

# **Annual Accounts**

for the financial period from  
April 30, 2020 (date of Compartment creation)  
to  
December 31, 2020

## **Securo Pro Lux S.A.**

(Société Anonyme)

solely on behalf of its

### **Compartment 18 “Verius IHS III”**

Registered Office:  
1c, rue Gabriel Lippmann

L-5365 Munsbach

R.C.S. Luxembourg  
B 150.232

**SECURO PRO LUX S.A. – Compartment 18 “Verius IHS III”**

as at December 31, 2020

TABLE OF CONTENTS

	Page(s)
Audit Report	1-3
Balance Sheet and Profit and Loss Accounts of the Compartment	4
Notes	5

## Independent auditor's report

To the Board of Directors of  
Securo Pro Lux S.A. (in relation to Compartment 18)  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

### Opinion

We have audited the annual accounts of compartment 18 "Verius IHS III" of Securo Pro Lux S.A. (the "Compartment"), which comprise the balance sheet as at 31 December 2020, and the profit and loss account for the period from 30 April 2020 (date of compartment creation) to 31 December 2020, and the 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 Compartment as at 31 December 2020, and of the results of its operations for the period from 30 April 2020 (date of compartment creation) to 31 December 2020 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 (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under 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 annual accounts" section of our report. We are also 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 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.

### Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the annual accounts, which describe the basis of accounting. The annual accounts are prepared to comply with the reporting requirements of the Compartment in the context of a contemplated listing of such compartment. As a result, the annual accounts may not be suitable for another purpose. Our report is intended solely for the Board of Directors of Securo Pro Lux S.A. on behalf of compartment 18 "Verius IHS III" and should not be distributed to or used by parties other than the Board of Directors of Securo Pro Lux S.A. on behalf of the Compartment in the context of the contemplated listing of such compartment.

We further draw attention to Note 1 to the annual accounts, which describe that these annual accounts only relate to the Compartment. The Compartment is not a separate legal entity.

Our opinion is not modified in respect of these matters.

### **Responsibilities of the Board of Directors for the annual accounts**

The Board of Directors 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 Directors 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 Directors is responsible for assessing the Compartment's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Compartment 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 scepticism 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 Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of 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 our 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.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Oliver Cloess

Luxembourg, 4 June 2021

**Balance Sheet and Profit and Loss Accounts of Compartment 18 "Verius IHS III"**  
as at December 31, 2020

	Note(s)	Comp. 18 (EUR) 2020
<b>ASSETS</b>		
<b>B. Formation expenses</b>	2.2.1; 3	170,189.34
<b>C. Fixed assets</b>		
III. Financial assets		
5. Investments held as fixed assets	2.2.2; 4	33,970,000.00
<b>D. Current assets</b>		
II. Debtors		
4. Other debtors		
a) becoming due and payable within one year	2.2.3; 5	0.00
IV. Cash at bank and in hand	6	12,400,533.62
<b>TOTAL (ASSETS)</b>		<b><u>46,540,722.96</u></b>
<b>CAPITAL, RESERVES AND LIABILITIES</b>		
<b>B. Provisions</b>		
3. Other provisions	2.2.5	7,599.95
<b>C. Creditors</b>		
1. Debenture loans		
b) Non convertible loans	8	
ii) becoming due and payable after more than one year		46,415,379.35
8. Other creditors	2.2.7; 9	
c) Other creditors		
i) becoming due and payable within one year		117,743.66
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		<b><u>46,540,722.96</u></b>
<b>PROFIT AND LOSS ACCOUNT</b>		
	Note(s)	Comp. 18 (EUR) April 30, 2020- December 31, 2020
4. Other operating income	2.2.9; 10	0.00
5. Raw materials and consumables and other external expenses		
b) Other external expenses	11	-28,233.00
7. Value adjustments		
a) in respect of formation expenses and of tangible and intangible fixed assets	2.2.1; 3	-6,081.64
8. Other operating expenses	2.2.9; 13	-1,415,379.35
10. Income from other investments and loans forming part of the fixed assets		
b) other income not included under a)	14	1,522,408.07
11. Other interest receivable and similar income		
b) other interest and similar income	15	0.00
14. Interest payable and similar expenses		
b) other interest and similar expenses	16	-72,714.08
15. Tax on profit or loss		0.00
17. Other taxes not shown under items 1 to 16	2.2.8	0.00
18. Profit or loss for the financial year		0.00

The accompanying notes form an integral part of these Annual Accounts.

## 1. General information

Securo Pro Lux S.A. (hereafter the “Company”) was incorporated on December 11, 2009 and is organised under the Laws of Luxembourg as a Société Anonyme (R.C.S. Luxembourg B 150.232) for an unlimited period of time and is subject to the Law of March 22, 2004 on securitisation (the “Securitisation Law”).

The registered office of the Company is established in 1c, rue Gabriel Lippmann, L-5365 Munsbach.

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

The aim of the Company is to act as a securitisation company, under and subject to the Securitisation Law, through the acquisition or assumption, directly or through another undertaking, of risks relating to claims, other assets (including, without limitation, any kind of securities, loans, receivables and other assets) or any kind of obligations assumed by third parties or inherent to all or part of the activities of third parties (the “Underlying Assets”).

The Company may issue any kind of securities of any form whatsoever including, without limitation, shares, beneficiary certificates, notes and debt instruments as well as options or warrants giving rights to shares, whose value, return or yield depends directly or indirectly on such risks relating to the Underlying Assets (each, a “Securitisation”).

The Company may issue securities to the public on a continuous basis. The Company may, whilst remaining within the scope of the Securitisation Law, also borrow or raise funds from any entity in order to fund the purchase of Underlying Assets and/or to comply with any payment or other obligation it has under any of its securities or under any agreement to be entered into in the context of a securitisation.

The board of directors of the Company may, whether within the context of a Securitisation programme or not, create specific Compartments composed of certain specific securities, instruments, claims, other assets, and/or risks relating thereto (the “Compartments”).

The following Compartments have been set up until the balance sheet date:

- Compartment 1 “BN&P Nano Growth Certificate” on January 18, 2010 (liquidated as per December 31, 2016)
- Compartment 2 “Securo Global Select Note 31/12/2016” on December 29, 2011
- Compartment 3 “Ariad US-Energy Infrastructure” on March 5, 2012 (liquidated as per December 31, 2016)
- Compartment 4 “Northern Invest Portfolio 1” on May 29, 2012 (liquidated as per December 18, 2015)
- Compartment 5 was never created
- Compartment 6 was never created
- Compartment 7 “EMP Aviation I” on July 29, 2015
- Compartment 8 “HAIC I – 2,60% besicherte Investment Grade NSV 2027” on November 22, 2016
- Compartment 9 was never created
- Compartment 10 was never created
- Compartment 11 “VERIUS IHS I” on July 13, 2018
- Compartment 12 “VERIUS IHS II” on July 13, 2018
- Compartment 13 “OMEGA IHS KITA-Welten Rheinland” on August 31, 2018
- Compartment 14 “6% p.a. VoiceBase Bonds” on August 31, 2018

## **1. General information (continued)**

- Compartment 15 “Q.One” on October 19, 2018
- Compartment 16 “Trade Receivables Note I” on November 26, 2018
- Compartment 17 was never created
- Compartment 18 “Verius IHS III” on April 30, 2020

The Company may issue series or tranches of securities, including, for the avoidance of doubt, shares or beneficiary certificates, whose value, right to dividends or yield is linked to one or more specific Compartments or to specific assets or risks or whose repayment is subject to the repayment of other instruments or certain claims. Where rights of investors or creditors relate to a Compartment or have arisen in connection with the creation, the operation or the liquidation of a Compartment, such rights are limited to the assets of that Compartment. The assets of a Compartment are exclusively available to satisfy the rights of investors in relation to that Compartment and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Compartment. As between holders of securities issued by the Company, each Compartment shall be treated as a separate entity.

Where any asset is derived from another asset, such derivative asset shall be allocated to the same Compartment as the assets from which it was derived and where the Company incurs a liability which relates to any asset of a particular Compartment or to any action taken in connection with a particular Compartment or its assets, such liability shall be allocated to the relevant Compartment.

In case where any asset of the Company is not attributable to a particular Compartment, the board of directors of the Company shall have the discretion to determine the basis and the extent upon which any such assets shall be allocated or apportioned between Compartments.

In case where any fees, costs, expenses or other liabilities incurred cannot be considered as being attributable to a particular Compartment, such fees, costs, expenses or other liabilities shall be considered as a general liability incurred on behalf of the Company as a whole, unless otherwise determined by the board of directors, and such fees, costs, expenses and other liabilities shall be general liabilities of the Company and shall not be borne by the assets of any of the Compartments.

## **2. Summary of significant accounting policies**

### **2.1 Basis of preparation**

These annual accounts have been prepared solely for Compartment 18 “Verius IHS III” and its contemplated listing of the issued debt instruments.

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, as amended, determined and applied by the board of directors.

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

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based

## **2.1 Basis of preparation (continued)**

on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The final impact of the coronavirus outbreak on the investment of Compartment 18 is hard to predict. On the basis of all current assessments and all known information to date, there do not appear to be any other significant negative influences on Compartment 18 investment. Therefore, the financial statements are presented on a going concern basis.

## **2.2 Accounting policies**

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

### **2.2.1 Formation Expenses**

The formation expenses, if any, are written off on a straight-line basis over a period of five years depending on the respective Compartment. The amortisation period starts from the incorporation date of the respective Compartment.

### **2.2.2 Financial fixed Assets**

Investments held as fixed assets / other loans (fixed assets) are valued at purchase price / nominal value (other loans) including the expenses incidental thereto.

In case of a durable depreciation in value according to the opinion of the board of directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

### **2.2.3 Debtors**

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

### **2.2.4 Foreign currency translations**

The Company maintains its books and records in Euro (EUR).

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Financial fixed assets and formation expenses expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets are translated at 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.

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

#### **2.2.4 Foreign currency translations (continued)**

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

#### **2.2.5 Provisions**

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

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

#### **2.2.6 Debts**

Debts are recorded at their reimbursement value.

#### **2.2.7 Creditors**

Creditors are recorded at their amount repayable. If the amount repayable is higher or lower than the amount received, the difference will be accounted directly in the Profit and Loss Account.

#### **2.2.8 Taxes**

The Company is subject to all Luxembourg tax regulations applicable to companies subject to the Securitisation Law.

#### **2.2.9 Equalisation provision**

Due to the limited recourse nature of the securities issued, losses during the year as a result from sales, default, lower market values or cost may reduce the value of the securities issued. Such shortfalls are normally borne by the security holders in inverse order of the priority of payments.

Consequently, a provision for diminution in value will be made and deducted from the amount repayable of the securities issued and booked in the Profit and Loss Account as “Equalisation Provision” under “Other operating income”.

Similarly, the amount repayable of a debt is increased if the reimbursement value is directly linked to the value of the related assets and if it is likely that cash flow from the related assets exceeds the amount received. In this case, the Company has increased the book value of the debt and recognised an unrealised loss as “Equalisation Provision” included under “Other operating expenses” in the Profit and Loss Account.

**SECURO PRO LUX S.A. – Compartment 18 “Verius IHS III”**

Notes to the Annual Accounts  
as at December 31, 2020

### 3. Formation Expenses

The movements for the year are as follows:

	<b>Comp. 18 2020 (EUR)</b>
<b>Gross book value - opening balance</b>	0.00
Additions for the year / period	176,270.98
<b>Gross book value - closing balance</b>	<u>176,270.98</u>
<b>Amortisation - opening balance</b>	0.00
Amortisation for the year / period	-6,081.64
<b>Amortisation - closing balance</b>	<u>-6,081.64</u>
<b>Net book value - opening balance</b>	0.00
<b>Net book value - closing balance</b>	<u>170,189.34</u>

### 4. Financial Assets

Securo Pro Lux S.A., via its Compartment 18, invests in limited partner interests of VERIUS Immobilienfinanzierungsfonds, a subfund of VERIUS Capital SCS SICAV-RAIF. The investments are funded by the issuance of bearer bonds (“Inhaberschuldverschreibungen”).

	Acquisition cost at the beginning of the period EUR	Additions in the period EUR	Disposals in the period EUR	Value adjustments prior years EUR	Value adjustments EUR	Net book value end of the period EUR	Net book value at the beginning of the period EUR
<u>Compartment 18 “VERIUS IHS III”</u>							
Fund investment	0.00	33,970,000.00	0.00	0.00	0.00	33,970,000.00	0.00

### 5. Debtors

This position consists of fixed interest accruals, but no balance related to Compartment 18.

### 6. Cash at bank and in hand

The Company holds current accounts with Hauck & Aufhäuser Privatbankiers AG, Niederlassung Luxemburg as at December 31, 2020.

	<b>EUR</b>
<b>Compartment 18</b>	12.400.533,62

## SECURO PRO LUX S.A. – Compartment 18 “Verius IHS III”

Notes to the Annual Accounts  
as at December 31, 2020

### 7. Capital and reserves

No equity is balanced in Compartment 18.

#### 7.1 Subscribed capital

No subscribed capital is balanced in Compartment 18.

#### 7.2 Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed. No legal reserve is balanced in Compartment 18.

### 8. Non convertible loans

As per December 31, 2020, Securo Pro Lux S.A., acting on behalf of its Compartment 18, proceeded to the issue of bearer bonds (“Inhaberschuldverschreibungen”) of a nominal value of EUR 45,000,000.00. The interest payment dates are January 1 and July 1 of each year, beginning on July 1, 2021 or if applicable January 1, 2022. The interest rate is 1.25% p.a. plus a possible variable interest rate and the due date is January 31, 2026.

In 2020 the Compartment 18 increased its bearer bonds (“Inhaberschuldverschreibungen”) as follows:

- as per October 29, 2020: EUR 15,000,000.00, EUR 5,000,000.00 and EUR 1,000,000.00,
- as per November 30, 2020: EUR 10,000,000.00,
- as per December 8, 2020: EUR 1,000,000.00 and EUR 3,000,000.00,
- as per December 12, 2020: EUR 10,000,000.00.

	Gross book value beginning of the period EUR	Contributions of the period EUR	Redemptions of the period EUR	Equalisation provision previous periods EUR	Equalisation provision current period EUR	Net book value at the end of the period EUR	Net book value at the beginning of the period EUR
<i>Compartment 12 “VERIUS IHS II”</i>							
Notes	0.00	45,000,000.00	0.00	0.00	1,415,379.35	46,415,379.35	0.00

### 9. Other creditors

This position mainly consists of accrued interest from notes issued amounting to EUR 98,360.66 and of accrued payables resulting from administration fees and unpaid invoices amounting to EUR 19,383.00.

### 10. Other operating income

This caption refers to the above mentioned Equalisation Provision, but no balance related to Compartment 18.

### 11. Other external expenses

This position mainly consists of administration fees and distribution fees.

## **12. Staff costs**

The Company has currently and during the period no staff employed.

## **13. Other operating expenses**

This caption refers to the above mentioned Equalisation Provision.

## **14. Income from other investments and loans forming part of the fixed assets**

The position contains dividends received in Compartments 18 in an amount of EUR 1,522,408.07 during the financial period.

## **15. Other interest receivable and similar income**

This caption refers to loans granted, bonds held and realized premiums in relation with emissions, but no balance related to Compartment 18.

## **16. Other interest and similar expenses**

Other interest and similar expenses are mainly composed of interest payable to the noteholders in Compartment 18 in an amount of EUR 65,232.33 pursuant to the applicable final terms for the notes.

## **17. Off-Balance Sheet position**

There are no off balance sheet commitments in Compartment 18.

## **18. Subsequent events**

The coronavirus outbreak is impacting the global economy and the market environment. The final impact of the coronavirus outbreak on the investments of Compartment 18 is hard to predict. On the basis of all current assessments and all known informations to date, there do not appear to be any other significant negative influences on the Compartment 18 investments. Therefore, the financial statements do not include any further impacts related to this event. As the coronavirus continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. Securo Pro Lux S.A. constantly monitors developments in order to be able to make adjustments.

No other significant events occurred until the date of the signature of the financial accounts.