

INVESTOR SOLUTIONS LIMITED

**Management report and
Condensed unaudited interim financial statements**

For the half year ended 31 May 2022

Registered number 87950

INVESTOR SOLUTIONS LIMITED

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Directors and other information

Directors	Marc Harris Viscom Services Limited (Appointed on 30 March 2022) Visdirect Services Limited (Appointed on 30 March 2022) Bernard Michael Le Claire (Resigned on 30 March 2022) Darren Hocquard (Resigned on 30 March 2022)
Registered Office	St Paul's Gate 22 - 24 New Street St Helier Jersey JE1 4TR Channel Islands
Administrator	Vistra Fund Services Limited St Paul's Gate 22 - 24 New Street St Helier Jersey JE1 4TR Channel Islands
Company Secretary	Vistra Secretaries Limited St Paul's Gate 22 - 24 New Street St Helier Jersey JE1 4TR Channel Islands
Trustee	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Independent Auditor	Ernst & Young LLP 25 Churchill Place Canary Wharf London, E14 5EY
Solicitor	Mourant Ozannes 22 Grenville Street St Helier Jersey JE4 8PX Channel Islands
Arranger, custodian, paying agent and swap counterparty	Deutsche Bank AG London Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom

Interim management report

The directors present their interim report and the condensed unaudited financial statements of Investor Solutions Limited (the "Issuer" and/or the "Company") for the half year ended 31 May 2022.

Principal activities and business review

The Company is a limited company incorporated in Jersey and issued a series (each a "Series") of secured notes (the "Notes") to investors and entered into an asset swap (the "Asset Swap") with Deutsche Bank AG London (the "Swap Counterparty" and/or the "Arranger").

The Swap Counterparty will deliver the collateral to the account of the Company and will pay the Company amounts equal to the interest payable to the noteholders (the "Noteholders") in return for the interest earned by the Company on its collateral in accordance with the swap agreement (the "Swap Agreement"). If the Swap Agreement has not terminated prior to the maturity date of the respective Notes issued, a sum equal to the interest bearing notional amount of the Notes issued will be paid to the Company.

The Notes issued are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes issued and who are required to read the investment considerations described in the Series memorandum. The investment considerations, alone or collectively, may reduce the return on the Notes issued and could result in the loss of all or a proportion of the Noteholders' investment.

Upon maturity of the Notes issued and the swaps, the Company will pay the proceeds received from the disposal of the collateral to the Swap Counterparty and the Swap Counterparty will pay the Company an amount equal to the value of the aggregate outstanding principal amount of the Notes issued. Under the terms of the swaps, the interest received on the collateral is paid/payable to the Swap Counterparty and the interest payable to the Noteholders is received/receivable from the Swap Counterparty.

The nominal amount of the Company's debt securities in issue as at 31 May 2022 are as follows:

-USD 16,585,000 Variable Rate Secured Notes due 2035 (30 November 2021: USD 16,585,000).

The nominal amount of the Company's investment securities as at 31 May 2022 are as follows:

-USD 16,585,000 8.60% Subordinated Notes due 15 December 2030 (30 November 2021: USD 16,585,000).

The rationale behind entering into these instruments is to provide an asset risk profile which is suited to the needs of the investors (the holders of the debt securities) and provide to them an administrative platform for managing and monitoring the performance of their investments.

Series 2 is listed on the Luxembourg Stock Exchange.

Business review

During the period:

- the Company did not make any profit (31 May 2021: Nil);
- the Company's net loss on investment securities amounted to EUR 2,651,302 (31 May 2021: net gain of EUR 197,472);
- the Company's net gain on debt securities issued amounted to EUR 3,019,731 (31 May 2021: net loss of EUR 381,538); and
- the Company's net loss on derivative financial instruments amounted to EUR 368,429 (31 May 2021: net gain of EUR 184,066).

As at 31 May 2022:

- the carrying value of the Company's total debt securities issued was EUR 14,193,020 (30 November 2021: EUR 17,038,912);
- the Company had the following Note in issue:

Series	Description	Maturity date	CCY	Nominal
2	Variable Rate Secured Notes	22-Jan-35	USD	16,585,000

- the Company had the following investment:

Series	Description	Maturity date	CCY	Nominal
2	8.60% Subordinated Notes of AXA	15-Dec-30	USD	16,585,000

- the net assets of the Company were EUR 1,002 (30 November 2021: EUR 1,002).

Future developments

The directors expect that the present level of activity will be sustained for the foreseeable future. The board of directors (the "Board") of the Company will continue to seek new opportunities for the Company and will continue to ensure proper management of the current Series in issue of the Company.

Interim management report (continued)**Going concern**

The Company's financial statements for the financial period ended 31 May 2022 have been prepared on a going concern basis. The asset is referenced to a specific note, and any loss derived from the asset will be ultimately borne by the Noteholders. The Notes in issue as at 31 May 2022 do not mature until 2035. Upon maturity of the financial asset, the proceeds will be placed on deposit in an interest-bearing account with the custodian until the Notes mature or is redeemed. For this reason, the directors believe that the going concern basis is appropriate.

Novel Coronavirus ("COVID-19") Global Pandemic

As the COVID-19 coronavirus pandemic continues, the impacts and risks for the financial sector kept changing.

COVID-19 recovery is uneven globally and is presenting a variety of challenges and risks from economic uncertainty to changes in consumer demand, disrupted supply chains and staff shortages, new hybrid working patterns, the ending of government support packages and increased merger and acquisitions activity. Businesses are experiencing conditions often associated with a general economic downturn. This includes dealing with lost revenue, increasing inflation rates, disrupted supply chains, financial market volatility, deteriorating credit, liquidity concerns and further government intervention.

Numerous governments have continued to provide both financial and non-financial assistance to the affected entities. As the economy recovers, spending to support households and businesses is falling and tax receipts are growing.

With emerging new variants of COVID-19, governments have been imposing mandatory self-isolations, mandatory use of face coverings in most indoor venues, work from home guidance, mandatory use of COVID-19 passes of a negative test to access certain venues and booster dose programmes were also made. Social distancing has been encouraged to reduce social contact and limitations set to household meetings and large events being limited in capacity. As at 24 February 2022, all COVID-19 restrictions in the United Kingdom have been lifted.

The Company received interest coupon from its investment on 15 December 2021. On 21 January 2022, the Company was able to meet its yearly interest payment to the Noteholders. Investment securities interest receipt is on a semi-annual basis with the receipt date being 15 December and 15 June. The next interest receipt is due 15 June 2022. Interest payments on the Company's issued notes is on an annual basis and on 21 January 2022 the Company paid interest to the Noteholders. The next interest payment is due on 21 January 2023. This indicates the Company continues to generate cash flows to meet its obligations as they fall due.

The limited recourse nature of the debt securities issued by the Company limit the investor's recourse only up to the underlying net assets of that particular debt securities issued. The investors have no right to petition for insolvency proceedings against the Company in the event that the underlying assets are insufficient to repay the principal amount of the debt securities issued. Further, to manage the principal risks impacting the Company such as market risks, liquidity risks, credit risks and operational risks, it has entered into derivative swap agreements with the Swap Counterparty depending on the requirement of each particular debt securities issued.

Also, as per agreement, Deutsche Bank AG London, as the Arranger, Swap Counterparty, custodian and paying agent agreed to reimburse the Company against any costs, fees, expense or out-goings incurred. In light of this, the directors have concluded that the impact of COVID-19 does not represent a material uncertainty in relation to the Company's ability to continue as going concern.

In the event that any service provider including Vistra Fund Services Limited ("VFSL") (the "Administrator") goes into administration or liquidation, the Board will be able to appoint alternative reputable service providers to take over the necessary roles, or the trustee would potentially enforce security over Notes in an event of default scenario.

The Swap Counterparty has business continuity plans and crisis management policies currently in place which would see it continue to provide support to service the Company and also meet its ongoing costs, fees, expenses or out-goings incurred. The Swap Counterparty has sufficient buffers in place to withstand severe capital and liquidity stress scenarios as per the Banking Recovery and Resolution Directive requirements. In their most recent published Annual Report of 2021, their board of directors have assessed the potential impact of COVID-19 and note that they maintain a recovery and resolution planning framework designed to anticipate, identify, mitigate and manage in a timely and coordinated manner the impact of adverse events on their group and its ability to continue as a going concern.

Results and dividends for the period

The results for the period are set out on page 6. No dividend has been recommended by the directors (31 May 2021: Nil).

Principal risk and uncertainties

The Company is subject to various risks. The key risks facing the Company relate to their use of financial instruments and other risks (i.e. market risk, credit risk, liquidity risk and operational risk). The manner in which these risks have been dealt with are outlined in note 16 to the financial statements.

Interim management report (continued)

Changes in directors, secretary and registered office

The directors of the Company during the period and up to the date on which the financial statements were approved are shown on page 1.

There were no other changes in directors, secretary and registered office during the financial period and/or since the financial period end.

Directors, secretary and their interests

None of the directors or the secretary who held office on 31 May 2022 held any shares in the Company. Except for the corporate administration agreement entered into by the Company with the Administrator, there were no contracts of any significance in relation to the business of the Company in which the directors had any interest at any time during the financial period.

Subsequent events

There has been no significant events since the period end and up to the date of signing this report that require disclosure in the financial statements.

Employees

The Company has no employees (30 November 2021: Nil). Vistra Secretaries Limited performs the Company's secretarial function. Deutsche Bank AG London, is the dealer of the Company's Notes.

Political and charitable contributions

The Company made no political or charitable donations during the period (31 May 2021: Nil).

On behalf of the Board



Director

Date: 23.08.2022

Responsibility statement

The Company's directors are responsible for preparing the management report and the condensed unaudited interim financial statements of the Company in accordance with applicable law and regulations. The directors confirm that, to the best of their knowledge:

- the condensed unaudited interim financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and results of the Company, and
- the interim management report includes a fair review of:
 - important events that have occurred during the first six months of the year;
 - the impact of those events on the condensed interim financial statements; and
 - a description of the principal risks and uncertainties for the remaining six months of the year.

The directors further indicate that such condensed unaudited interim financial statements for the half year ended 31 May 2022 have not been audited.

On behalf of the Board



Director

Date: 23.08.2022

Condensed statement of comprehensive income
For the half year ended 31 May 2022

	Note	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
Net (loss)/gain on investment securities	5	(2,651,302)	197,472
Net gain/(loss) on debt securities issued	6	3,019,731	(381,538)
Net (loss)/gain on derivative financial instruments	7	(368,429)	184,066
Operating result		-	-
Other income	8	14,566	13,614
Other expenses	9	(14,566)	(13,614)
Profit before tax		-	-
Taxation		-	-
Net result for the financial period		-	-
Other comprehensive income			
Translation adjustments on investment securities		1,041,212	(533,181)
Translation adjustments on debt securities issued		(758,626)	411,002
Translation adjustments on derivative financial instruments		(282,586)	122,179
Total comprehensive income for the financial period		-	-

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Condensed statement of financial position
As at 31 May 2022

	Note	31-May-22 EUR	30-Nov-21 EUR
Assets			
Other receivables	11	30,540	19,803
Investment securities	10	19,479,872	21,721,389
Total assets		<u>19,510,412</u>	<u>21,741,192</u>
Liabilities and equity			
Liabilities			
Other payables	14	29,538	18,801
Derivative financial instruments	12	5,286,852	4,682,477
Debt securities issued	13	14,193,020	17,038,912
Total liabilities		<u>19,509,410</u>	<u>21,740,190</u>
Equity			
Called up share capital presented as equity	15	2	2
Retained earnings		1,000	1,000
Total equity		<u>1,002</u>	<u>1,002</u>
Total liabilities and equity		<u>19,510,412</u>	<u>21,741,192</u>

The condensed unaudited interim financial statements on pages 6 to 16 were approved by the Board and authorised for issue on 9 August 2022.

On behalf of the Board



Director

The notes on pages 10 to 16 form an integral part of the financial statements

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**Condensed statement of changes in equity
For the half year ended 31 May 2022**

	Share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 December 2020	2	1,000	1,002
<i>Total comprehensive income for the financial period</i>			
Profit for the financial period	-	-	-
Total comprehensive income for the financial period	-	-	-
Balance as at 31 May 2021	2	1,000	1,002
Balance as at 1 June 2021	2	1,000	1,002
<i>Total comprehensive income for the financial period</i>			
Profit for the financial period	-	-	-
Total comprehensive income for the financial period	-	-	-
Balance as at 30 November 2021	2	1,000	1,002
Balance as at 1 December 2021	2	1,000	1,002
<i>Total comprehensive income for the financial period</i>			
Profit for the financial period	-	-	-
Total comprehensive income for the financial period	-	-	-
Balance as at 31 May 2022	2	1,000	1,002

The notes on pages 10 to 16 form an integral part of the financial statements

Condensed statement of cash flows
For the half year ended 31 May 2022

		Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Note		
Cash flows from operating activities			
Profit on ordinary activities before taxation		-	-
<i>Adjustments for:</i>			
Net loss/ (gain) on investment securities	5	2,651,302	(197,472)
Net (gain)/ loss on debt securities issued	6	(3,019,731)	381,538
Net loss/ (gain) on derivative financial instruments	7	368,429	(184,066)
<i>Movements in working capital</i>			
Increase in other receivables		(10,737)	(12,364)
Increase in other payables		10,737	12,364
Net cash generated from operating activities		<u>-</u>	<u>-</u>
Movement in cash and cash equivalents		-	-
Cash and cash equivalents at start of the period		-	-
Cash and cash equivalents at end of the period		<u>-</u>	<u>-</u>
Non-cash transactions during the period include:			
Fair value change on investment securities	5	(3,282,729)	(389,383)
Fair value change on debt securities issued	6	3,604,518	163,644
Fair value change on derivative financial instruments	7	(321,789)	225,739
		<u>-</u>	<u>-</u>

Net interest income and expense on the derivative financial instrument and investment security are passed on to Noteholders and structured so that interest income and expense are always equally offset. The Swap Counterparty also acts as custodian and paying agent, and therefore settles all cash flows on behalf of the Company.

Reconciliation for financing activities

	31-May-22 Nominal Source CCY	31-May-21 Nominal Source CCY
Debt securities issued	<u>16,585,000</u>	<u>16,585,000</u>
	31-May-22 EUR	31-May-21 EUR
At beginning of the period	17,038,912	16,893,012
Fair value change on debt securities issued	(3,604,518)	(163,644)
Translation adjustments on debt securities issued	758,626	(411,002)
At end of the financial period	<u>14,193,020</u>	<u>16,318,366</u>

Notes to the condensed unaudited interim financial statements
For the half year ended 31 May 2022

1 General information

The Company is a limited company incorporated in Jersey, issued a Series of secured Notes to investors and entered into an Asset Swap with Swap Counterparty.

The Swap Counterparty will deliver the collateral to the account of the Company and will pay the Company amounts equal to the interest payable to the Noteholders in return for the interest earned by the Company on its collateral in accordance with the Swap Agreement. If the Swap Agreement has not terminated prior to the maturity date of the respective Notes issued, a sum equal to the interest bearing notional amount of the Notes issued will be paid to the Company.

The Notes issued are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes issued and who are required to read the investment considerations described in the Series memorandum. The investment considerations, alone or collectively, may reduce the return on the Notes issued and could result in the loss of all or a proportion of a Noteholders' investment.

Upon maturity of the Notes issued and the swaps, the Company will pay the proceeds received from the disposal of the collateral to the Swap Counterparty and the Swap Counterparty will pay the Company an amount equal to the value of the aggregate outstanding principal amount of the Notes issued. Under the terms of the swaps, the interest received on the collateral is paid/payable to the Swap Counterparty and the interest payable to the Noteholders is received/receivable from the Swap Counterparty.

The nominal amount of the Company's debt securities in issue as at 31 May 2022 are as follows:
 -USD 16,585,000 Variable Rate Secured Notes due 2035 (30 November 2021: USD 16,585,000).

The nominal amount of the Company's investment securities as at 31 May 2022 are as follows:
 -USD 16,585,000 8.60% Subordinated Notes due 15 December 2030 (30 November 2021: USD 16,585,000).

The rationale behind entering into these instruments is to provide an asset risk profile which is suited to the needs of the investors (the holders of the debt securities) and provide to them an administrative platform for managing and monitoring the performance of their investments.

Series 2 is listed on Luxembourg Stock Exchange.

2 Basis of preparation

The condensed unaudited interim financial statements for the half year ended 31 May 2022 have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting'. In line with IAS 34, the comparative information for the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cashflows are for the half year ended 31 May 2021 and the comparative information for the statement of financial position is as at 30 November 2021.

The condensed unaudited interim financial statements should be read in conjunction with the audited annual financial statements for the year ended 30 November 2021 and the condensed unaudited interim financial statements for the half year ended 31 May 2021.

3 Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed unaudited interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 30 November 2021.

4 Taxation

The Company has been granted a general zero rate of corporate income tax which has been introduced from 1 January 2009.

5 Net (loss)/gain on investment securities

	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
Net (loss)/gain on investment securities	<u>(2,651,302)</u>	<u>197,472</u>
Analysed as follows:		
Interest income	631,427	586,855
Fair value change on investment securities	<u>(3,282,729)</u>	<u>(389,383)</u>
Net (loss)/gain on investment securities	<u>(2,651,302)</u>	<u>197,472</u>

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

6	Net gain/(loss) on debt securities issued	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Net gain/(loss) on debt securities issued	3,019,731	(381,538)
	Analysed as follows:		
	Interest expense	(584,787)	(545,182)
	Fair value change on debt securities issued	3,604,518	163,644
	Net gain/(loss) on debt securities issued	3,019,731	(381,538)
7	Net (loss)/gain on derivative financial instruments	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Net (loss)/gain on derivative financial instruments	(368,429)	184,066
	Analysed as follows:		
	Swap income	584,787	545,182
	Swap expense	(631,427)	(586,855)
	Fair value change on derivative financial instruments	(321,789)	225,739
	Net (loss)/gain on derivative financial instruments	(368,429)	184,066
8	Other income	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Other income	14,566	13,614
		14,566	13,614
9	Other expenses	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Administration expenses	(7,500)	(7,500)
	Audit fees	(6,155)	(5,431)
	Other professional fees	(911)	(683)
		(14,566)	(13,614)
	Auditor's remuneration:	Period ended 31-May-22 EUR	Period ended 31-May-21 EUR
	Audit of financial statements	6,155	5,431
	Other Assurance services	-	-
	Tax compliance services	-	-
	Other non-audit services	-	-
		6,155	5,431
10	Investment securities	31-May-22 EUR	30-Nov-21 EUR
	Investment securities	19,479,872	21,721,389
	Maturity analysis of investment securities	31-May-22 EUR	30-Nov-21 EUR
	Within 1 year	-	-
	More than 1 year and less than 2 years	-	-
	More than 2 year and less than 5 years	-	-
	More than 5 years	19,479,872	21,721,389
		19,479,872	21,721,389

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

10 Investment securities (continued)	31-May-22	30-Nov-21
Movement in investment securities:	EUR	EUR
At start of the period/year	21,721,389	22,091,902
Fair value change on investment securities	(3,282,729)	(1,439,464)
Translation adjustments on investment securities	1,041,212	1,068,951
At end of the period/year	<u>19,479,872</u>	<u>21,721,389</u>

The carrying value of the investment securities of the Company represents their maximum exposure to the credit risk. The credit risk is eventually transferred to the Swap Counterparty and/or the Noteholders through the individual terms of the Series in issue.

The investment securities are held as collateral for each Series of debt securities issued by the Company as per note 13.

Refer to note 16 for a description of the credit risk and currency risk disclosures relating to investment securities.

Details of the nominal values and terms of the Series in issue is disclosed below:

Series	Interest rate basis	Interest rate	Maturity Date	CCY	31-May-22 Nominal Source CCY	30-Nov-21 Nominal Source CCY
2	Fixed	8.60%	15-Dec-30	USD	<u>16,585,000</u>	<u>16,585,000</u>
11 Other receivables					31-May-22 EUR	30-Nov-21 EUR
Other debtors					30,538	19,801
Unpaid share capital					2	2
					<u>30,540</u>	<u>19,803</u>
12 Derivative financial instruments					31-May-22 EUR	30-Nov-21 EUR
Derivative financial liabilities					<u>5,286,852</u>	<u>4,682,477</u>
Movement in derivative financial instruments					31-May-22 EUR	30-Nov-21 EUR
At beginning of the period/year					4,682,477	5,198,890
Fair value change on derivative financial instruments					321,789	(746,847)
Translation adjustments on derivative financial instruments					282,586	230,434
At end of the period/year					<u>5,286,852</u>	<u>4,682,477</u>

There is a single swap transaction with the Swap Counterparty which comprises of an Asset Swap. The Swap Counterparty is currently rated by Standard & Poor's at A-2 (30 November 2021: A-2).

Asset Swap

Under the Swap Agreement, the Company paid to the Swap Counterparty the net proceeds from the issue of the Notes as payment for the purchase of the collateral plus any interest accrued thereon. The Company pays to the Swap Counterparty sums equal to each amount of interest received in respect of the collateral, and on the maturity date of the collateral will deliver the portfolio or the proceeds of redemption to the Swap Counterparty.

The adjustments comprised Counterparty Credit Valuation Adjustments (CVA), Debt Valuation Adjustments (DVA) and Funding Valuation Adjustments (FVA). The impact of adjustments are incorporated into the fair value of the Notes issued.

CVA covers expected credit losses relating to non-performance risk of the Swap Counterparty, Deutsche Bank AG London. For DVA, the Company considers own credit-worthiness with reference to the collateral in the special purpose vehicle (the "SPV"), potential future exposure of the derivative, loss given default and probability of default. FVA incorporates the market implied funding costs into the fair value of the derivative positions and reflects a discounting spread applied to uncollateralised and partly collateralised derivatives.

As at 31 May 2022, the combined value of these adjustments was EUR -621,762 (30 November 2021: EUR -432,124).

For each calculation period from that commencing on (and including) 21 January 2010 to that ending on (but excluding) the maturity date, a rate per annum is determined subject to a maximum of 10% and a minimum of 4%. The rate is determined by reference to the performance of a constant maturity swap spread (2 years to 10 years) as per the offering circular (the "Offering Circular").

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

13 Debt securities issued

	31-May-22	30-Nov-21
	EUR	EUR
Debt securities issued	<u>14,193,020</u>	<u>17,038,912</u>

Debt securities issued for a particular Series are designated at fair value through profit or loss when the related investment securities and derivative financial instruments are fair valued or when they contain embedded derivatives that significantly modify cash flows that otherwise would be required to be separated.

Maturity analysis	31-May-22	30-Nov-21
	EUR	EUR
Within 1 year	-	-
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	-	-
More than 5 years	14,193,020	17,038,912
	<u>14,193,020</u>	<u>17,038,912</u>

Movement in debt securities issued	31-May-22	30-Nov-21
	EUR	EUR
At beginning of the period/year	17,038,912	16,893,012
Fair value change on debt securities issued	(3,604,518)	(692,617)
Translation adjustments on debt securities issued	758,626	838,517
At end of the period/year	<u>14,193,020</u>	<u>17,038,912</u>

Details of the nominal values and terms of each Series is disclosed below:

Series	Interest rate basis	Maturity Date	CCY	31-May-22	30-Nov-21
				Nominal	Nominal
				Source CCY	Source CCY
<i>Secured Notes</i>					
2	Variable	22-Jan-35	USD	<u>16,585,000</u>	<u>16,585,000</u>

At the reporting date, the Company's debt securities issued designated at fair value through profit or loss were concentrated in the following types:

Types of debt securities issued	31-May-22	30-Nov-21
	%	%
Secured Notes	<u>100</u>	<u>100</u>

For each calculation period from that commencing on (and including) 21 January 2010 to that ending on (but excluding) the maturity date, a rate per annum is determined subject to a maximum of 10% and a minimum of 4%. The rate is determined by reference to the performance of a constant maturity swap spread (2 years to 10 years) as per the Offering Circular.

Limited recourse and segregation of assets and liabilities

The Notes issued are solely the obligations of the Company. The Notes issued are limited in recourse to the Swap Agreement and to the underlying investments held pursuant to the Series. Following termination of the Swap Agreement and its enforcement against the counterparty and the enforcement of the custody agreement against the custodian, there will be no other assets of the Company available to meet any outstanding claims of the Noteholders, who will bear any shortfall pro rata their holdings of Notes issued.

Security

The obligations of the Company under the Notes issued and Swap Agreement are secured by:

- an assignment by way of security in favour of the trustee over the Company's rights, title and benefits (both present and future) to the securities, interest and cash balances;
- an assignment by way of a security in favour of the trustee over the Company's present and future rights and title to interest in and benefit under various agreements entered into as part of the transaction; and
- an assignment by way of a security in favour of the trustee over the Company's present and future rights and title to, interest in and benefit under the Swap Agreement and all proceeds thereof and sums arising therefrom.

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

13 Debt securities issued (continued)

Interest

The Notes carry a variable interest rate. The payment of interest on the Notes issued is dependent on the receipt of income from the underlying investments and swaps. If the Company does not receive income from the underlying investments and swaps then there is no obligation to pay interest to the Noteholders.

Redemption

Redemption of the Notes issued will be made from the proceeds received on the sale of their underlying securities on the relevant redemption date. Additionally at the option of all Noteholders of a Series, a Series may be redeemed early at any interest payment date. The early redemption price will be the net of the price received on sale of the underlying securities and the price payable to force termination of the Swap Agreement.

The debt securities issued by the Company is listed on the Luxembourg Stock Exchange.

14 Other payables

	31-May-22	30-Nov-21
	EUR	EUR
Accruals	29,538	18,801
	<u>29,538</u>	<u>18,801</u>

15 Called up share capital presented as equity

	31-May-22	30-Nov-21
<i>Authorised:</i>	GBP	GBP
10,000 ordinary shares of GBP 1 each	<u>10,000</u>	<u>10,000</u>
<i>Issued</i>	EUR	EUR
2 ordinary shares of GBP 1 each - unpaid	<u>2</u>	<u>2</u>
<i>Presented as follows:</i>	EUR	EUR
Called up share capital presented as equity	<u>2</u>	<u>2</u>

The authorised share capital of the Company is GBP 10,000, out of which 2 ordinary shares have been issued. The nominees have no beneficial interest in and derives no benefit from its holding of the shares. The unpaid ordinary shares carry neither voting rights nor the right to dividends. There are no other rights that pertain to the shares and the shareholders.

16 Financial risk management

Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- (a) market risk;
- (b) credit risk;
- (c) liquidity risk; and
- (d) operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

(i) Interest rate risk

The Company has entered into an Asset Swap Agreement whereby the interest payable under the Notes issued will always be matched by the interest received from a combination of the underlying investments and the swap agreements. The directors therefore believe that the Company is not exposed to any interest rate risk.

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

16 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk

Currency risk is the risk which arises where the assets and liabilities of the Company are denominated in currencies other than its functional currency. As at 31 May 2022, the Company is exposed to assets and liabilities denominated in US Dollar ("USD").

The Company is not exposed to net currency risk since the foreign exchange movements in its financial liabilities will be offset by the foreign exchange movements in its financial assets. Any net foreign currency risk is borne by the Swap Counterparty.

The following exchange rates have been applied during the period:

USD:EUR	Closing rate		
	31-May-22	30-Nov-21	31-May-21
	0.9317	0.8819	0.8179

(iii) Price risk

Price risk is the risk that the value of the investments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

Other price risks may include risks such as equity price risk, commodity price risk, prepayment risk (i.e. the risk that one party to a financial asset will incur a financial loss because the other party repays earlier or later than expected) and residual value risk.

As all of the Company's financial instruments are carried at fair value with fair value changes recognised in the Statement of comprehensive income, all changes in market conditions will directly affect operating income. However, the net impact on the Statement of comprehensive income is Nil.

(b) Credit risk

Credit risk is the risk of the financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's assets. The Company's principal financial assets are other assets and investment securities, which represent the Company's maximum exposure to credit risk. All credit risks are ultimately borne by the Noteholders to the extent not borne by the Swap Counterparty.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company limits its exposure to liquidity risk through the structure of priority of payments schedule. This means that the Company will only pay interest to the extent that funds are available. All substantial risks and rewards associated with the investment securities are ultimately borne by the Noteholders.

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risks arise from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All administration functions are undertaken by VFSL, the Administrator. Deutsche Bank AG, London acts as the Company's Arranger, custodian, paying agent and Swap Counterparty.

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 31 May 2022

16 Financial risk management (continued)

(e) Fair values

The Company's investment securities, debt securities issued and derivative financial instruments are carried at fair value on the condensed balance sheet.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted prices (unadjusted) in active market for an identical instrument.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The Company does not have any financial instruments at level 1 or 3 and there has not been any transfer between levels during the half year ended 31 May 2022.

17 Ultimate controlling party

Prior to 31 May 2022, the Company was owned by Fiduchi Trustees Limited acting as trustee of Investor Solutions Limited Charitable Trust and Fiduchi Nominees Limited. On 31 May 2022, all the issued shares were transferred to Vistra Fund Services Limited acting as trustee of Investor Solutions Limited Charitable Trust and Vistra Nominees Limited. The Board has been appointed to run the day to day activities of the Company. The Board has considered the issue as to who is the ultimate controlling party. It has been determined that the control of the day to day activities of the Company rests with the Board and hence, there is no ultimate controlling party.

18 Subsequent events

There has been no other significant events that requires disclosure to the condensed financial statements since the period end and up to the date of approving the interim report.

19 Related party transactions

The Company was established to enable investors to take advantage of enhanced coupons. Deutsche Bank AG London acts as the Arranger, the calculation agent, the custodian, the dealer, the paying agent, the trustee and the Swap Counterparty of the Company.

Expenses incurred by the Company are reimbursed by the Arranger. All cash flows are paid in and out of the Nostro bank account held by Deutsche Bank AG London including administration fees. Administration fees amounting to EUR 7,500 has been included in 'Other expenses' figure on page 11. No director fee was paid to Marc Harris, as director of the Company.

Viscom Services Limited and Visdirect Services Limited are independent directors and each received USD 1,000 annually as director remuneration for the financial period ended 31 May 2022.

20 Approval of the condensed unaudited interim financial statements

9 August

The Board approved these condensed unaudited interim financial statements on2022.