETS)		201	**217,081,234**	202	**238,700,252**

The Balance Sheet and Profit and Loss account of Compartment 1 are presented in USD for information purpose only as the functional currency of Compartment 1 is in USD
The EUR balances have been converted to USD at the exchange rate of 1.122 at 31 December 2019 (2018: 1.145)

Note 21 - BALANCE SHEET (in USD) - continued

As at 31 December 2019

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)		Current year		Previous year
A. Capital and reserves	1301	301	-	302	-
I. Subscribed capital	1303	303	-	304	-
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	-
3. Reserves provided for by the articles of association	1315	315	-	316	-
4. Other reserves, including the fair value reserve	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	321	-	322	-
VII. Interim dividends	1323	323	-	324	-
VIII. Capital investment subsidies	1325	325	-	326	-
B. Provisions	1331	331	-	332	-
1. Provisions for pensions and similar obligations	1333	333	-	334	-
2. Provisions for taxation	1335	335	-	336	-
3. Other provisions	1337	337	-	338	-
C. Creditors	1435	435	**217,081,234**	436	**238,700,252**
1. Debenture loans	1437	437	215,781,185	438	237,949,809
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	445	215,781,185	446	237,949,809
i) becoming due and payable within one year	1447	447	825,419	448	858,000
ii) becoming due and payable after more than one year	1449	449	214,955,766	450	237,091,809
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	-
3. Payments received on account of orders in so far as they are 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	379	-	380	-
a) becoming due and payable within one year	1381	381	-	382	-
b) becoming due and payable after more than one year	1383	383	-	384	-
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	385	-	386	-
a) becoming due and payable within one year	1387	387	-	388	-
b) becoming due and payable after more than one year	1389	389	-	390	-
8. Other creditors	1451	451	1,300,049	452	750,443
a) Tax authorities	1393	393	15,862	394	10,663
b) Social security authorities	1395	395	-	396	-
c) Other creditors	1397	397	1,284,187	398	739,780
i) becoming due and payable within one year	1399	399	1,284,187	400	739,780
ii) becoming due and payable after more than one year	1401	401	-	402	-
D. Deferred income	1403	403	-	404	-
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405	**217,081,234**	406	**238,700,252**

The Balance Sheet and Profit and Loss account of Compartment 1 are presented in USD for information purpose only as the functional currency of Compartment 1 is in USD
The EUR balances have been converted to USD at the exchange rate of 1.122 at 31 December 2019 (2018: 1.145)

Note 21 - PROFIT AND LOSS ACCOUNT (in USD) - continued

For the year from 1 January 2019 to 31 December 2019

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 / 701	-	-
2. Variation in stocks of finished goods and in work in progress	1703 / 703	-	-
3. Work performed by the undertaking for its own purposes and capitalised	1705 / 705	-	-
4. Other operating income	1713 / 713	**152,094**	-
5. Raw materials and consumables and other external charges	1671 / 671	**(1,495,577)**	**(1,924,303)**
a) Raw materials and consumables	1601 / 601	-	-
b) Other external expenses	1603 / 603	(1,495,577)	(1,924,303)
6. Staff costs	1605 / 605	-	-
a) Wages and salaries	1607 / 607	-	-
b) Social security costs	1609 / 609	-	-
i) relating to pensions	1653 / 653	-	-
ii) other social security costs	1655 / 655	-	-
c) Other staff costs	1613 / 613	-	-
7. Value adjustments	1657 / 657	**(121,308)**	**(169,987)**
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 / 659	(121,308)	(169,987)
b) in respect of current assets	1661 / 661	-	-
8. Other operating expenses	1621 / 621	-	**(4,662,065)**
9. Income from participating interests	1715 / 715	-	716 -
a) derivated from affiliated undertakings	1717 / 717	-	718 -
b) other income from participating interest	1719 / 719	-	720 -
10. Income from other investments and loans forming part of the fixed assets	1721 / 721	**10,314,174**	722 **12,205,826**
a) derivated from affiliated undertakings	1723 / 723	-	724 -
b) other income not included under a)	1725 / 725	10,314,174	726 12,205,826
11. Other interest receivable and similar income	1727 / 727	**90,153**	728 **1,967,326**
a) derivated from affiliated undertakings	1729 / 729	-	730 -
b) other interest and financial income	1731 / 731	90,153	732 1,967,326
12. Share of profit or loss of undertakings accounted for under the equity method	1663 / 663	-	664 -
13. Value adjustments in respect of financial assets and of investments held as current assets	1665 / 665	-	666 -
14. Interest payable and similar expenses	1627 / 627	**(8,934,130)**	628 **(7,411,284)**
a) concerning affiliated undertakings	1629 / 629	-	630 -
b) other interest and similar expenses	1631 / 631	(8,934,130)	632 (7,411,284)
15. Tax on profit or loss	1635 / 635	-	636 -
16. Profit or loss after taxation	1667 / 667	**5,406**	668 **5,513**
17. Other taxes not shown under items 1 to 16	1637 / 637	**(5,406)**	638 **(5,513)**
18. Profit or loss for the financial year	1669 / 669	-	670 -

The Balance Sheet and Profit and Loss account of Compartment 1 are presented in USD for information purpose only as the functional currency of Compartment 1 is in USD
The EUR balances have been converted to USD at the exchange rate of 1.122 at 31 December 2019 (2018: 1.145)