Annual accounts of Dunia Capital B.V.

for the year 2022

Dunia Capital B.V.
Basisweg 10
1043 AP Amsterdam
Chamber of Commerce nr: 34265018

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List of (counter)parties involved

Director	Intertrust (Netherlands) B.V.
Issuer	Dunia Capital B.V.
Arranger	Banca IMI S.p.A
Trustee	BNY Mellon Corporate Trustee Services Limited
Issue Agent, Paying Agent	The Bank of New York Mellon, London Branch
Custodian	The Bank of New York Mellon, London Branch
Swap Counterparty	Intesa San Paolo, Italy
Rating agency	S&P Global Ratings Europe Limted (S&P), Moody’s Deutschland GmbH (Moody’s), Fitch Ratings Ireland Limited (Fitch)
Stock exchange	Luxembourg Stock Exchange
Independent auditor	Mazars Accountants N.V.
Registered office	Basisweg 10 1043 AP Amsterdam

Director’s report

The Director herewith presents to the Shareholder the annual accounts of Dunia Capital B.V. (“the Company”) for the year 2022.

GENERAL

Structure of operations

The Company is a private company with limited liability incorporated under the laws of the Netherlands on 18 January 2007. The statutory address of the Company is Basisweg 10, 1043 AP Amsterdam, the Netherlands. The Company’s Dutch Chamber of Commerce registration number is 34265018. All issued shares are held by Stichting Dunia Capital, a foundation (Stichting) (the "Foundation") established under Dutch law on 21 November 2006. Its authorised share capital consists of EUR 18,000 and is divided into 180 voting ordinary shares with a par value of EUR 100 per share. It has an issued and outstanding share capital of EUR 18,000.

The Company is a so-called repackaging company. The Company issues series of notes (“Notes” or “Series”) under its EUR 5 billion Programme (the “Programme”). These Series are limited recourse; a Noteholder is only entitled to the collateral/ proceeds of its own Series including all risks associated with the collateral (“Collateral”). There will be no other assets of the Company available to meet outstanding claims of the Noteholders, who bear such shortfall pro rata their holdings of the Notes.

With Collateral is meant the actual investment(s) bought for a Series. Each Series has its own terms and conditions and has its own Collateral. When a new Series is issued, all documents, including the derivative contracts when applicable, are signed simultaneously at the closing date.

The Collateral bought by the Company can consist of almost any item the Noteholder in a certain Series prefers, as long as this fits within the terms and conditions of the Programme. This is, amongst other, loans, listed or unlisted bonds, notes, and any other kind of Collateral. It is the Noteholder together with the swap counterparty (“Swap Counterparty”) who decide what kind of Collateral they would like to purchase for a certain Series, as they bear the risk. All other conditions can also differ per Series (maturity date, interest rates, payment dates, parties involved etc).

As the limit of the Programme is set at EUR 5 billion, the total sum of the Company’s outstanding Series may not at any time exceed the limit of EUR 5 billion (or its equivalent in another currency at the date of issue).

Listing

Application is made to the Luxembourg Stock Exchange for certain Series and trading on its regulated market. However, any such application may not be successful. In addition, a Series may be listed on any other stock exchange or may be unlisted. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

Director’s report - continued

At the balance sheet date all Series are listed on the Luxembourg Stock Exchange. Any Series may be rated by S&P Global Ratings Europe Limited (“S&P”), Moody’s Deutschland GmbH (“Moody’s”), Fitch Ratings Ireland Limited (“Fitch”) (or any other relevant recognised debt rating agency (the "Rating Agency") as may be specified in the relevant Series memorandum or Alternative Memorandum and the relevant constituting instrument (the "Constituting Instrument")). The rating of Notes issued or entered into under the Programme will be specified in the relevant Series memorandum or Alternative Memorandum and the relevant Constituting Instrument.

There can be several types of Notes issued, amongst others Credit Linked Notes whereby the repayment of notional is dependent on credit events of pre-defined reference portfolios, the notional being reduced upon the occurrence of the event. Another type of Notes are also Credit Linked Notes which may be redeemed earlier, dependent upon the occurrence of credit events. In case of a credit event (and in accordance with the provisions of the relevant Series documentation of each specific Series of Notes) the credit loss may be transferred to the relevant Noteholders. For certain Series of Notes a credit event will lead to a transfer of assets held as Collateral to the Noteholders.

The Company intends to hold all Notes issued until maturity but has the option of repurchasing Notes in the market from Noteholders, subject to Noteholders being willing to sell any such Notes. Some of the Notes have call options, which means the Company has the right to repurchase (part of) the Notes from the Noteholders on predetermined dates. At maturity or in the event of repurchase of Notes the outstanding Collateral will be transferred to the Swap Counterparty.

Arranger
The Arranger of the Programme is Banca IMI S.p.A. (“the Arranger”).

The Company also entered into a Series Proposal Agreement with the Arranger on the basis of which all expenses are reimbursed.

Programme Prospectus
For a complete description of the terms and conditions of the Programme, we refer to the Programme Prospectus dated 15 December 2022, as updated from time to time.

Limited recourse
Due to the limited recourse nature of the Series, the Company is almost not exposed to any risks, as all the risks are mitigated by derivative contracts or transferred to the Noteholders as described in the legal documentation for each Series, as far as not transferred to the Swap Counterparty.

The Company did enter into several derivative contracts to mitigate the risks of the Noteholders to the Swap Counterparty. The obligations and rights under the derivative contracts mirror the obligations and rights on respectively the liabilities in relation to the Notes and the assets on the Collateral as disclosed under the notes 1 and 8.

Director’s report – continued

Financial reporting
The Director is responsible for establishing and maintaining adequate internal control over financial reporting. The Director is also responsible for the preparation and fair presentation of the annual accounts. The Company's internal control over financial reporting is included in the ISAE 3402 framework of the Director.

Comparison with prior period
The principles of valuation and determination of result remain unchanged compared to prior year.

RISK MANAGEMENT

General
The Company's principal financial instruments during the year comprised the Collateral, Notes issued and derivatives. The main purpose of these financial instruments is to finance the Company's operations, to manage the interest rate risk arising from its issued Notes and to minimise the impact of inflation on future cash flows.

The Series are limited recourse; a Noteholder is only entitled to the Collateral/ proceeds of its own Series including all risks associated with the Collateral. The Company has entered into derivative contracts with the objective to mitigate the risk between the issued Notes and Collateral purchased. The related risks comprise mainly interest rate risk and inflation risk. In this respect, the Company mainly uses interest rate swaps, total return swaps, and/or inflation linked swaps, when applicable.

The key financial instrument risks are classified as credit and concentration risk, inflation risk, market risk (interest rate risk), currency exchange rate risk, liquidity risk and Swap Counterparty credit risk.

Credit and concentration risk
The Collateral bears a mix of credit and concentration risks. In principle, the Company is not exposed to credit and concentration risk due to the limited recourse nature of the issued Series at year-end as the Noteholder bears the credit risk of the Collateral. At the same time the Company uses swaps to hedge any credit and concentration risk and hence the overall exposure to the credit and concentration risk is close to nil. For Series without swaps, if applicable, the credit and concentration risk lies with the Noteholder due to the aforementioned limited recourse nature of the Series.

The Company invests in treasury bonds (Buoni del Tesoro Poliennali) issued by the Republic of Italy. The creditworthiness of Italy as a country, is checked regularly. The Company has also drawn up guidelines for limiting the credit risk. Furthermore, the Company applies strict credit control and reminder procedures. The Company hedges this credit risk by entering into asset swaps.

The Company’s credit risk is close to nil due to the above measures.

The maximum credit risk per 31 December 2022 is EUR 387,323,104 (previous period: 381,963,571).

Director's report – continued

Inflation risk
The Company invests in treasury bonds (Buoni del Tesoro Poliennali) issued by the Republic of Italy which are inflation linked. The Company hedges this inflation risk by entering into asset swaps. The Company's credit risk is close to nil due to the above measures.

Interest rate risk
The Notes bear interest (fixed). The Company's exposure to interest rate risk is close to nil due to the limited recourse nature of the issued Series. All possible risks regarding the interest are mitigated by swap contracts. For certain Series the Company has entered into derivative contracts to mitigate the risks associated with the effects of fluctuations in the prevailing levels of market interest rates from the Noteholder to the Swap Counterparty.

Currency exchange rate risk
The Company's accounts are denominated in EUR. The Collateral and the Notes are both denominated in EUR. Therefore, the Company does not bear any currency exchange risk on Collateral and issued Notes.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its payment obligations towards the Noteholders, and other creditors, as they become due. Liquidity risk on interest payments to be made by the Company to its Noteholders arises from mismatches on both the interest frequency on the Notes versus the Collateral, being a portfolio of bonds and loans, as well as from the outstanding value of the Notes compared to the Collateral. Liquidity risk on principal payments arises from mismatches in the maturity of the Notes compared to the maturity of the Collateral, as well as from the par value outstanding of the Notes versus the par value of the Collateral.

Matching maturities of assets and liabilities and related cash flows is fundamental to the Director of the Company. This risk is addressed and mitigated by an agreement with the Arranger to secure any mismatch (as the Arranger reimburses the expenses of the Company). Positive or negative results from the Collateral held will be balanced with the Noteholders or the Swap Counterparty at the date of redemption.

Swap Counterparty credit risk
The Company has entered into multiple swap agreements with the Swap Counterparty. Pursuant to these agreements, the Swap Counterparty agreed to make payments to the Company under certain circumstances as described therein.

The Swap Counterparty credit risk is the risk that the Company will be exposed to the credit risk of the relevant Swap Counterparty with respect to any such payments. To mitigate the Swap Counterparty credit risk of the financial derivatives, the Company only enters into contracts with carefully selected major financial institutions based upon their credit ratings.

Director’s report – continued

With regards to Swap Counterparty exposure the Company uses International Swaps and Derivatives Association (“ISDA”) agreements to govern derivative contracts to mitigate Swap Counterparty credit risk. The credit ratings of the applicable Swap Counterparty (Intesa San Paolo being the main affiliate of Banca IMI) per year-end 2022 are Baa1, BBB and BBB, respectively from the source Moody’s Investor Services Inc, Standard & Poor’s Rating Services and Fitch Ratings Limited. Based on these ratings the Director deem the risk of the Swap Counterparty defaulting to be close to nil. Please note that the Swap Agreement provides for certain “Events of Default” (as defined in the Swap Agreement) relating to the Issuer and the Swap Counterparty, the occurrence of which may lead to a termination of the Swap Agreement.

Risk appetite
As part of its objectives, the Company issues Notes to investors. The proceeds of the Notes are individually applied to purchases of debt securities (the aforementioned Collateral).

Repayment of principal and interest payment on debt securities is subject to financial risks, as mentioned above. If and when these risks materialize into losses, these losses will be borne by holders of the Notes issued, connected with the relevant Collateral items. The return which the Company offers on a certain Note correlates to the amount of Collateral risk to which it is exposed.

The Company by its nature exposes itself to financial risks. The investors in the Notes issued by the Company are made aware of these risks and understand the adverse effects on repayment of principal and interest payments on issued Notes in the event these risks materialize into losses. The Company has delegated the risk management to the Arranger of the transaction, who monitors the nature of the changes in the value of the Collateral and decides whether the composition may need to be changed. The Arranger also decides on the hedging strategies that the Company needs to follow to minimize these risks.

Fraud, bribery, and anti-corruption
In view of the threat of fraud, bribery and anti-corruption, the Director implemented manual and automated internal controls such as segregation of duties and provides training to help employees to identify fraudulent behaviour. In addition, the Director implemented, amongst others, a code of conduct, whistle-blower policies and internal policies around reporting non-compliance. The Director applies a zero-tolerance policy in relation to fraud, bribery, and anti-corruption. No instances of (internal or external) fraud or any other matters have been identified in this respect that had a material effect on the annual accounts.

Risks related to changes in laws and regulations
The majority of the contracts/programmes contemplate the possibility of changes in tax or accountancy regulation, which is relatively straightforward. The Company therefore considers the risk to be low. The risk appetite of the Company in respect of this risk is low and no amendments were made or are expected to be made in managing this risk.

Financing
The Company, under the Programme, may from time to time issue new Series. The Company may also raise financing by other means, arranged by the sole Arranger or enter into other financial transactions under the Programme, including, without limitation, by way of loan or entering into derivatives. The aggregate nominal number of Notes and alternative investments issued by the Company under the Programme may not at any time exceed EUR 5 billion (or the equivalent in another currency).

Director's report – continued

During the year, the Company issued no new Series and no Series matured.

Parties involved
The Company has appointed The Bank of New York Mellon, London Branch as principal paying agent, custodian and trustee under the Programme Memorandum. Furthermore, in the specific Series documents professional market parties may be appointed to fulfil other functions, such as calculation agent, purchase agent and liquidation agent.

Audit committee
The audit committee consists of two members, Mr. R. Ahlers and Mr. S. van Ulsen.

Results
The net asset value of the Company as at year-end amounts to EUR 46,687 (previous period: EUR 36,553). The result after taxation for the period amounts to EUR 28,251 (previous period: EUR 27,676). The carrying amount of the Collateral amounts to EUR 379,735,203 (previous period: EUR 374,255,149). The result of the Company is based on the number of series outstanding.

Based on the set-up and structure of the Company, a special purpose vehicle with a predetermined amount of result before tax each year, no information or analyses are presented on the solvency, liquidity or any other performance ratios.

The cumulative revaluation amount as per year-end amounts to approximately EUR 158,567,523 (previous period: EUR 317,919,892) and relates to Series 2012-1, 2012-3, 2013-1, 2019-1 and 2019-2. As the Notes issued are limited recourse, this revaluation result is also included in the valuation of the Notes.

Research and development
Based on the set-up and structure of the Company, a special purpose vehicle, no information or analyses is presented on the subject matter of research and development.

Environmental, Social & Governance (ESG)
Based on the set-up and structure of the Company, a special purpose verhicle, no information or analyses is presented on the subject matter of ESG.

Ukraine / Russia conflict
The Company's direct exposure to the current conflict in the Ukraine is very limited. However, the Company's operations and future prospects could be indirectly impacted by the effects that the conflict may have on the economy as a whole. The limited recourse principle embedded in the transaction means that any such negative consequences are transferred from the Company to the Swap Counterparty and/or Noteholders.

Subsequent events
No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment of or disclosure in the annual accounts now presented.

Future outlook
The prediction of future trends and the quantification of developments is inherently a difficult task, full of uncertainties. The calculation of economic indicators and predictions will inevitably lag behind

Director's report – continued

events and some of the information available may not be completely up to date with developments.

It is important to reiterate that the Company was incorporated specifically for its role in a structured finance transaction and is governed by the terms and conditions of the Programme Prospectus and other Transaction Documents. These are drawn up, inter alia, to foresee all possible future economic conditions, including those caused by, for instance, political conflicts and pandemics. At this stage, it is quite possible that the consequences of adverse economic conditions will result in an increased level of losses of both interest and principal on the Company's assets. However, the limited recourse principle (see above) embedded in the Programme Prospectus and Transaction Documents dictates that any such losses from the Company's assets are to be borne by the Company's creditors.

Consequently, any such losses are unlikely to be borne by the Company's itself but rather by the Company's Noteholders (and other creditors) and only ultimately the Company's shareholder. The Company intends to continue to act within the terms and conditions set out for it by the Transaction Documents, and to otherwise comply with all its other obligations. The Company has no employees and is dependent on third-party service providers. However, the level or quality of the service provided has remained unaffected.

In conclusion, the Company expects to remain a going concern. The Director believes that the Company's risks are adequately mitigated by the various credit enhancements, as described in the annual accounts and the Programme Prospectus.

Director representation statement
The Director declares that, to the best of its knowledge, the annual accounts prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and result of the Company and that the Director's report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties it faces.

Employees
The Company does not have any employees.

Director
During 2022 the Company was represented by Intertrust (Netherlands) B.V. in the role as Director of the Company.

Amsterdam, 10 November 2023

Director,
Intertrust (Netherlands) B.V.

Balance sheet as at 31 December 2022

(Before result appropriation)

	Note	31 December 2022 EUR	31 December 2021 EUR
Financial fixed assets			
Collateral	1		
Bonds		402,216,660	391,207,025
Swap agreement		(22,481,457)	(16,951,876)
Total Financial fixed assets		379,735,203	374,255,149
Current assets			
Debtors			
Amounts owed by group entities	2	17,500	17,500
Prepayments and accrued income	3	7,550,737	7,625,995
Taxation	4	0	45,538
Cash	5	19,664	19,389
Total current assets		7,587,901	7,708,422
Current liabilities			
Taxation	6	1,352	677
Accruals and deferred income	7	7,539,862	7,671,192
Total current liabilities		7,541,214	7,671,869
Current assets less current liabilities		**46,687**	**36,553**
Total assets less current liabilities		**379,781,890**	**374,291,702**
Long-term liabilities			
Notes	8	379,735,203	374,255,149
Total long-term liabilities		379,735,203	374,255,149
Net asset value		**46,687**	**36,553**
Capital and reserves	9		
Share capital		18,000	18,000
Other reserves		436	15,937
Unappropriated results		28,251	2,616
Total Capital and reserves		**46,687**	**36,553**

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

Profit and Loss account for the year ended 31 December 2022

	Note	2022 EUR	2021 EUR
Finance activities			
Collateral interest income	10	34,992,471	33,689,689
Notes interest expenses	11	(34,992,471)	(33,689,689)
Other Expenses			
General and administrative expenses	12	(258,353)	(262,100)
Series related expenses	13	(75,958)	(73,961)
Other Income			
Recharged expenses	14	334,311	336,061
Other income	15	33,236	32,560
Total other income and expenses		33,236	32,560
Results before taxation		**33,236**	**32,560**
Corporate income tax	16	(4,985)	(4,884)
Results after taxation		**28,251**	**27,676**

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

Cash flow statement for the year ended 31 December 2022

	Note	2022 EUR	2021 EUR
Result for the year		28,251	27,676
Adjustments to Profit and Loss Account:			
Collateral interest income	10	34,992,471	33,689,689
Notes interest expense	11	(34,992,471)	(33,689,689)
		0	0
Changes in working capital			
(Increase)/ Decrease in debtors		121,471	351,516
Increase/ (Decrease) in accruals and deferred income	7	(131,330)	(308,567)
		(9,859)	42,949
Cash flows from financing activities			
Dividend	9	(18,117)	(65,246)
		(18,117)	(65,246)
Changes in cash		275	5,379
Cash balance as per 1 January		19,389	14,010
Net change in cash during the year		275	5,379
Cash balance as per 31 December		19,664	19,389

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

The cash flow statement is drawn up by the indirect method, in which the movements in liquidity are determined on the basis of the operational results as shown in the Profit and Loss account. Transactions, which have not yet led to cash are not taken into account in drawing up the cash flow statement. This means that the cash flows as shown do not need to directly correspond to the movements stated in the balance sheet.

Notes to the annual accounts

GENERAL

Structure of operations
The Company is a private company with limited liability incorporated under the laws of the Netherlands on 18 January 2007. The statutory address of the Company is Basisweg 10, 1043 AP Amsterdam, the Netherlands. The Company's Dutch Chamber of Commerce registration number is 34265018. All issued shares are held by Stichting Dunia Capital, a foundation (Stichting) (the "Foundation") established under Dutch law on 21 November 2006. Its authorised share capital consists of EUR 18,000 and is divided into 180 voting ordinary shares with a par value of EUR 100 per share. It has an issued and outstanding share capital of EUR 18,000.

The Company is a so-called repackaging company. The Company issues series of notes ("Notes" or "Series") under its EUR 5 billion Programme (the "Programme"). These Series are limited recourse; a Noteholder is only entitled to the Collateral/ proceeds of its own Series including all risks associated with the collateral ("Collateral"). There will be no other assets of the Company available to meet outstanding claims of the Noteholders, who bear such shortfall pro rata their holdings of the Notes.

With Collateral is meant the actual investment(s) bought for a Series. Each Series has its own terms and conditions and has its own Collateral. When a new Series is issued, all documents, including the derivative contracts when applicable, are signed simultaneously at the closing date.

The Collateral bought by the Company can consist of almost any item the Noteholder in a certain Series prefers, as long as this fits within the terms and conditions of the Programme. This is, amongst other, loans, listed or unlisted bonds, Notes, and any other kind of Collateral. It is the Noteholder together with the swap counterparty ("Swap Counterparty") who decide what kind of Collateral they would like to purchase for a certain Series, as they bear the risk. All other conditions can also differ per Series (maturity date, interest rates, payment dates, parties involved etc).

As the limit of the Programme is set at EUR 5 billion the total sum of the Company's outstanding Series may not at any time exceed the limit of EUR 5 billion (or its equivalent in another currency at the date of issue).

The Company is entitled to make a certain amount of profit that is based on the number of series outstanding.

Listing
Application is made to the Luxembourg Stock Exchange for certain Series and trading on its regulated market. However, any such application may not be successful. In addition, a Series may be listed on any other stock exchange or may be unlisted. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Luxembourg stock exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

At the balance sheet date Series are listed on the Luxembourg Stock Exchange. Any Series may be rated by S&P Global Ratings Europe Limited ("S&P"), Moody's Deutschland GmbH ("Moody's"), Fitch Ratings Ireland Limited ("Fitch") (or any other relevant recognised debt rating agency (the "Rating Agency") as may be specified in the relevant Series memorandum or Alternative

Notes to the annual accounts – continued

Memorandum and the relevant constituting instrument (the "Constituting Instrument")). The rating of Notes issued or entered into under the Programme will be specified in the relevant Series memorandum or Alternative Memorandum and the relevant Constituting Instrument.

There can be several types of Notes issued, amongst others Credit Linked Notes whereby the repayment of notional is dependent on credit events of pre-defined reference portfolios, the notional being reduced upon the occurrence of the event. Another type of Notes is also Credit Linked Notes which may be redeemed earlier, dependent upon the occurrence of credit events. In case of a credit event (and in accordance with the provisions of the relevant Series documentation of each specific Series of Notes) the credit loss may be transferred to the relevant Noteholders. For certain Series of Notes a credit event will lead to a transfer of assets held as Collateral to the Noteholders.

The Company intends to hold all Notes issued until maturity but has the option of repurchasing Notes in the market from investors, subject to Noteholders being willing to sell any such Notes. Some of the Notes have call options, which means the Company has the right to repurchase (part of) the Notes from the Noteholders on predetermined dates. At maturity or in the event of repurchase of Notes the outstanding Collateral will be transferred to the Swap Counterparty.

The Company also entered into a Series Proposal Agreement with Banca Imi S.p.A on the basis of which all expenses are reimbursed.

Arranger
The transactions are arranged by Banca IMI S.p.A (“Arranger”).

Personnel
As all operational activities are performed by external parties, the Company does not have any personnel.

Financial Reporting period
These annual accounts have been prepared for a reporting period of one year, from 1 January 2022 to 31 December 2022.

PRINCIPAL ACCOUNTING POLICIES
The principal accounting policies adopted in the preparation of these annual accounts are set out below.

Basis of preparation
The annual accounts have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

In some parts of the annual accounts terms maybe used for financial statement line items that deviate from the decree on models of annual accounts (the Dutch “Besluit Modellen Jaarrekening”), for the purpose of better reflecting the content of the item.

Notes to the annual accounts – continued

The applied accounting policies for all assets and liabilities are based on the historic cost convention, which effectively comprises the cost of the transaction. The Balance sheet, Profit and Loss account and the Cash flow statement include references to the notes.

An asset is recognised in the Balance Sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognised in the Balance Sheet are considered as off-balance sheet assets.

A liability is recognised in the Balance Sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Allowances are included in the liabilities of the Company. Liabilities that are not recognised in the Balance Sheet are considered as off-balance sheet liabilities.

An asset or liability that is recognised in the Balance Sheet, remains recognised on the Balance Sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are not reasonably expected to occur, are not taken into account in this assessment.

An asset or liability is no longer recognised in the Balance Sheet, and thus derecognised, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognised in the Profit and Loss account.

If assets are recognised of which the Company does not have the legal ownership, this fact is being disclosed taking into account any allowances related to the transaction.

These annual accounts are presented in EUR. The Director has prepared the annual accounts on 10 November 2023.

Comparison with prior period
The principles of valuation and determination of result remain unchanged compared to the prior year.

Estimates
The preparation of the annual accounts requires the Director to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. It also requires the Director to exercise its judgement in the process of applying the Company's accounting policies.

The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

If necessary, for the purposes of providing the view required under aticle 2.362.1 DCC, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the applicable financial statement items.

Notes to the annual accounts – continued

Offsetting
Financial assets and liabilities are offset at the net amount reported in the Balance Sheet when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

ASSETS AND LIABILITIES

Financial Fixed assets

Collateral
Collateral is comprised of bonds. Generally, underlying contracts specify the timing of interest payments and the repayment of principal, both under normal conditions and in specific circumstances. Contracts may also include specific clauses on the payment of both interest and principal in case of default or breach of certain covenants. As such, the (re-)payment of both interest and principal (if any) include an element of uncertainty, with regards to both timing and amount.

Collateral is initially valued at fair value, including any transaction cost incurred. After initial recognition the Collateral is recognised at amortized cost minus a provision for impairment where necessary. If the Collateral is acquired at a discount or premium, the discount or premium is recognised through profit or loss over the maturity of the asset using the straight-line method.

Derivatives
The recognition and measurement of derivatives are discussed in a separate section, 'Derivatives and hedge accounting'.

Exchange under CSA
The Credit Support Annex ("CSA") forms part of the security for the Noteholders. Under the CSA of a Series, Collateral is transferred by the Swap Counterparty to the Company when the value of the Collateral for a certain Series is lower than the minimum value as agreed in the Series documents. When the value of the Collateral is above the minimum, Collateral will be returned by the Company to the Swap Counterparty.

Current assets

Debtors
Debtors are recognised initially at fair value and subsequently measured at amortised cost. All debtors included under current assets are due in less than one year. The fair value of the current assets approximates the book value due to its short-term character. If a debtor is uncollectable, it is written off against the Profit and Loss account.

Cash
Cash comprises current balances with banks and deposits held at call with maturities of less than 3 months. Cash is stated at face value. The fair value of the cash approximates the book value due to its short-term character.

Notes to the annual accounts – continued

Long-term liabilities

Current liabilities
After initial measurement at fair value, other financial liabilities are carried at amortised cost using the effective interest method. All liabilities included under current liabilities are due in less than one year. Gains or losses are recognised in the Profit and Loss account when the liabilities are derecognised, as well as through the amortisation process. The fair value of the current liabilities approximates the book value due to its short-term character.

Notes
Notes are initially recognised at fair value, normally being the amount received taking into account premium or discount and transaction costs. The Notes are subsequently stated at amortised cost, being the amount received taking into account any premium or discount less any adjustments for attribution of revaluation on Collateral to Noteholders and the estimated diminution in the value of the Notes. Such adjustments to the amortised cost value of the Notes are reflective of the contractual agreements in place and represent an adjustment to the future expected cash flows.

Any difference between the proceeds and the redemption value is recognised on a straight-line basis in the Profit and Loss account over the reinvestment period. Contractual obligations of the Company towards the Noteholders are laid out in the Programme Memorandum. The limited recourse nature of the transaction may result in the non-payment of both principal and interest to the Noteholders.

Recognition of income and expenses
Income is recognised in the Profit and Loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises, of which the size can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises, of which the size can be measured with sufficient reliability.

Income and expenses, including taxation, are allocated to the period to which they relate.

Interest income and expenses
The interest income on Collateral and the interest expense on the Notes are recognised in the Profit and Loss account using the effective interest rate method.

Gains and losses arising from the repayment or sales of the Collateral are measured by the difference between the net proceeds from the repayment or sale and the amortised cost basis of the Collateral, considering the unamortised discounts and premiums.

General and administrative expenses
The general and administrative expenses are accounted for in the period in which these are incurred.

Corporate income tax
Taxation is calculated on the reported pre-tax result, at the prevailing tax rates, taking account of any losses carried forward from previous financial years and tax-exempt items and non-deductible expenses and using tax facilities, when applicable.

Notes to the annual accounts – continued

Cash flow statement
The cash flow statement has been prepared using the indirect method. Cash flows in foreign currencies are converted into EUR at the exchange rates prevailing at the date of the transactions. The liquidities in the cash flow statement comprise of current balances with banks and cash deposits with maturities of less than 3 months. Dividends paid are recognised as cash used in financing activities. Investing activities are those activities relating to the acquisition, holding and disposal of financial fixed assets and of investments. Investments can include securities not falling within the definition of cash.

Related-party transactions
All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered a related party. In addition, statutory directors and close relatives are regarded as related parties.

Significant transactions with related parties, if any, are disclosed in the notes and under the Programme Memorandum. All transactions are executed at normal market conditions.

Derivatives and hedge accounting
As part of its asset and liability risk management the Company uses derivatives to hedge exposure to interest rate and foreign exchange risk. This is achieved by hedging specific transactions using financial derivatives. Derivatives are initially recognised at fair value and subsequently measured at amortised cost. The Company applies cost price hedge accounting in order to simultaneously recognise both the results from changes in the value of the derivative and the hedged item in the Profit and Loss account.

Resulting from the application of cost price hedge accounting, derivatives are recognised at cost and no revaluation of the derivative instrument takes place, as long as the derivative hedges the specific risk of a future transaction that is expected to take place. As soon as the expected future transaction leads to recognition in the Profit and Loss account, then the profit or loss that is associated with the derivative is recognised in the Profit and Loss account.

If the hedged position of an expected future transaction leads to the recognition in the balance sheet of a non-financial asset or a non-financial liability, then the cost of the asset is adjusted by the hedge results that have not yet been recognised in the Profit and Loss account. The profits or losses associated with the derivative contracts are recognised in the Profit and Loss account in the same period as in which the asset or liability affects the profit or loss.

Cost price hedge accounting
The hedges are recognised on the basis of cost price hedge accounting if the following conditions are met:

- the general hedging strategy and the way in which the hedging relationships are in line with risk management objectives and the expected effectiveness of these hedging relationships must be documented;
- the nature of the hedging instruments involved, and hedged positions must be documented; and
- the ineffectiveness must be recognised in the Profit and Loss account.

Notes to the annual accounts – continued

Cost price hedge accounting is no longer applied if:

- the hedging instrument expires, is sold, terminated or exercised. The realised cumulative gains or losses on the hedging instrument not yet recognised in the Profit and Loss account at the time the hedge was effective, are then recognised in the Balance Sheet separately under accruals until the hedged transaction occurs; or
- the hedging relationship no longer meets the criteria for hedge accounting.

Hedge effectiveness
At each Balance sheet date, the Company assesses the degree of ineffectiveness of the hedging relationship. The degree of ineffectiveness is determined by comparing the critical terms of the hedging instrument against the hedged position. For this comparison, the Company uses the following critical terms, respectively amount, term, hedged risk, method of settlement of the hedging instrument and the hedged position.

If the critical terms are matched, there is nil risk on ineffectiveness. If the critical terms are not matched, there is ineffectiveness. In that case, the degree of ineffectiveness is determined by comparing the fair value change of the hedging instrument with the fair value change of the hedged position. If there is accumulative loss on the hedging relationship over the period between initial recognition of the hedging instrument and the Balance sheet date, the ineffectiveness is immediately recognised in the Profit and Loss account.

No hedge ineffectiveness was noted over the year 2022.

RISK MANAGEMENT

General
The Company's principal financial instruments during the year comprised the Collateral, Notes issued and derivatives. The main purpose of these financial instruments is to finance the Company's operations, to manage the interest rate risk arising from its issued Notes and to minimise the impact of inflation rates on future cash flows.

The Series are limited recourse; a Noteholder is only entitled to the Collateral/ proceeds of its own Series including all risks associated with the Collateral. The Company has entered into derivative contracts with the objective to mitigate the risk between the issued Notes and Collateral purchased. The risk is mainly currency and interest rate. In this respect, the Company mainly uses swaps as discussed in the paragraph 'Derivatives and hedge accounting'. Please refer to note 1 and 7 for further details.

The key financial instrument risks are classified as credit and concentration risk, market risk (interest rate risk, inflation risk, currency exchange rate risk, liquidity risk and Swap Counterparty credit risk.

Credit and concentration risk
The Collateral bears a mix of credit and concentration risks. In principle, the Company is not exposed to credit and concentration risk due to the limited recourse nature of the issued Series at year-end as the Noteholder bears the credit risk of the Collateral. At the same time the Company uses swaps total return swaps to hedge any credit and concentration risk and hence the overall exposure to the credit and concentration risk is close to nil.

Notes to the annual accounts – continued

For Series without swaps, if applicable, the credit and concentration risk lies with the Noteholder due to the aforementioned limited recourse nature of the Series.

The Company invests in treasury bonds (Buoni del Tesoro Poliennali) issued by the Republic of Italy. The creditworthiness of Italy as a country, is checked regularly. The Company has also drawn up guidelines for limiting the credit risk. Furthermore, the Company applies strict credit control and reminder procedures. The Company hedges this credit risk by entering into asset swaps.

The Company's credit risk is close to nil due to the above measures.

The maximum credit risk per 31 December 2022 is EUR 387,323,104 (previous period: EUR 381,963,571)

Interest rate risk
The Notes bear interest (fixed). The Company's exposure to interest rate risk is close to nil due to the limited recourse nature of the issued Series. All possible risks regarding the interest are fully mitigated/transfer by swap contracts. For multiple Series the Company has entered into derivative contracts to mitigate the risks associated with the effects of fluctuations in the prevailing levels of market interest rates from the Noteholder to the Swap Counterparty.

Inflation risk
The Company invests in treasury bonds (Buoni del Tesoro Poliennali) issued by the Republic of Italy which are inflation linked. The Company hedges this inflation risk by entering into asset swaps. The Company's credit risk is close to nil due to the above measures.

Currency exchange rate risk
The Company's accounts are denominated in EUR. The Collateral and the Notes are both denominated in EUR. Therefore, the Company does not bear any currency exchange risk on Collateral and issued Notes.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its payment obligations towards the Noteholders, and other creditors, as they become due. Liquidity risk on interest payments to be made by the Company to its Noteholders arises from mismatches on both the interest frequency on the Notes versus the Collateral, being a portfolio of bonds and loans, as well as from the outstanding value of the Notes compared to the Collateral. Liquidity risk on principal payments arises from mismatches in the maturity of the Notes compared to the maturity of the Collateral, as well as from the par value outstanding of the Notes versus the par value of the Collateral.

Matching maturities of assets and liabilities and related cash flows is fundamental to the Director of the Company. This risk is addressed and mitigated by an agreement with the Arranger to secure any mismatch (as the Arranger reimburses the expenses of the Company). Positive or negative results from the Collateral held will be balanced with the Noteholders or the Swap Counterparty at the date of redemption.

Swap Counterparty credit risk
The Company has entered into multiple swap agreements with the Swap Counterparty. Pursuant to these agreements, the Swap Counterparty agreed to make payments to the Company under certain circumstances as described therein.

Notes to the annual accounts–continued

The Swap Counterparty credit risk is the risk that the Company will be exposed to the credit risk of the relevant Swap Counterparty with respect to any such payments. To mitigate the Swap Counterparty credit risk of the financial derivatives, the Company only enters into contracts with carefully selected major financial institutions based upon their credit ratings.

With regards to Swap Counterparty exposure the Company uses International Swaps and Derivatives Association ("ISDA") agreements to govern derivative contracts to mitigate Swap Counterparty credit risk. The credit ratings of the applicable Swap Counterparty per year end 2022 are Baa1, BBB and BBB, respectively from the source Moody's Investor Services Inc, Standard & Poor's Rating Services and Fitch Ratings Limited. Based on these ratings we deem the risk of the Swap Counterparty defaulting to be close to nil. Please note that the Swap Agreement provides for certain "Events of Default" (as defined in the Swap Agreement) relating to the Issuer and the Swap Counterparty, the occurrence of which may lead to a termination of the Swap Agreement.

Critical accounting estimates and judgements
Application of the accounting policies in the preparation of the annual accounts requires the Director of the Company to exercise judgement involving assumptions and estimates concerning future results or other developments, including the likelihood, timing or amount of future transactions or events. There can be no assurance that actual results will not differ materially from those estimates. Accounting policies that are critical to the financial statement presentation and that require complex estimates or significant judgement are described below.

Fair value estimation of financial instruments
The Company discloses the fair value of the financial instruments in the notes to the annual accounts. The fair value of financial assets and financial derivatives traded in active markets, if available, are based on market prices at the balance sheet date.

In the absence of quoted prices in active markets, considerable judgement is required in developing estimates of fair value. Estimates are not necessarily indicative of the amounts the Company could realise in a current market transaction. The Company obtains the fair valuations for financial instruments from the calculation agent, the Swap Counterparty or other third parties.

Fair value estimation of Collateral
The fair value of the financial instruments is disclosed in the notes to the annual accounts. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent at arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models, making allowance for Company-specific inputs.

Fair value estimation of Notes
The fair value of the Notes is derived from the fair value of the Collateral and the Swap.

Balance sheet

Note

1 Collateral

Movement schedule	**2022 EUR**	**2021 EUR**
Opening Balance (1 January)		
Treasury Bonds	295,485,000	338,701,000
Inflation correction	95,722,026	76,098,262
Asset and interest rate swaps	(16,951,877)	(45,819,087)
Total (adjusted) notional value	374,255,149	368,980,175
Movements current period		
Transfers under CSA	(43,525,000)	(43,216,000)
Inflation correction	54,534,635	19,623,764
Asset and interest rate swaps	(5,529,581)	28,867,210
Total movements	5,480,054	5,274,974
Closing balance (31 December)		
Treasury Bonds	251,960,000	295,485,000
Inflation correction	150,256,661	95,722,026
Asset and interest rate swaps	(22,481,458)	(16,951,877)
Total (adjusted) notional value	379,735,203	374,255,149

The interest on Series 2012-1 is 3.1%, on Series 2012-3 is 3.1%, on Series 2013-1 is 2.35%, on Series 2019-1 is 2.35% and on Series 2019-2 is 2.35%.

	31 December 2022 EUR	**31 December 2021 EUR**
Management has estimated the fair value of the Swaps. Based on information received from Banca Imi and Banca Intesa SanPaolo at:	(191,390,179)	(158,756,658)
The fair value of the underlying assets is based on Bloomberg market prices at:	349,957,702	476,675,892
Total fair value	158,567,523	317,919,234

The fair value of Collateral above incudes the interest accrual of the related Series as at 31 December 2022.

Above mentioned bonds are Italian Treasury Bonds indexed to Euro-zone inflation and are called BTP Euro i Notes. These bonds are issued in maturities of five, ten, fifteen and thirty years. They provide investors with steady return in real terms, in terms of purchasing power by providing protection against increases in inflation in the Euro-zone. Individual Italian investors can buy or sell BTP Euro i Notes on the MOT (Mercato Telematico delle Obbligazioni e dei Titoli di Stato), or regulated market for retail investors, for a minimum amount of EUR 1,000. Principal of the Notes and their coupons, payable semi-annually, take into account rates of inflation in the Euro-zone as measured by the Eurostat index Harmonised Index of Consumer Prices (HICP), excluding tobacco. At the Notes’ maturity, holders of these bonds are compensated for any loss in purchasing power that has occurred over the term of the Notes.

The Swap with Banca Imi and Intesa Sanpaolo S.p.A. is the balancing figure between the Notes issued and the Collateral held.

The effective interest rate on the Collateral is 3.5879% for 2022 (previous year: 3.3589%).

Balance sheet – continued

	31 December 2022 EUR	31 December 2021 EUR
2 Amounts owed by group entities		
Intertrust Depository Receipts B.V.	17,500	17,500
	17,500	17,500

	31 December 2022 EUR	31 December 2021 EUR
3 Prepayments and accrued income		
Receivable from Intertrust prepaid local expenses	6,878	4,403
Interest on Collateral receivable	2,728,792	2,879,773
Swap interest receivable	4,624,113	4,624,112
Receivable from Banca Imi	190,954	117,707
	7,550,737	7,625,995

	31 December 2022 EUR	31 December 2021 EUR
4 Taxation		
Value added tax receivable	0	45,538
	0	45,538

	31 December 2022 EUR	31 December 2021 EUR
5 Cash		
Current accounts ABN AMRO	19,664	19,389
	19,664	19,389

The current accounts are freely available to the Company.

Balance sheet – continued

6 Taxation	31 December 2022 EUR	31 December 2021 EUR
Value added tax payable	421	0
Corporate income tax payable	931	677
	1,352	677

Corporate income tax summary	01.01.22	(Paid)/Received	P&L	31.12.22
2016	(21)	21	0	0
2017	(8)	8	0	0
2018	(108)	108	0	0
2019	(7)	7	0	0
2020	414	(414)	0	0
2021	407	0	0	407
2022	0	(4,461)	4,985	524
	677	(4,731)	4,985	931

7 Accruals and deferred income	31 December 2022 EUR	31 December 2021 EUR
Audit fees payable	35,284	27,000
Interest on Notes payable	4,624,113	4,624,112
Swap interest payable	2,728,792	2,879,773
Other accrued expenses	151,673	140,307
	7,539,862	7,671,192

8 Notes	31 December 2022 EUR	31 December 2021 EUR
Opening Balance (1 January)	374,255,149	368,980,175
Amortization of the premium/discount for Series 2012-3	5,480,054	5,274,974
Closing Balance (31 December)	379,735,203	374,255,149
Notes due within one year:	0	0
Notes due between 1 and 5 years:	161,435,203	155,955,149
Notes due after five years:	218,300,000	218,300,000
	379,735,203	374,255,149

Balance sheet - continued

The fair value of the Notes is based on valuation derived from the most important characteristics of the assets. As at December 31, 2022 the fair value of the Notes approximates an amount of EUR 158,567,523 (previous year: EUR 317,919,234).

The effective interest rate on the Notes is 5.627% for 2022 (previous year: 5.643%). The interest rate on Series 2012-1 is 6.253%, on Series 2012-3 is 3.651%, on Series 2013-1 is 6.005%, on Series 2019-1 is 4.340% and on Series 2019-2 is 4.050%.

9 Capital and reserves

	Share capital	Other reserve	Unappr. results	Totals
Balance as per 1 January 2021	18,000	29,204	26,919	74,123
Transfer	0	26,919	(26,919)	0
Final dividend paid	0	(40,186)	0	(40,186)
Interim dividend paid	0	(25,060)	0	(25,060)
Result for the period	0	25,060	2,616	27,676
Balance as per 31 December 2021	18,000	15,937	2,616	36,553
Transfer	0	2,616	(2,616)	0
Final dividend paid	0	0	0	0
Interim dividend paid	0	(18,117)	0	(18,117)
Result for the period	0	0	28,251	28,251
Balance as per 31 December 2022	18,000	436	28,251	46,687

The authorised share capital of the Company amounts to EUR 18,000 divided into 180 shares of EUR 100 each, of which all 180 shares are issued and paid up and held by the Foundation.

In 2022, an interim dividend of EUR 18,117 was paid.

Profit and loss account

	2022	2021
	EUR	EUR
10 Collateral interest income		
Collateral interest income	34,992,471	33,689,689
	34,992,471	33,689,689
11 Notes interest expenses		
Notes interest expenses	34,992,471	33,689,689
	34,992,471	33,689,689
12 General and administrative expenses		
Audit fee expenses	35,284	32,670
Local expenses	15,173	14,774
Other general expenses	170,001	177,757
Administration fee expenses	37,895	36,899
	258,353	262,100
13 Series related expenses		
Expenses all series	75,958	73,961
	75,958	73,961
14 Recharged expenses		
Recharged expenses from the Arranger under the Series Proposal Agreement	334,311	336,061
	334,311	336,061
15 Other income		
Repackaging income	33,236	32,560
	33,236	32,560
16 Corporate income tax		
Corporate income tax current period	4,985	4,884
	4,985	4,884

The applicable tax rate for the period under review is 15.0% (previous period: 15.0%). The effective rate is equal to the applicable tax rate.

Profit and loss account - continued

Staff numbers and employment costs

The Company has no employees and hence incurred no wages, salaries or related social security charges during the reporting period, nor during the previous year.

Directors

The Company has one Director, who receives no remuneration. However, the Director receives compensation in the form of dividend for the amount of EUR 28,251 (previous year: EUR 27,676) The Company has no supervisory directors.

Audit Committee

The audit committee consists of two members, Mr. R. Ahlers and Mr. S. van Ulsen.

Subsequent events

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment of or disclosure in the annual accounts now presented.

Audit fees

The fees listed below relate to the procedures applied to the Company by accounting firms and external auditors as referred to in Section1, subsection 1 of the Audit Firms Supervision Act ("Wet toezicht accountantsorganisaties - Wta") as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups. These fees relate to the audit of the annual accounts, regardless of whether the work was performed during the financial year. With reference to Section 2:382a of the Netherlands Civil Code, the following fees for the financial year have been charged by Mazars Accountants N.V. (previous year: Mazars Accountants N.V.) to the Company:

	2022 **EUR**	**2021** **EUR**
Statutory audit of annual accounts	29,160	27,000
Other assurance services	0	0
Tax advisory services	0	0
Other non-audit services	0	0
Total	29,160	27,000

The audit fee for the annual accounts 2022 was EUR 35,284 (incl. VAT) (previous year: EUR 32,670 (incl. VAT)).

Amsterdam, 10 November 2023

Intertrust (Netherlands) B.V.

Other information

Appropriation of results

In accordance with article 21 of the Articles of Association, and applicable law, the Director is authorised to retain the profits, or a part thereof, as appears from the most recently adopted annual accounts. The General Meeting is subsequently authorised to resolve to distribute or to reserve what then remains of the profits or a part thereof. The General Meeting is also authorised to resolve to make interim distributions, which includes distributions from the reserves.

The Company may make distributions to the shareholders only to the extent that from the most recently adopted balance sheet it appears that the Company's shareholders' equity exceeds the sum of the reserves which it is legally required to maintain.

The Company may only follow a resolution of the General Meeting to distribute after the Director has given its approval to do this. The Director withholds approval only if it knows or reasonably should be able to foresee that the Company cannot continue to pay its due debts after the distribution.

Independent auditor's report

The independent auditor's report is presented on the next pages.

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Independent auditor’s report

To: the shareholder of DUNIA Capital B.V.

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements as at 31 December 2022 of DUNIA Capital B.V. In our opinion, the accompanying financial statements give a true and fair view of the financial position of DUNIA Capital B.V. as at 31 December 2022 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2022;
2. the profit and loss account for the year then ended; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the "EU Regulation on specific requirements regarding statutory audit of public-interest entities", the "Audit firms supervision act" (Wta), "Dutch Independence Standard regarding assurance engagements (ViO)” and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the "Dutch Code of Ethics (VGBA)”.

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

Our understanding of the entity

The company is established to issue series of Notes with underlying (collateral) investments in the financial fixed assets and derivatives. Each series is structured so that all differences between conditions of the Notes and conditions of the assets are mitigated by swap agreements.

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Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 3.9 million. The materiality is based on 1% of total assets given the company's main activities. We have also taken into account misstatements and possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with management that misstatements in excess of EUR 0.1 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach fraud risks

Assessment of fraud risk factors

We assessed fraud risk factors with respect to financial reporting fraud, misappropriation of assets and corruption. We evaluated if those factors indicate that a risk of material misstatement in the financial statements is present. As in all our audits, we had special attention for the risks of management override of controls. We identified this risk primarily in the area where journal entries are recorded in the general ledger and other adjustments are made in the preparation of the financial statements and where judgement is involved, such as in relation to the valuation of the financial fixed assets for which we refer to our key audit matter paragraph.

We rebutted the presumed fraud risk on revenue because of the nature of the entity and its transactions. As explained in ‘Our understanding of the entity’, all results are passed through to noteholders or the swap counterparty and we did not identify an incentive nor pressure for management to deliberately misstate revenues. We also considered that interest income on collateral is non-complex and mainly based on fixed interest rates.

Our response to the identified and assessed fraud risks

We have evaluated the design and the implementation of internal controls that mitigate fraud risks. We have, among others, performed journal entry testing procedures based upon risk criteria and paid attention to the appropriateness of journal entries in the general ledger and other adjustments made in the preparation of the financial statements. We also tested significant transactions, if any, outside the normal course of business. Furthermore, we have performed other specific relevant audit procedures.

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Our observations

Our audit procedures did not lead to specific indications or reasonable suspicion of fraud that is considered material to the financial statements.

Audit response to the risks of going concern

In preparing the financial statements, management must consider whether the company is able to continue as a going concern. Management must prepare financial statements on the going concern basis unless management intends to liquidate the company or cease operations or if termination is the only realistic alternative.

Management has not identified any circumstances that could threaten the continuity of the company and thus concludes that the going concern assumption is appropriate for the company.

Our audit of the financial statements requires us to determine that the going concern assumption used by management is acceptable. In doing so, based on the audit evidence obtained, we must determine whether there are any events or circumstances that might cast reasonable doubt on whether the company can continue as a going concern. We have, among other procedures, verified management's assumption, the structure of the company and also refer to our work on the valuation of financial fixed assets included as key audit matter.

Our observation

Based on the procedures performed by us, we are of the opinion that the financial statements have been properly prepared on the going concern basis. In our assessment we have considered the structure of the entity and the limited recourse nature of the issued notes. However, future events or circumstances could cause the entity to be unable to continue as a going concern.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements, but they are not a comprehensive reflection of all matters that were identified by our audit and that we discussed with management of the company. We described the key audit matter and included a summary of the audit procedures we performed on this matter.

Valuation of financial fixed assets

We consider the valuation of the financial fixed assets as a key audit matter. This is due to the fact that a (potential) impairment may have a direct material impact on the valuation of the Notes issued and a high level of estimation uncertainty is inherent to these valuations.

Financial fixed assets are measured at amortized cost less impairment. We have performed detailed audit work to assess whether any impairment triggers exist, including an assessment of quoted market prices when available or an assessment of the suitability of the valuation methodology applied and the reasonableness of key assumptions used by management of the company.

Financial assets are disclosed in the principal accounting policies as well as note 1 to the financial statements.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the report of management;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the managing director's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged as auditor of DUNIA Capital B.V., as of the audit for the year ended 31 December 2017.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

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Description of responsibilities regarding the financial statements

Responsibilities of management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;

- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to management in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with management, we determine the key audit matter(s): those matters that were of most significance in the audit of the financial statements. We describe these/this matter(s) in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 10 November 2023

Mazars Accountants N.V.

Original was signed by L. Zuur MSc RA