

Registre de Commerce et des Sociétés

Numéro RCS : B218207

Référence de dépôt : L230187693

Déposé et enregistré le 30/08/2023

KFPGYBX20230821T15182901_002

RCSL Nr. : B218207

Matricule : 2017 2452 850

eCDF entry date : 21/08/2023

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

X-Press Feeders Funding S.à r.l.

6, rue Eugène Ruppert
L-2453 Luxembourg**ASSETS**

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____ <u>2.2.3</u>	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____	110 _____
I. Intangible assets	1111 _____	111 _____	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

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

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
III. Financial assets	1135	135	136
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	148
D. Current assets	1151	108.831.358,49	91.693.749,57
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	2.24,3	89.619.235,29
1. Trade debtors	1165	3.1	87.425.498,00
a) becoming due and payable within one year	1167	101.999.789,00	87.425.498,00
b) becoming due and payable after more than one year	1169		
2. Amounts owed by affiliated undertakings	1171		
a) becoming due and payable within one year	1173		
b) becoming due and payable after more than one year	1175		
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		
a) becoming due and payable within one year	1179		
b) becoming due and payable after more than one year	1181		
4. Other debtors	1183	3.2	2.193.737,29
a) becoming due and payable within one year	1185	3.991.934,74	1.947.129,66
b) becoming due and payable after more than one year	1187	259.214,28	246.607,63

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves	1301 <u>5</u>	301 <u>-20.833,68</u>	302 <u>-20.833,68</u>
I. Subscribed capital	1303 <u>5.1</u>	303 <u>20.000,00</u>	304 <u>20.000,00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
1. Legal reserve	1311 <u>5.2</u>	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 <u>-40.833,68</u>	320 <u>-40.833,68</u>
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 <u>2.2.5</u>	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 <u>2.2.6, 6</u>	435 <u>108.852.192,17</u>	436 <u>91.714.583,25</u>
1. Debenture loans	1437 <u>6.1</u>	437 <u>30.333,33</u>	438 <u>23.333,33</u>
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 <u>30.333,33</u>	446 <u>23.333,33</u>
i) becoming due and payable within one year	1447 _____	447 <u>30.333,33</u>	448 <u>23.333,33</u>
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 <u>2.857,50</u>	356 <u>2.504,12</u>
a) becoming due and payable within one year	1357 _____	357 <u>2.857,50</u>	358 <u>2.504,12</u>
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ 6.2	379 _____ 86.902.055,57	380 _____ 70.847.488,64
a) becoming due and payable within one year	1381 _____	381 _____ 86.902.055,57	382 _____ 70.847.488,64
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 _____ 6.3	451 _____ 21.916.945,77	452 _____ 20.841.257,16
a) Tax authorities	1393 _____	393 _____ 35.709,77	394 _____ 39.389,91
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 _____ 21.881.236,00	398 _____ 20.801.867,25
i) becoming due and payable within one year	1399 _____	399 _____ 21.881.236,00	400 _____ 20.801.867,25
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 _____ 108.831.358,49	406 _____ 91.693.749,57

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PROFIT AND LOSS ACCOUNT**Financial year from** ⁰¹ 01/01/2022 **to** ⁰² 31/12/2022 (in ⁰³ USD)

X-Press Feeders Funding S.à r.l.

6, rue Eugène Ruppert
L-2453 Luxembourg

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____ <u>7</u>	713 _____ <u>2.245.799,55</u>	714 _____ <u>1.852.012,37</u>
5. Raw materials and consumables and other external expenses	1671 _____	671 _____ <u>-2.076.019,54</u>	672 _____ <u>-1.225.184,86</u>
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ <u>8</u>	603 _____ <u>-2.076.019,54</u>	604 _____ <u>-1.225.184,86</u>
6. Staff costs	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____	621 _____	622 _____

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

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727	728
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731	732
		<u>37.154,56</u>	<u>3.299,88</u>
	<u>9</u>		
		<u>37.154,56</u>	<u>3.299,88</u>
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627	627	628
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631	632
		<u>-170.708,46</u>	<u>-581.473,83</u>
	<u>10</u>		
		<u>-170.708,46</u>	<u>-581.473,83</u>
15. Tax on profit or loss	1635	635	636
		<u>-8.484,31</u>	
16. Profit or loss after taxation	1667	667	668
		<u>27.741,80</u>	<u>48.653,56</u>
17. Other taxes not shown under items 1 to 16	1637	637	638
		<u>-27.741,80</u>	<u>-48.653,56</u>
	<u>11</u>		
18. Profit or loss for the financial year	1669	669	670
		<u>0,00</u>	<u>0,00</u>

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X-Press Feeders Funding S.à r.l. Société à responsabilité limitée **Notes to the annual accounts** **for the financial year ended 31 December 2022**

NOTE 1 – GENERAL INFORMATION

1.1 General information

X-Press Feeders Funding S.à r.l. (hereinafter the "Company") is a Luxembourg private limited liability company (Société à responsabilité limitée) incorporated in Luxembourg on 20 September 2017 for an unlimited duration. The Company is incorporated as a securitization vehicle and therefore subject to the law of 22 March 2004 on securitization as amended (the "Securitization law") and the law of 10th August 1915 on commercial companies, as amended (the "Companies law").

The Company is registered with the Trade and Companies Register of Luxembourg with the number B 218207 and has its registered office established at 6, rue Eugène Ruppert, L-2453 Luxembourg

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

The Company may enter into any type of securitisation transactions within the meaning of the Securitisation Law and in particular it may acquire, originate (to the extent permitted) or assume, directly or indirectly or through another entity, risks relating to any kind of loans, receivables, notes, shares, government bonds, treasury bills, debt and equity securities and any other kind of financial instruments, other similar instruments and real estate (the Underlying Assets) and to directly or indirectly invest in, acquire, originate, hold and dispose of the Underlying Assets.

The Company may issue shares, notes, bonds, debentures and any kind of equity or debt securities whose value or yield depend on the risks relating to the Underlying Assets. The Company may borrow in any form, within the limits of the Securitisation Law.

The Company may originate loans and lend funds, including the proceeds of any borrowings and/or issues of securities, within the limits of the Securitisation Law.

The Company may enter into any transactions by which it acquires or assumes, directly or indirectly or through another entity, risks relating to debt and equity securities, other similar instruments, rights or participations in the Underlying Assets.

The Company may give guarantees and grant pledges, mortgages or any other types of security interests over all or some of its assets, within the limits of the Securitisation Law.

The Company may freely dispose of, and assign, its assets on such terms as determined by the Board from time to time.

The Company may generally employ any techniques and use any instruments relating to its investments for the purpose of their efficient management, including techniques and instruments designed to protect the Company against credit risk, currency fluctuations, interest rate fluctuations and other risks.

The Company may carry out any commercial or financial transactions which relate directly or indirectly to the foregoing objects.

In accordance with the legal provisions in Title II of the Law of December 19, 2002, these annual accounts were presented on a non-consolidated basis for the approval of the shareholder during the Annual General Meeting.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements on a going concern basis and under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, as amended, determined and applied by the Board of Managers.

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

X-Press Feeders Funding S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

2.1 Basis of preparation (cont.)

The books and records are maintained in USD and the annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

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

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

The Board of Managers has considered the impact of the above on the going concern assumption of the Company and has concluded that it does not represent a material uncertainty in relation to the Company's ability to continue as going concern through the date of the issuance of these annual accounts.

The Board of Managers has as well assessed the impact of the above on the valuation of assets and liabilities of the Company. Based on the monitoring procedures in place, the Board of Managers did not identify any indicator for an impairment and any value adjustment on the receivables or the notes issued by the Company.

2.2 Significant accounting policies

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

2.2.1 Going Concern

Although net assets of the Company fall below half the corporate capital as of 31 December 2022, the Board of Managers has prepared these annual accounts on a going concern basis. The Company has the ability to obtain funding to continue in existence for the foreseeable future and the Board of Managers is not aware of anything that would prevent the company from continuing as a going concern.

2.2.2 Foreign currency translation

The Company maintains its books and records in USD. Transactions expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction.

Formation expenses, long term assets and liabilities expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction. At the balance sheet date, these items remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the financial year.

Other assets and liabilities are valued individually at the lower and the higher respectively, of their value at the historical exchange rate or their value determined at the exchange rates prevailing at the balance sheet date. Realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation. Only unrealised exchange losses are recorded in the profit and loss account.

2.2.3 Formation expenses

Formation expenses are directly charged to the profit and loss account of the financial year in which these are incurred. During the year ended 31 December 2022 and 2021, no formation expenses have been incurred.

2.2.4 Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is doubtful. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.5 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to the amount or the date on which these will arise.

Provisions may also be created to cover charges which originate 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 the amount or the date on which these will arise.

At the balance sheet date, a provision shall represent the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to meet that liability.

X-Press Feeders Funding S.à r.l.
 Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

2.2 Significant accounting policies (Cont.)

2.2.6 Creditors

Creditors are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear method and is recorded in the profit and loss account.

2.2.7 Cash at bank and in hand

Cash at bank and in hand comprises, cash on hand, demand deposits and short-term high liquid investments readily convertible to known amounts of cash and subject to insignificant risk and changes in value.

In the event of any bank overdrafts this will be included in current liabilities.

2.2.8 Equalisation provision

Due to the limited recourse nature of the notes issued, losses during the year as a result from sales (if any), default or value adjustments may cause a full or partial reduction on the notes issued. Such short falls will be borne by the noteholders in inverse order of the priority of payments as outlined in the waterfall. Consequently, an equalisation adjustment will be made and deducted from the amount repayable of the notes issued and booked in the profit and loss account as "equalisation provision" under the item "other operating income". Reversals of equalisation provision for value diminution are recorded in the profit and loss account as "other operating expenses".

NOTE 3 – DEBTORS

Debtors are composed of :

	Within one year	After more than one year	31 December	Total	Total
	USD	USD	2022	2021	2021
	USD	USD	USD	USD	USD
- Trade debtors (see Note 3.1)	101,999,789.00	-	101,999,789.00	87,425,498.00	
- Other debtors (see Note 3.2)	3,991,934.74	259,214.28	4,251,149.02	2,193,737.29	
Total	105,991,723.74	259,214.28	106,250,938.02	89,619,235.29	

3.1 – Trade debtors

Pursuant to, and in accordance with, the terms of Receivables Sale Agreement ("SPA") signed with Sea Consortium PTE LTD ("Sea Consortium"), X-PRESS Container Line (UK) Limited ("X-PRESS Container") and X-Press Container Line (Singapore) Pte Ltd (altogether "Originators") the Company agreed to purchase from the Originators specified receivables and receivables property ("Net eligible receivables").

The acquisition of the Net eligible receivables will be funded by the proceeds of the Variable Funding Note Certificate issued by the Company under the VFN Funding Agreement ("VFN agreement"). For further information on the VFN agreement, see Note 6.1.

The amount of Net eligible receivables transferred to the Company by the Originators are over-collateralised, in other words, the Company is granted the rights over certain receivables which is normally higher than the amount drawn under the VFN agreement. This over-collateralisation is performed in order to enhance the credit risk of the Variable Funding Note Certificate issued and lessen the investor's exposure to default risk.

As at 31 December 2022, the balance of Net eligible receivable amounts to USD 101,999,789.00 (2021: USD 87,425,498.00) with over collateralisation of 85.16% (2021: 80.98%).

3.2 – Other debtors

This item is comprised of the:

- (a) equivalent of outstanding invoices as at 31 December 2022 and 2021 payable by the Company which will be funded/settled by the Originators as foreseen in the SPA (see Notes 6 and 7) amounting to USD 3,950,834.91 (2021: USD 1,877,475.34), advances in relation to net wealth tax, corporate income tax and municipal business tax amounted USD 29,786.94 (2021: USD 69,654.32), USD 4,399.72 (2021: USD nil) and USD 611.16 (2021: USD nil), respectively and advances in relation to the audit fee amounted USD 6,302.01 (2021: USD nil).
- (b) equalisation provision on the non-convertible loans amounting to USD 259,214.28 (2021: 246,607.63 see Note 6.1)

NOTE 4 – OWN SHARES

As at 31 December 2022 and 2021, the Company does not hold any of its own shares.

X-Press Feeders Funding S.à r.l.
 Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 5 – CAPITAL AND RESERVES

5.1 Subscribed capital

The subscribed capital amounts to USD 20,000.00, and is divided into 20,000 shares, having a nominal value of USD 1.00 each. All shares are fully paid-up.

5.2 Legal reserve

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

NOTE 6 – CREDITORS

6.1 – Debenture loans

Non convertible loans

	Within one year USD	After more than one year USD	Total 31 December 2022 USD	Total 31 December 2021 USD
- Non convertible loans (Principal)	-	-	-	-
- Non convertible loans (EP) ¹	-	-	-	-
- Non convertible loans (Interest)	30,333.33	-	30,333.33	23,333.33
Total	30,333.33	-	30,333.33	23,333.33

¹ - EP stands for "Equalisation provision".

On 14 December 2017, the Company entered into the VFN agreement with Hannover Funding Company LLC as investor and Norddeutsche Landesbank Girozentrale as administrative agent whereby the Company issues Variable Funding Notes Certificates under the VFN agreement to fund the acquisition of the Net eligible receivables.

In November 2020, the Company renew the VFN Funding for two additional years and, accordingly, to extend the Facility Termination Date of the VFN Funding until the second anniversary of the Second Closing Date being 9 November 2020. In addition, X-press Container Line (Singapore) Pte Ltd was added as a new Originator.

On 15 June 2021, the Company decreased the facility limit from USD 60,000,000.00 to USD 50,000,000.00.

On 15 May 2022, the Company increased the facility limit from USD 50,000,000.00 to USD 65,000,000.00.

The current main features of VFN agreement are as follows:

- Facility limit: USD 65,000,000.00
- Interest ~~rate~~ Variable
- Interest Payment Date: Monthly
- Limited recourse
- Facility Termination Date: 14 December 2024

The Final Maturity Date for the VFN agreement is falling one year after the Facility Termination Date and such date may be extended by the Company with the prior consent of X-Press Feeders Limited, the shareholder and acting as performance guarantor, and the administrative agent. The Facility Termination date is the means the earliest to occur of the following dates:

- (a) the third anniversary of the signing of the VFN agreement and such date may be extended by the Company with the prior consent of each Servicer and the administrative agent;
- (b) the date on which the administrative agent declares the occurrence of the Facility Termination Date following the occurrence of a Termination Event;
- (c) the date on which the administrative agent notifies each Servicer and the Company that to maintain its holding of the VFN and/or its commitment to fund any pursuant to, and in accordance with, the provisions of the VFN Funding Agreement would be unlawful for it and/or contrary to, or declared by any Sanctions Authority to be contrary to, Sanctions;
- (d) the date on which all Originators have terminated the Receivables Sale Agreement pursuant to, and in accordance with, the Receivables Sale Agreement; or
- (e) the date on which the Company notifies the administrative agent of the fact that it wishes to terminate the securitisation facility following the payment by it of any amounts required to be paid under the VFN agreement.

X-Press Feeders Funding S.à r.l.
 Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 6 – CREDITORS (cont.)

The VFN agreement carries a variable interest rate which is sum of:

(a) the weighted average of the rates paid or payable by the Investor from time to time as interest on or otherwise (by means of interest rate hedges or otherwise) in respect of funds allocated to VFN; provided that if any component of such rate is a discount rate, then such component shall be the rate resulting from converting such discount rate to an interest-bearing equivalent rate per annum; and

(b) the rate per annum (expressed as a percentage and an interest rate equivalent and calculated based on a 360-day year) equivalent to the sum of:

- (i) the allocable amount of any placement agent or commercial paper dealer fees incurred by the Investor in connection with the VFN funding;
- (ii) certain documentation and transaction costs incurred by the Investor associated with VFN funding;
- (iii) any incremental carrying costs incurred with respect to the VFN funding;
- (iv) costs associated with funding and maintaining hedge agreements with respect to any advance under the VFN denominated in a currency other than the currency of VFN funding;
- (v) other borrowings by the Investor, including borrowings to fund small or odd U.S. Dollar amounts that are not easily accommodated in the commercial paper market; and
- (vi) any other costs associated with the issuance of the VFN funding

provided that the variable interest rate shall never exceed three-month EURIBOR or, as the case may be, three-month LIBOR plus 0.15% and provided further that, if that rate is less than zero, the variable interest rate shall be deemed to be zero.

On 13 May 2022, the VFN agreement has been restated to replace the basis of the interest rate from LIBOR to secured overnight financing rate (SOFR).

The following drawdowns (repayments) have been made since agreement was entered:

Date	Amount USD
25 May 2018	20,000,000.00
25 May 2018	(3,000,000.00)
27 June 2018	10,000,000.00
5 July 2018	5,000,000.00
11 July 2019	7,000,000.00
7 August 2020	(10,000,000.00)
24 September 2020	(15,000,000.00)
22 December 2020	5,000,000.00
27 April 2021	21,000,000.00
22 June 2021	10,000,000.00
27 July 2021	(35,000,000.00)
3 August 2021	(15,000,000.00)
17 May 2022	60,000,000.00
21 June 2022	(60,000,000.00)
Total	-

Due to the limited recourse nature of the Variable Funding Note Certificates, losses during the year as a result from default, lower market values or cost may reduce the value of the Variable Funding Note Certificates issued. Such shortfalls are normally borne by the security holder in inverse order of the priority of payments. Consequently, a provision for diminution in value will be made and deducted from the amount repayable on the Variable Funding Note Certificates issued and this is booked in the profit and loss account as "Equalisation provision" under the caption "Other operating income" (Note 7).

Equalisation Provision	USD
Opening balance as at 01/01/2022	246,607.63
Movement in Equalisation provision	12,606.65
Closing balance as at 31/12/2022	259,214.28
Opening balance as at 01/01/2021	61,291.55
Movement in Equalisation provision	185,316.08
Closing balance as at 31/12/2021	246,607.63

X-Press Feeders Funding S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 6 – CREDITORS (cont.)

6.2 – Trade Creditors

	Within one year	After more than one year	Total	Total
	USD	USD	31 December 2022 USD	31 December 2021 USD
- Over collateralisation ¹	86,865,261.70	-	86,865,261.70	70,794,725.37
- Trade creditors	36,793.87	-	36,793.87	52,763.27
Total	86,902,055.57	-	86,902,055.57	70,847,488.64

¹ Over collateralisation represents the excess of:

- (a) the sum of:
(i) the Net Eligible Receivables balance as of 31 December; and
(ii) the aggregate amount of collections of the Company relating to Eligible Receivables as of 31 December; over
- (b) the sum of:
(i) the outstanding amount of Variable Funding Notes as at 31 December; and
(ii) the Total ~~reserves~~.

Total reserves are calculated for Net Eligible Receivables, for which funding is not allocated as at 31 December, and are composed of the following:

- (a) dynamic reserve;
(b) currency reserve;
(c) interest reserve;
(d) commitment fee reserve;
(e) servicing fee reserve;
(f) back-up servicing fee reserve; and
(g) issuer expense reserve.

6.3 – Other Creditors

	Within one year	After more than one year	Total	Total
	USD	USD	31 December 2022 USD	31 December 2021 USD
- Deferred purchase price ¹	21,881,236.00	-	21,881,236.00	20,801,867.25
- Net Wealth Tax	27,741.80	-	27,741.80	39,389.91
- CIT	6,496.06	-	6,496.06	-
- MBT	1,471.91	-	1,471.91	-
Total	21,916,945.77	-	21,916,945.77	20,841,257.16

¹ Deferred Purchase Price represents the excess of:

- (a) the sum of:
(i) the Net Eligible Receivables balance as of 31 December; and
(ii) the Initial Purchase Price; over
- (b) the sum of:
(i) the Deemed Collections, any positive FX commission and any other amounts due by each Originator as a result of losses in respect of Net Eligible Receivable Balance; and
(ii) the relevant portion of Company's expenses.

Initial Purchase Price is the product of:

- (a) Net Eligible Receivables balance as of 31 December; and
(b) 100% minus the Total Reserve percentage as of the immediately preceding settlement date

less the relevant portion of Variable Funding Notes Excess Amount.

Variable Funding Notes Excess Amount is the amount in excess of Facility Limit of USD 65,000,000.00 (2021: USD 50,000,000.00).

X-Press Feeders Funding S.à r.l.
 Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 7 – OTHER OPERATING INCOME

Other operating income are presented as follows:

	From to	01 January 2022 31 December 2022 USD	01 January 2021 31 December 2021 USD
- Reimbursement of expenses ¹		2,233,192.90	1,666,696.29
- Equalisation provision ²		12,606.65	185,316.08
Total		2,245,799.55	1,852,012.37

¹ Reimbursement of expenses represents the Total Reserves as at 31 December 2018.

This item is comprised of the the invoices payable by the Company which will be funded/settled by the Originators in accordance with the SPA (see Note 3).

² Equalisation provision

The Company's obligation to the investor shall be limited to the Company's available funds. Any claims remaining unsatisfied after the application of the Company's available funds in accordance with the Company's waterfall shall be extinguished and as a result, the Company will recognise an equalisation provision income.

On the other hand, if after the application of Company's available funds in accordance with the Company's waterfall is greater than the Company's obligation to the investor, this excess will be applied to the investor. As a result, the Company will recognise an equalisation provision expense.

The Company applies its available funds in accordance with the following priority of payments:

- (a) first, to the payment of the Company's expenses and taxes to the relevant creditors and tax authorities (excluding the Servicing Fee);
- (b) second, to the payment of exceptional expenses (if any) incurred or to be incurred by the Company;
- (c) third, to the payment to the Company of each Variable Funding Notes interest amount and each Variable Funding Notes repayment amount;
- (d) fourth, to the payment to any Originator of any part of initial purchase price pursuant to, and in accordance with, the Receivables Sale Agreement;
- (e) fifth, to the payment of the Servicing Fee to each Servicer;
- (f) sixth, to the payment to any Originator of any part of deferred purchase price pursuant to, and in accordance with, the provisions of the Receivables Sale Agreement;
- (g) seventh, to the payment to the Company's shareholder(s) of any dividend upon decision of the Company's competent corporate body pursuant to, and in accordance with, the Company's by-laws; and
- (h) lastly, on the Final Maturity Date, to the payment to the Company's shareholder(s) of any surplus.

X-Press Feeders Funding S.à r.l.
 Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 8 – OTHER EXTERNAL EXPENSES

Other external expenses are presented as follows:

	From to	01 January 2022 31 December 2022 USD	01 January 2021 31 December 2021 USD
- Accounting and administrative fees		(120,581.27)	(82,925.70)
- Bank charges		(45,886.08)	(42,505.80)
- Other fees		(70.29)	(82.96)
- Servicing fees		(1,867,305.36)	(1,064,911.92)
- Audit fees*		(42,176.54)	(34,758.48)
Total		(2,076,019.54)	(1,225,184.86)

*Include additional audit fees for 2020 and 2021.

NOTE 9 – OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Other interest and similar income is presented as follows:

	From to	01 January 2022 31 December 2022 USD	01 January 2021 31 December 2021 USD
- Realised exchange gains		37,154.56	3,299.88
Total		37,154.56	3,299.88

NOTE 10 – INTEREST PAYABLE AND SIMILAR EXPENSES

Other interest and similar expenses are presented as follows:

	From to	01 January 2022 31 December 2022 USD	01 January 2021 31 December 2021 USD
- Interests on Non convertible loans		-	(48,591.34)
- Interests on amounts owed to credit institutions		(304.87)	(180.90)
- Commitment fees		(166,833.33)	(386,772.33)
- Unrealised exchange losses		(2,087.83)	-
- Realised exchange losses		(1,482.43)	(145,929.26)
Total		(170,708.46)	(581,473.83)

NOTE 11 – TAX EXPENSES

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

Corporate income tax and Municipal business tax during the financial year ending 31 December 2022 were USD 6,496.06 (2021: USD nil) and USD 1,988.25 (2021: USD nil) respectively.

Net wealth tax during the financial year ending 31 December 2022 was USD 27,741.80 (2021: USD 48,653.56 including tax penalties).

NOTE 12 – EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISING BODIES

During the financial year ending, no emolument was granted to members of the Board of Managers or other supervising bodies.

NOTE 13 – ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISING BODIES

During the financial year ending, no loan or advance was granted to members of the Board of Managers or other supervising bodies.

NOTE 14 – OFF-BALANCE SHEET FINANCIAL COMMITMENTS

As at 31 December 2022 and 2021, the Company had no off-balance sheet financial commitments.

NOTE 15 – STAFF

The Company had no employee during the financial year ended.

X-Press Feeders Funding S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts (cont.)
for the financial year ended 31 December 2022

NOTE 16 – SUBSEQUENT EVENTS

On 30 June 2023 and 05 July 2023, the Company made drawdowns from the VFN funding in the amount of USD 10,000,000 and USD 25,000,000 respectively.

On 19 July 2023, the Company made full repayment of the VFN in the amount of USD 35,000,000.00.

There were no other material events arising after the considered year ending 31 December 2022 which could have an impact on these annual accounts.



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To the Management of
X-Press feeders Funding S.à r.l.
6, rue Eugène Ruppert
L-2453 Luxembourg

Livange, 11 August 2023

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Opinion

We have audited the annual accounts of X-Press Feeders Funding S.à r.l. (the "Company"), which comprise the balance sheet as at 31 December 2022 and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, 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.

Responsibility of the Board of Managers for the Annual Accounts

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

In preparing the annual accounts, the Board of Managers 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 Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d'Entreprises Agréé” for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “Réviseur d'Entreprises Agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.



MOORE

- Conclude on the appropriateness of Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "Réviseur d'Entreprises Agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of report of the "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

MOORE Audit S.A.

Christoph LOCH

Réviseur d'Entreprises Agréé

Appendix to the annual accounts as at 31/12/2022

X-Press Feeders Funding S.à r.l.
Société à responsabilité limitée
Registered office: 6 rue Eugène Ruppert, L-2453 Luxembourg
R.C.S. Luxembourg: B218207
(the Company)

Result for the financial year ended December, 31 2022:

NIL

Allocation of the result for the financial year ended December, 31 2022:

Loss brought forward from previous years USD 40,833.68

Profit to carry forward for next year NIL

This decision is in line with the recommendation given by the Circular Resolutions of the Board of Managers on 11th August, 2023 and decisions taken by the sole shareholder on 24th August, 2023.

Board of Managers:

Sergio Spinosa, 6-8 Avenida Drassanes, 08001, Barcelona, Spain, Class A Manager;
Shmuel Yoskovitz, 11 Duxton Hill, 089595, Singapore, Class A Manager;
Michele Barbieri, 6, rue Eugene Ruppert, L-2453 Luxembourg, Class B Manager
Reena Shayne Gonzales, 6, rue Eugene Ruppert, L-2453 Luxembourg, Class B Manager,
represented by proxy by Michele Barbieri

Auditor:

The company Moore Audit S.A., *société anonyme*, with registered seat at 5, rue de Turi L-3378 Livange and registered with the Luxembourg Trade and Companies register under number B 165462.