

OPENING ACCOUNTS AS AT 25 FEBRUARY 2022

WITH THE REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ



**FUND2SEC**
PASSION TO PRESERVE

A private limited liability company (société à responsabilité limitée) incorporated and organised as an unregulated securitisation company (société de titrisation non-réglementée) under the laws of Luxembourg

12E, RUE GUILLAUME KROLL | L-1882 LUXEMBOURG

RCS: B265552

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BOARD OF MANAGERS, MANAGEMENT AND ADMINISTRATION

Registered office

12E, rue Guillaume Kroll
L-1882 Luxembourg

Board of Managers

Mr Sven ULBRICH
Mr Johannes PUHR
Ms Constanze SCHMIDT
Ms Anika OBERBILLIG

Corporate Service Provider

MaplesFS Luxembourg S.A.
12, Rue Guillaume J. Kroll
L-1882 Luxembourg

Arranger

fund2seed GmbH
Frankenhoehe 40
D-55288 Spiesheim

Auditor

PricewaterhouseCoopers, Société coopérative
2, Rue Gerhard Mercator
B.P. 1443
L-1014 Luxembourg





Audit report

To the Board of Managers of
fund2sec S.à r.l.

Our opinion

In our opinion, the accompanying opening accounts give a true and fair view of the financial position of fund2sec S.à r.l. (the “Company”) as at 25 February 2022, and of the results of its operations for the period then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the opening accounts.

What we have audited

The Company’s opening accounts comprise:

- the balance sheet as at 25 February 2022;
- the profit and loss account for the period then ended; and
- the notes to the opening accounts, which include a summary of significant accounting policies.

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 the “Réviseur d’entreprises agréé” for the audit of the opening accounts” section of our report.

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

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the opening accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

Responsibilities of the Board of Managers for the opening accounts

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

In preparing the opening 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.

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the opening accounts

The objectives of our audit are to obtain reasonable assurance about whether the opening accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 opening 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 scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the opening 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;
- conclude on the appropriateness of the 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 audit report to the related disclosures in the opening accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the opening accounts, including the disclosures, and whether the opening 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.

Restriction on Distribution and Use

This report, including the opinion, has been prepared for and only for the Board of Managers and the Shareholders in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

PricewaterhouseCoopers, Société coopérative
Represented by

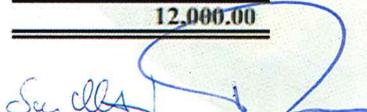
Luxembourg, 26 October 2022

Holger von Keutz

BALANCE SHEET AS AT 25 FEBRUARY 2022

(denominated in EUR)

	25/02/2022 EUR
<u>C. Fixed assets</u>	
I. Intangible assets	-
II. Tangible assets	-
III. Financial assets	-
4. Other debtors	
a) becoming due and payable within one year	-
b) becoming due and payable after more than one year	-
III. Investments	-
IV. Cash at bank and in hand	12,000.00
<u>E. Prepayments</u>	-
<u>TOTAL ASSETS</u>	<u>12,000.00</u>
<u>CAPITAL, RESERVES AND LIABILITIES</u>	
<u>A. Capital and reserves</u>	
I. Subscribed capital	12,000.00
II. Share premium account	-
III. Revaluation reserves	-
IV. Reserves	-
V. Profit or loss brought forward	-
VI. Profit or loss for the financial year	-
VII. Interim dividends	-
VIII. Capital investment subsidies	-
<u>B. Provisions</u>	
I. Provisions for taxation	-
II. Other provision	-
<u>C. Creditors</u>	
<u>I. Debenture Loans</u>	
b) Non convertible loans	
ii) becoming due and payable within one year	-
ii) becoming due and payable after more than one year	-
<u>8. Other Creditors</u>	
a) becoming due and payable within one year	-
<u>D. Deferred income</u>	-
<u>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</u>	<u>12,000.00</u>

See also 

PROFIT AND LOSS ACCOUNT

25 FEBRUARY 2022

(denominated in EUR)

from 25/02/2022
to 25/02/2022
EUR

<u>4. Other operating income</u>	-
<u>5. Raw materials and consumables and other external expenses</u>	
b) Other external expenses	-
<u>8. Other operating expenses</u>	-
<u>10. Income from other investments and loans forming part of the fixed assets</u>	
a) derived from affiliated undertakings	
b) other income not included under a)	-
<u>14. Interest payable and similar expenses</u>	
a) concerning affiliated undertakings	
b) other interest and similar expenses	-
<u>10. Extraordinary charges</u>	
<u>15. Tax on profit or loss</u>	-
<u>16. Profit or loss after taxation</u>	-
<u>17. Other taxes not shown under items 1 to 16</u>	-
<u>13. Profit or loss for the financial year</u>	-

NOTES TO THE OPENING ACCOUNTS

Note 1: General information

fund2Sec S.à r.l. was incorporated in the Grand Duchy of Luxembourg on 25 February 2022 as a private limited liability company (société à responsabilité limitée) for an unlimited duration and is registered with the Luxembourg Register of Commerce and Companies (Registre de commerce et des sociétés, Luxembourg) under number B265552 (the "**Company**") and is acting, for the purposes of the issuance of notes and certificates in respect of its compartments (the "**Issuer**").

The Company has been established as a special purpose vehicle, whose objects and purposes are primarily the issue and offer securities in accordance with the provisions of the law of 22 March 2004 on securitisation, as amended (the "**Securitisation Law**") and its activities are subject to such law. The Company is an unregulated securitisation company (société de titrisation non réglementée) and thus not being supervised by the CSSF.

The registered office of the Issuer is at 12E, Rue Guillaume Kroll, 1882 Luxembourg, Grand Duchy of Luxembourg.

The financial year of the Company shall begin on 1 January and shall terminate on 31 December of each year. The first financial year shall begin on the date of incorporation of the Company and terminate on 31 December 2022.

The shareholders of the Company are (i) fund2seed GmbH, a private limited liability company, having its registered office in Frankenhoehe 40, 55288 Spiesheim, Federal Republic of Germany and registered with the trade register of the local court (Amtsgericht) Mainz under HR B.50204, holding 51 % of the share capital of the Company and (ii) fair-finance Asset Management Ltd, a private limited liability company, having its registered office in Il Piazzetta A Suite 52, Level 5 Tower Road Sliema, SLM-1607, Republic of Malta and registered with the trade register in Malta under number C82093, holding 49 % of the share capital of the Company.

In accordance with the Articles, the power of fund2seed GmbH and fair-finance Asset Management is limited to their shareholders' rights.

The Issuer will carry out securitisation transactions within the meaning of the Securitisation Law and participate in any such transaction by assuming (acquiring) assets (risks) and/or by issuing securities to ensure the financing of the relevant transaction or, to the extent permitted by the Securitisation Law, all other types of financial instruments whose value or return is linked to these risks.

To that effect, the Issuer may, inter alia, 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 or assets (including, without limitation, securities of any kind), 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 financial instruments (instruments financiers) of any kind whose value or return is linked to these risks or, to the extent permitted by the Securitisation Law, all other types of financial instruments whose value or return is linked to these risks.

The Issuer may assume or acquire these risks by acquiring, by any means, bonds, claims, receivables and/or goods and assets, structured products relating to commodities or assets, by guaranteeing the liabilities or commitments of third parties or by binding itself by any other means.

The Issuer may, to the extent permitted by the Securitisation Law, borrow in any form and enter into any type of loan agreement. It may issue notes, bonds (including, without limitation, exchange or convertible securities and securities linked to an index or a basket of indices or shares), debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities or, to the extent permitted by the Securitisation Law, any other types of financial instruments, including under one or more issue programmes. The Issuer may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or to any other company.

In accordance with, and to the extent permitted by, the Securitisation Law and/or the the law of 27 July

Note 1: General information (continued)

2003 relating to trust and fiduciary contracts, as amended (the "Fiduciary Law"), the Issuer may also give guarantees and grant security over its assets in order to secure the obligations it has assumed for the securitisation of these 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 Issuer.

The Issuer may pledge, transfer, encumber or otherwise create security over some or all of its assets or transfer this assets for guarantee purposes, to the extent permitted by the Securitisation Law and/or Fiduciary Law.

The Issuer may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions. Without prejudice to the generality of the previous sentence, the Issuer may also 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, for as long as such transactions are necessary to facilitate the performance of the Issuers corporate objects or otherwise permitted by the Securitisation Law.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting.

The corporate objects shall include any transaction or agreement which is entered into by the Issuer, provided it is not inconsistent with the foregoing enumerated objects.

The Issuer may further act as fiduciary (fiduciaire) under the Fiduciary Law in order to issue, on a fiduciary basis, in its own name but at the sole risk and for the exclusive benefit of one or more investors, fiduciary instruments in accordance with the Fiduciary Law.

Any Fiduciary securities so issued may have any of the features or characteristics (or combination thereof) of the securities that may be issued by the Issuer in its non-Fiduciary capacity.

The Issuer is entitled to create one or more compartments (representing the assets of the Issuer

relating to an issue of securities or otherwise necessary to attain its corporate object), in each case corresponding to a separate part of the Company's estate and/or Fiduciary Estate, as applicable. The Issuer may appoint one or more fiduciary representatives as described in articles 67 to 84 of the Securitisation Law.

The descriptions above are to be understood in their broadest sense. The corporate object of the Issuer shall include any transaction or agreement which is entered into by the Issuer, provided it is not inconsistent with the foregoing stated purposes.

In general, the Issuer 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 objects to the largest extent permitted under the Securitisation Law.

The Issuer may, to the extent permitted by the Securitisation Law, borrow in any form and enter into any type of loan agreement. It may issue notes, bonds (including, without limitation, exchange or convertible securities and securities linked to an index or a basket of indices or shares), debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities or, to the extent permitted by the Securitisation Law, any other types of financial instruments, including under one or more issue programmes. The Issuer may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or to any other company.

As at 25 February 2022, the Company is composed of zero (0) active compartments.

Note 2: Summary of significant accounting policies

Basis of preparation

The accounts of the Company are based on the provisions of the Luxembourg Law of 19 December 2002, as amended, on the register of commerce and companies and the accounting annual accounts of undertakings (the "**Accounting Law**") defining the accounting and disclosure requirements for Luxembourg companies.

The aforementioned accounts have been prepared in accordance with generally accepted accounting principles and in accordance with the laws and regulations in force in the Grand-Duchy of Luxembourg under the historical cost convention.

Accounting policies are, besides the ones laid down by the Accounting Law, determined and applied by the Board of Managers.

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

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the accounts and affect the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Changes in facts and circumstances or discovery of new information may result in revised estimates and actual results could differ from those estimates.

Foreign currency translation

The Company maintains its books and records in Euro (EUR) and the accounts are expressed in this currency.

- Other assets and liabilities expressed in a currency other than EUR will be converted into EUR at the exchange rate effective at the balance sheet date;
- Cash at bank will be translated at the exchange rate effective at the balance sheet date. Exchange losses and gains will be recorded in the profit and loss account of the period.

Cash at bank and in hand

Cash and cash equivalents are valued at nominal value and comprise, cash at bank, deposits held at call with banks, net of bank overdrafts. In the balance sheet, bank overdrafts will be included in current liabilities.






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