

**MML CAPITAL EUROPE VI S.A.**  
**Société Anonyme**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**WITH THE REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ THEREIN**

8, rue Lou Hemmer, L-1748 Luxembourg - Findel, Luxembourg  
R.C.S. Luxembourg: B192251  
Subscribed capital: EUR 31,000

# **MML CAPITAL EUROPE VI S.A.**

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## **MML CAPITAL EUROPE VI S.A.**

### **ORGANISATION**

#### **BOARD OF DIRECTORS:**

S. Bos	(appointed 10 October 2018)
A. C. Vasseur-Jourdren	(appointed 22 November 2018)
J. Vella-Bamber	(appointed 23 December 2016)

#### **ADMINISTRATIVE SERVICES:**

Aztec Financial Services (Luxembourg) S.A.  
8, rue Lou Hemmer  
L-1748 Luxembourg - Findel  
Luxembourg

#### **RÉVISEUR D'ENTREPRISES AGRÉÉ:**

KPMG Luxembourg, Société coopérative  
39, Avenue John F. Kennedy  
L-1855 Luxembourg  
Luxembourg

#### **REGISTERED OFFICE:**

8, rue Lou Hemmer  
L-1748 Luxembourg - Findel  
Luxembourg

To the Shareholder of  
MML Capital Europe VI S.A.  
8, rue Lou Hemmer  
L-1748 Luxembourg-Findel

## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

### *Opinion*

We have audited the annual accounts of MML Capital Europe VI S.A. (the "Company"), which comprise the balance sheet as at 31 December 2018, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2018, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

### *Basis for Opinion*

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the « Responsibilities of "Réviseur d'Entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## **Valuation of Financial assets and Debtors**

### *a) Why the matter was considered to be one of most significance in our audit of the annual accounts for the year ended 31 December 2018*

The Company has no substantial assets (except cash) other than Financial assets (Loans to affiliated undertakings) amounting to EUR 268.378.824, and Debtors (including Accrued interest) amounting to EUR 11.562.118, representing in aggregate 99,91% of Total Assets as at 31 December 2018. Consequently, the Company is mainly exposed to the valuation risk of the Loans to affiliated undertakings and Accrued interest on these loans due to the underlying credit risk of the borrowers.

The Company is raising debt through the issuance of listed bonds and is using these proceeds for granting loans to different target entities.

Certain aspects of the valuation of Loans to affiliated undertakings and Accrued interest require significant management judgement, such as the assessment of objective evidence for impairment and the estimation of the recoverable amount. This analysis is conducted by management on an individual loan/asset basis.

Due to the significance of Loans to affiliated undertakings as well as the Accrued interest on these loans' balances and the significant management judgement involved, we consider their valuation as a key audit matter.

We refer to the accounting policies in Note 2.2.1 on page 11, Note 2.2.2 on page 12, Note 3 "Financial assets" on pages 13 to 17 and Note 4 "Debtors" on pages 17 to 18.

### *b) How the matter was addressed in our audit*

As the underlying processes for the valuation of Loans to affiliated undertakings and Accrued interest are located at the level of the shareholder (MML Capital Partners Fund VI, LP), we involved KPMG Channel Islands, the auditor of MML Capital Partners Fund VI, LP to assist us with the audit procedures on the valuation of Loans to affiliated undertakings and Accrued interest. These procedures included but were not limited to:

- testing the design and implementation and the operating effectiveness of relevant key controls on the valuation of Loans to affiliated undertakings and Accrued interest as at 31 December 2018 and throughout the period from 1 January 2018 to 31 December 2018;
- obtaining the management's assessment of the borrowers' enterprise and equity value and comparing it to the carrying amount of the loans receivable and accrued interest from these borrowers on individual basis;
- evaluating of the appropriateness of the key management assumptions used in the above mentioned assessment, including comparison of multiples used to the ones observable in recent sales transactions and of listed entities;
- Assessing the relevance of subsequent events in order to identify any conditions existing as at December 31, 2018, that may have led to the borrowers' inability to meet their contractual obligations.



## ***Other matter***

### ***The impact of uncertainties due to the United Kingdom's decision to exit the European Union on our audit***

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the annual accounts. All audits assess and challenge the reasonableness of judgements and estimates made by the Board of Directors, such as those involving the valuation of investments and related disclosures and the appropriateness of the going concern basis of preparation of the annual accounts. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the United Kingdom, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### ***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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### ***Responsibilities of the Réviseur d'Entreprises agréé for the audit of the annual accounts***

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

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

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

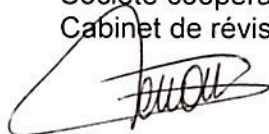
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance 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 the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Luxembourg, 11 June 2019

KPMG Luxembourg  
Société coopérative  
Cabinet de révision agréé



F. Renard

**Annual Accounts Helpdesk :**

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RCSL Nr. : B192251

Matricule : 2014 2223 377

eCDF entry date :

**ABRIDGED BALANCE SHEET**

**Financial year from** <sup>01</sup> 01/01/2018 **to** <sup>02</sup> 31/12/2018 (in <sup>03</sup> EUR )

MML Capital Europe VI S.A  
 8, rue Lou Hemmer  
 L-1748 Luxembourg-Findel

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
<b>B. Formation expenses</b>	1107 _____	107 _____	108 _____
<b>C. Fixed assets</b>	1109 _____	109 <u>268.378.824,00</u>	110 <u>176.145.526,00</u>
I. Intangible assets	1111 _____	111 _____	112 _____
II. Tangible assets	1125 _____	125 _____	126 _____
III. Financial assets	1135 _____ <u>3</u>	135 <u>268.378.824,00</u>	136 <u>176.145.526,00</u>
<b>D. Current assets</b>	1151 _____	151 <u>11.821.074,00</u>	152 <u>6.245.778,00</u>
I. Stocks	1153 _____	153 _____	154 _____
II. Debtors	1163 _____	163 <u>11.603.048,00</u>	164 <u>6.041.932,00</u>
a) becoming due and payable within one year	1203 _____ <u>4</u>	203 <u>6.067.038,00</u>	204 <u>4.400.929,00</u>
b) becoming due and payable after more than one year	1205 _____ <u>4</u>	205 <u>5.536.010,00</u>	206 <u>1.641.003,00</u>
III. Investments	1189 _____	189 _____	190 _____
IV. Cash at bank and in hand	1197 _____	197 <u>218.026,00</u>	198 <u>203.846,00</u>
<b>E. Prepayments</b>	1199 _____ <u>5</u>	199 _____	200 <u>2.746,00</u>
<b>TOTAL (ASSETS)</b>		201 <u>280.199.898,00</u>	202 <u>182.394.050,00</u>



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**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 _____	301 <u>3.152.908,00</u>	302 <u>1.841.054,00</u>
I. Subscribed capital	1303 <u>6</u>	303 <u>31.000,00</u>	304 <u>31.000,00</u>
II. Share premium account	1305 <u>7</u>	305 <u>2.448.340,00</u>	306 <u>1.655.509,00</u>
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 <u>8,9</u>	309 <u>3.100,00</u>	310 <u>3.100,00</u>
V. Profit or loss brought forward	1319 <u>9</u>	319 <u>151.445,00</u>	320 <u>48.774,00</u>
VI. Profit or loss for the financial year	1321 <u>9</u>	321 <u>519.023,00</u>	322 <u>102.671,00</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 _____	331 _____	332 _____
<b>C. Creditors</b>	1435 _____	435 <u>277.046.990,00</u>	436 <u>180.552.996,00</u>
a) becoming due and payable within one year	1453 <u>10</u>	453 <u>69.056.762,00</u>	454 <u>59.763.894,00</u>
b) becoming due and payable after more than one year	1455 <u>10</u>	455 <u>207.990.228,00</u>	456 <u>120.789.102,00</u>
<b>D. Deferred income</b>	1403 _____	403 _____	404 _____
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 <u>280.199.898,00</u>	406 <u>182.394.050,00</u>

**Annual Accounts Helpdesk :**

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RCSL Nr. : B192251

Matricule : 2014 2223 377

eCDF entry date :

**ABRIDGED PROFIT AND LOSS ACCOUNT**

**Financial year from** <sup>01</sup> 01/01/2018 **to** <sup>02</sup> 31/12/2018 (in <sup>03</sup> EUR )

MML Capital Europe VI S.A  
 8, rue Lou Hemmer  
 L-1748 Luxembourg-Findel

**ABRIDGED PROFIT AND LOSS ACCOUNT**

	Reference(s)	Current year	Previous year
<b>1. to 5. Gross profit or loss</b>	1651 <u>11</u>	651 <u>-153.052,00</u>	652 <u>-246.637,00</u>
<b>6. Staff costs</b>	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 _____	622 _____

RCSL Nr. : B192251

Matricule : 2014 2223 377

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
<b>10. Income from other investments and loans forming part of the fixed assets</b>	1721	721 19.378.949,00	722 13.294.374,00
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725 12	725 19.378.949,00	726 13.294.374,00
<b>11. Other interest receivable and similar income</b>	1727	727 410.705,00	728 72.118,00
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731 13	731 410.705,00	732 72.118,00
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>	1663	663	664
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>	1665	665	666
<b>14. Interest payable and similar expenses</b>	1627	627 -18.887.502,00	628 -12.970.474,00
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631 14	631 -18.887.502,00	632 -12.970.474,00
<b>15. Tax on profit or loss</b>	1635 15	635 -215.793,00	636 -35.813,00
<b>16. Profit or loss after taxation</b>	1667	667 533.307,00	668 113.568,00
<b>17. Other taxes not shown under items 1 to 16</b>	1637 15	637 -14.284,00	638 -10.897,00
<b>18. Profit or loss for the financial year</b>	1669 9	669 519.023,00	670 102.671,00

## **MML CAPITAL EUROPE VI S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **1. General information**

MML Capital Europe VI S.A. (hereafter the "Company") was incorporated on 26 November 2014 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period.

The registered office of the Company is established in 8, rue Lou Hemmer, L-1748 Luxembourg - Findel, Luxembourg which changed on 5 December 2017 from 7, rue Lou Hemmer, L-1748 Luxembourg - Findel, Luxembourg.

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

The Company's purpose is the acquisition of participations, in any form whatsoever in Luxembourg or abroad, in any companies or enterprises in any form whatsoever and the management of such participations. The Company may in particular acquire by subscription, purchase and exchange, or in any other manner any stock, share and other participation securities, bonds, debentures, certificates of deposit and other debt instruments of any kind, and more generally any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. It may further invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Company may borrow in any form and may issue notes, bonds and any kind of debt and equity securities. The Company may lend funds including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies.

The Company may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over all or some of its assets to guarantee its own obligations and those of any other company, and, generally, for its own benefit and that of any other company or person. For the avoidance of doubt, the Company may not carry out any regulated activities of the financial sector without having obtained the required authorisation.

The Company may use any techniques and instruments to efficiently manage its investments and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Company may carry out any commercial, financial or industrial operations and any transactions with respect to real estate or moveable property, which directly or indirectly, favour or relate to its corporate object.

Based on the criteria defined by Luxembourg Law, the Company is exempt from the obligation to draw up consolidated accounts and a consolidated management report for the year ended 31 December 2018.

In accordance with the legal provisions, the Company is included in the consolidated accounts of MML Capital Partners Fund VI L.P., a Limited Partnership registered at 11-15 Seaton Place, St Helier, Jersey, JE4 0QH, whose consolidated accounts are available at its registered office.

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

##### **2.1 Basis of preparation**

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



## **2. Summary of significant accounting policies (continued)**

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

Accounting policies and valuation rules are, apart from those enforced by the Law of 19 December 2002, as amended, determined and implemented by the Board of Directors.

The preparation of the annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise their judgement in the process of applying the accounting policies. Changes in assumptions may have significant impact on the annual accounts in the period in which the assumption changed. The Board of Directors believe 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 on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The accounting methods used by the Company are in conformity with the going concern principle. As at the balance sheet date, the current assets of the Company are less than the current liabilities being EUR 6,285,064 (2017: EUR 4,604,775) and EUR 69,056,762 (2017: EUR 59,763,894) respectively. In February 2019, the advances on series 24, 25 and 26 bonds have been converted into bonds listed on The International Stock Exchange ("TISE"), with maturity dates falling after the financial year 2019 (note 18). These advances, the associated PIK interest accrued on these advances and the other PIK interest accrued on the different series bonds amounted to EUR 65,725,983 as at 31 December 2018.

Certain debtors, prepayments and creditors have been reclassified as at 31 December 2017 for comparability reasons.

### **2.2 Significant accounting policies**

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

#### **2.2.1 Financial assets**

Shares in affiliated undertakings, participating interests and loans to these undertakings are valued at purchase price or nominal value including the expenses incidental thereto.

Loans and claims held as fixed assets are stated at their nominal value.

In the case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial 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. Summary of significant accounting policies (continued)**

**2.2.2 Debtors**

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

**2.2.3 Prepayments**

This asset item includes expenditure incurred during the financial year but relating to a subsequent financial year.

**2.2.4 Foreign currency translation**

The annual accounts are expressed in Euro ("EUR").

Transactions expressed in currencies other than the EUR are translated into EUR at the exchange rate effective at the time of the transaction. The translation at the balance sheet date is made according to the following principles:

- the acquisition cost of the participations and of all other items defined as financial assets, expressed in a currency other than the EUR, are translated into EUR at the historical exchange rate;
- cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year; and
- other assets and liabilities are translated separately respectively 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 unrealised exchange gains are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised loss is recorded in the profit and loss account whereas the net unrealised exchange gains are not recognised.

**2.3.5 Provisions**

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

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

**NOTES TO THE ANNUAL ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**2. Summary of significant accounting policies (continued)**

**2.2.6 Provision for taxation**

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the Company has not yet been assessed are recorded under the caption "Creditors". The advanced payments are shown in the assets of the balance sheet under the "Debtors" item.

**2.2.7 Creditors**

Creditors are recorded at their repayment value.

**3. Financial assets**

The movements for the year are as follows:

	<b>Loans and claims held as fixed assets EUR</b>	<b>Total EUR</b>
<b>Gross book value - opening balance</b>	176,145,526	176,145,526
Additions for the year	94,397,229	94,397,229
Transfer	(2,163,931)	-
<b>Gross book value - closing balance</b>	<u>268,378,824</u>	<u>270,542,755</u>
<b>Net book value closing balance</b>	<u>268,378,824</u>	<u>270,542,755</u>

The loans and claims held as fixed assets can be summarised in the below table:

	<b>CCY</b>	<b>Amount in CCY</b>	<b>Maturity</b>	<b>Interest rate</b>	<b>31 December 2018 EUR</b>	<b>31 December 2017 EUR</b>
Convertible bonds (Luneau Technology)	EUR	-	2019	10.00%	-	2,163,931
Secured investor loan stock (Learning Curve)	GBP	26,093,908	2022	10.00%	33,962,315	25,606,389
Unsecured investor loan stock (Learning Curve)	GBP	499,110	2022	5.00%	606,140	431,141

**MML CAPITAL EUROPE VI S.A.**
**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**
**3. Financial assets (continued)**

The loans and claims held as fixed assets can be summarised in the below table:

					31 December 2018 EUR	31 December 2017 EUR
	CCY	Amount in CCY	Maturity	Interest rate		
Subordinated secured loan notes A (CH&Co)	GBP	21,128,934	2021	10.00%	27,536,249	25,191,795
Secured series A loan notes (Banner)	GBP	8,424,573	2021	6.50%	11,623,877	10,939,733
Unsecured series C loan notes (Banner)	GBP	22,436,423	2021	11.00%	27,999,964	22,222,949
Subordinated secured loan notes A (IQarus)	GBP	14,226,207	2021	10.00%	17,378,363	13,043,836
Subordinated unsecured loan notes B (IQarus)	GBP	171,158	2021	10.00%	224,522	207,128
Subordinated secured loan notes D (IQarus)	USD	4,843,616	2021	10.00%	4,515,775	4,128,320
Subordinated unsecured loan notes A (Kerudys)	EUR	11,236,000	2024	10.00%	11,236,000	10,600,000
Subordinated unsecured loan notes B (Kerudys)	EUR	16,801,487	2025	13.25%	16,801,487	14,835,750
Secured Investor B loan stock (PIE)	GBP	7,253,134	2023	8.00%	8,307,079	7,683,542
Subordinated secured loan notes (CSI)	GBP	34,962,000	2023	10.00%	39,091,012	39,091,012
Secured loan notes (Gravotech)	EUR	12,377,049	2030	10.00%	12,377,049	-
Secured series A loan notes (ParkingEye)	GBP	19,960,475	2026	12.00%	22,866,720	-
Secured series B loan notes (ParkingEye)	GBP	29,549,818	2026	8.00%	33,852,272	-
					<u>268,378,824</u>	<u>176,145,526</u>



**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**3. Financial assets (continued)**

Convertible bonds (Luneau Technology)

On 11 December 2014, the Company acquired 277,427 convertible bonds of EUR 7.80 each in Luneau Technology ("Luneau bonds") for a total consideration of EUR 2,163,931. The convertible bonds bear a cash interest of 10% per annum ("p.a."), refer to note 4.

Secured investor loan stock (Learning Curve)

On 26 March 2015, the Company acquired EUR 20,641,976 (GBP 14,660,494), 10% fixed rate secured investor loan stock in Genius Holdco Limited ("Learning Curve Loan Stock"). On 15 October 2018, the Company acquired a further EUR 6,132,780 (GBP 5,400,000) Learning Curve Loan Stock. The secured investor loan stock bears an interest rate of 10% p.a., being paid in kind interest ("PIK interest") of at least 20% but no more than 50% accrued and capitalised quarterly every 30 April, 31 July, 31 October and 31 January, and cash interest of at least 50% but no more than 80% accrued quarterly and payable every 30 April, 31 July, 31 October and 31 January. The capitalised interest totals EUR 7,187,559 (GBP 6,033,414) as at 31 December 2018. The instruments are secured by a debenture issued by the debtor.

Unsecured investor loan stock (Learning Curve)

On 7 April 2016, the Company acquired 5% fixed rate unsecured investor loan stock in Genius Holdco Limited for a consideration of EUR 371,610 (GBP 300,000) and with a nominal value of GBP 714,303 to be repaid at maturity ("Learning Curve Unsecured Loan Stock"). The unsecured investor loan stock bears an interest rate of 5% p.a., being PIK interest capitalised quarterly every 30 April, 31 July, 31 October and 31 January. On 19 December 2016, the Company disposed of GBP 90,000 of the unsecured loan stock for EUR 46,822 (GBP 37,799). The capitalised interest totals EUR 158,265 (GBP 131,237) and amortisation totals EUR 123,087 (GBP 105,672) as at 31 December 2018.

Subordinated secured loan notes (CH&Co)

On 1 June 2015, the Company acquired EUR 10,576,441 (GBP 7,505,280) secured subordinated loan notes in CH&Co Catering Group Limited (formerly Muirhead Bidco Limited). On 7 June 2016, the Company acquired a further EUR 11,556,000 (GBP 9,000,000) secured subordinated loan notes in CH&Co Catering Group Limited ("CH&Co Loan Notes"). Up until 31 March 2016, the secured loan notes bore interest at a rate of 10% p.a. which was capitalised on a monthly basis. From 1 April 2016, the loan notes bear a cash interest rate of 5% p.a. payable quarterly every 31 March, 30 June, 30 September and 31 December and PIK interest of 5% p.a. which is capitalised on a monthly basis. Cash interest was turned off on 31 March 2017 resulting in the loan notes bearing PIK interest at a rate of 10% p.a. The capitalised interest totals EUR 5,403,808 (GBP 4,623,654) as at 31 December 2018. The instruments are secured by a debenture issued by the debtor.

Secured/unsecured loan notes (Banner)

On 10 July 2015, the Company acquired EUR 10,602,993 (GBP 7,530,000) secured series A loan notes in Roman Bidco Limited. The secured series A loan notes bear a cash interest at a rate of 5% p.a. and a PIK interest at a rate of 1.5% p.a. which is capitalised annually on 31 December, and totals EUR 1,020,884 (GBP 894,573) as at 31 December 2018.

On 10 July 2015, the Company acquired EUR 10,560,750 (GBP 7,500,000) unsecured series C loan notes in Roman Bidco Limited. The Company acquired a further unsecured series C loan notes of EUR 7,753,850 (GBP 6,500,000) and EUR 3,434,400 (GBP 3,000,000) on 1 July 2016 and 6 June 2018 respectively. The unsecured series C loan notes bear a PIK interest at a rate of 11% p.a., which is capitalised annually on 31 December, and totals EUR 6,250,964 (GBP 5,436,423) as at 31 December 2018.

**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**3. Financial assets (continued)**

Secured loan notes (Banner) (continued)

The above A and C loan notes are collectively referred to as "Banner Loan Notes" and the instruments are secured by a debenture issued by the debtor.

During the year, Blue Max changed its investment name to Banner.

Subordinated loan notes (IQarus)

On 18 September 2015, the Company acquired EUR 4,884,604 (GBP 3,564,884) series A secured subordinated loan notes in IQarus UK Limited. The Company acquired further series A secured subordinated loan notes of EUR 2,129,167 (GBP 1,694,387), EUR 1,465,716 (GBP 1,243,080), EUR 2,073,117 (GBP 1,739,338), EUR 686,100 (GBP 600,000) and EUR 2,877,962 (GBP 2,520,769) on 15 April 2016, 31 August 2016, 12 December 2016, 19 June 2017 and 19 March 2018 respectively ("IQarus Loan Notes"). The secured series A loan notes bear a PIK interest at a rate of 10% p.a., which is capitalised annually on 31 December and totals EUR 3,261,697 (GBP 2,863,749) as at 31 December 2018.

On 18 September 2015, the Company acquired EUR 171,275 (GBP 125,000) series B unsecured subordinated loan notes in IQarus UK Limited. The unsecured series B loan notes bear a PIK interest at a rate of 10% p.a. which is capitalised annually on 31 December and totals EUR 53,247 (GBP 46,158) as at 31 December 2018.

On 31 December 2016, the Company acquired EUR 3,794,800 (USD 4,000,000) series D secured subordinated loan notes in IQarus UK Limited. The secured series D loan notes bear a PIK interest at a rate of 10% p.a., which is capitalised annually on 31 December and totals EUR 720,975 (USD 843,616) as at 31 December 2018.

The above A and D loan notes are collectively referred to as "IQarus Loan Notes" and the instruments are secured by a debenture issued by the debtor.

Subordinated loan notes (Kerudys)

On 25 July 2016, the Company acquired EUR 10,000,000 series A bonds and EUR 13,100,000 series B bonds issued by Nova Groupe societe par actions simplifiée ("Kerudys" Loan Notes). The series A bonds bear PIK interest at a rate of 6% capitalised annually on 25 July and totals EUR 1,236,000 as at 31 December 2018, and cash interest at a rate of 4% p.a. which is payable bi-annually on 25 January and 25 July. The B bonds bear a PIK interest at a rate of 13.25% p.a. which is capitalised annually on 25 July, and totals EUR 3,701,487 as at 31 December 2018.

During the year, SVP changed its investment name to Kerudys.

Subordinated loan notes (PIE)

On 2 June 2017, the Company acquired EUR 7,343,360 (GBP 6,400,000) secured investor B loan stock 2023 in R-Squared Bidco Limited ("PIE" Loan Notes). The secured investor loan stock bears an interest rate of 8% p.a., being PIK interest of 50% accrued and capitalised quarterly every 31 March, 30 June, 30 September and 31 December and cash interest of 50% accrued quarterly and payable every 31 March, 30 June, 30 September and 31 December. The capitalised PIK Interest totalled EUR 963,719 (GBP 853,134) as at 31 December 2018. The instruments are secured by a debenture issued by the debtor.

# MML CAPITAL EUROPE VI S.A.

## NOTES TO THE ANNUAL ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

### 3. Financial assets (continued)

#### Fixed rate subordinated secured loan notes (CSI)

On 1 August 2017, the Company acquired EUR 39,091,012 (GBP 34,962,000) fixed rate subordinated secured loan notes 2023 in CSI Midco Limited. The subordinated secured loan notes bear PIK interest at a rate of 10% p.a. which does not capitalise and is fully payable on maturity. The instruments are secured by a debenture issued by the debtor. As at 31 December 2018, PIK interest receivable totalled EUR 5,536,010 (GBP 4,952,152), refer to note 4(b).

#### Subordinated loan notes (Gravotech)

On 29 March 2018, the Company acquired EUR 12,377,049 loan stock issued by Gravotech Holding ("Gravotech" Loan Notes). The secured loan notes bear PIK interest at a rate of 10% p.a. which is capitalised annually on 31 March. As at 31 December 2018, PIK interest receivable totalled EUR 939,299, refer to note 4(a).

#### Secured Loan Notes (ParkingEye)

On 2 November 2018, the Company acquired EUR 22,866,720 (GBP 19,960,475) secured series A loan notes and EUR 33,852,272 (GBP 29,549,818) secured series B loan notes in Peggy Midco Limited ("ParkingEye Loan Notes"). The secured series A loan notes bear PIK interest at a rate of 12% p.a. which is capitalised annually on 2 November. The unsecured series B loan notes bear a PIK interest at a rate of 8% p.a. which is capitalised annually on 2 November. As at 31 December 2018, PIK interest receivable totalled EUR 860,003 (GBP 769,302), refer to note 4(a).

### 4. Debtors

*a) becoming due and payable within one year*

	CCY	Amount in CCY	31 December 2018 EUR	31 December 2017 EUR
Convertible bonds (Luneau Technology)	EUR	2,163,931	2,163,931	-
Accrued cash interest- Luneau Technology				
Convertible bonds	EUR	109,086	109,086	109,086
Accrued PIK interest- Learning Curve Loan				
Stock	GBP	442,403	494,563	359,123
Accrued cash interest- CH & Co. Loan Notes	GBP	-	-	162,899
Accrued cash interest- Banner Loan Notes	GBP	-	-	106,960
Accrued PIK interest- Kerudys Loan Notes	EUR	1,459,226	1,459,226	1,318,060
IQarus Working Capital Facility	GBP	-	-	2,322,161
Accrued PIK interest- Gravotech Loan Notes	EUR	939,299	939,299	-
Accrued PIK interest- ParkingEye Loan				
Notes	GBP	769,302	860,003	-
Receivable from shareholder	EUR	-	21,640	21,640
Corporate income tax	EUR	10,700	10,700	-
Municipal business tax	EUR	2,578	2,578	-
Net wealth tax	EUR	6,012	6,012	-
VAT	EUR	-	-	1,000
			<b>6,067,038</b>	<b>4,400,929</b>

The accrued PIK interest on the loan notes will be capitalised in 2019.

# MML CAPITAL EUROPE VI S.A.

## NOTES TO THE ANNUAL ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

### 4. Debtors (continued)

#### *a) becoming due and payable within one year (continued)*

The receivables of EUR 2,163,931 relates to Luneau Technology ("Luneau bonds") which are due to mature on 11 December 2019 (note 3).

The receivables of EUR 109,086 (2017: EUR 109,086) relates to accrued interest on "Luneau Technology Convertible bonds" from 30 June 2018 to 31 December 2018 (note 3). During the year, cash interest amounting to EUR 216,393 was paid by Luneau Technology.

The receivables of EUR 494,563 (2017: EUR 359,123) relates to accrued PIK interest on "Learning Curve Loan Stock" from 31 October 2018 to 31 December 2018 (note 3).

The receivables of EUR 1,459,226 (2017: EUR 1,318,060) relates to accrued cash and PIK interest on "Kerudys Loan Notes" from 25 July 2018 to 31 December 2018 (note 3).

The receivables of EUR 939,299 relates to accrued PIK interest on "Gravotech Loan Stock" from 29 March 2018 to 31 December 2018 (note 3).

The receivables of EUR 860,003 relates to accrued PIK interest on "ParkingEye Loan Stock" from 2 November 2018 to 31 December 2018 (note 3).

With respect to prior year financial statements, on 14 September 2018, the Company received repayment for the IQarus working capital facility of EUR 2,241,400 (GBP 2,000,000). Cash realised totalled EUR 295,139 (GBP 261,370)

#### *b) becoming due and payable after more than one year*

	CCY	Amount in CCY	31 December 2018 EUR	31 December 2017 EUR
Accrued PIK interest on subordinated secured Loan Notes (CSI )	GBP	4,952,152	5,536,010	1,641,003
			<u>5,536,010</u>	<u>1,641,003</u>

The receivable of EUR 5,536,010 relates to accrued PIK interest on "CSI Loan Notes" from 1 August 2017 to 31 December 2018 (note 3).

### 5. Prepayments

	31 December 2018 EUR	31 December 2017 EUR
Legal and professional fees	-	2,746
	<u>-</u>	<u>2,746</u>



**MML CAPITAL EUROPE VI S.A.****NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018****6. Subscribed capital**

The subscribed capital amounts to EUR 31,000 and is divided into 310 shares with a nominal value of EUR 100 per share.

No movements on the "Subscribed capital" item occurred during the year.

**7. Share premium account**

The movements on the "Share premium account" item during the year are as follows:

	<b>Share premium 2018 EUR</b>
<b>Share premium account - opening balance</b>	1,655,509
Movements for the year	792,831
<b>Share premium account - closing balance</b>	<u><u>2,448,340</u></u>

The movements for the year consist of capital contributions received without the issuance of shares.

The Shareholder resolved to make the following capital contributions without the issuance of shares to the Company:

<b>Value date</b>	<b>CCY</b>	<b>Amount in CCY Value</b>	<b>31 December 2018 EUR</b>
14 September 2018 - IQARUS WCF Facility - GBP 2,000,000	GBP	(20,000)	(22,581)
7 December 2018 - Gravotech loan notes - EUR 12,377,049	EUR	123,770	123,770
7 December 2018 - IQARUS A loan notes - GBP 2,520,769	GBP	25,208	28,780
7 December 2018 - Banner C loan notes - GBP 3,000,000	GBP	30,000	34,344
12 December 2018 - ParkingEye A loan notes - GBP 19,960,475	GBP	199,605	228,667
12 December 2018 - ParkingEye B loan notes - GBP 29,549,818	GBP	295,498	338,523
12 December 2018 - Learning Curve loan notes - GBP 5,400,000	GBP	54,000	61,328
<b>Total movements for the year</b>			<u><u>792,831</u></u>

These capital contributions were made to finance the Company's investments. For further details, refer to note 10.2

**MML CAPITAL EUROPE VI S.A.****NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018****8. Legal reserve**

The Company is required to allocate a minimum of 5% of its net result to a legal reserves, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed. The appropriation of the legal reserve (if any) is effected after approval at the general meeting of the sole Shareholder. No allocation to the legal reserve is required for the year ended 31 December 2018 as the 10% maximum has previously been allocated.

**9. Movements for the year on the reserves and profit and loss items**

	<b>Legal reserve EUR</b>	<b>Profit or loss brought forward EUR</b>	<b>Profit or loss for the financial year EUR</b>
As at 31 December 2017	3,100	48,774	102,671
Movements for the year:			
Allocation of previous period's profit or loss	-	102,671	(102,671)
Profit or (loss) for the financial year	-	-	519,023
As at 31 December 2018	<u>3,100</u>	<u>151,445</u>	<u>519,023</u>

**10. Creditors**

Amounts due and payable for the accounts shown under "Creditors" are as follows:

	<b>Within one year EUR</b>	<b>After one year and within five years EUR</b>	<b>After more than five years EUR</b>	<b>Total 31 December 2018 EUR</b>	<b>Total 31 December 2017 EUR</b>
Trade creditors	152,897	-	-	152,897	214,812
Amounts payable to the sole shareholder	68,643,792	168,044,427	39,945,801	276,634,020	180,278,492
Tax and social security debts	260,073	-	-	260,073	59,692
Total	<u>69,056,762</u>	<u>168,044,427</u>	<u>39,945,801</u>	<u>277,046,990</u>	<u>180,552,996</u>

**MML CAPITAL EUROPE VI S.A.**
**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**
**10 Creditors (continued)**
**10.1 Trade creditors**

The trade creditors mainly consist of professional, audit and administration fees due to service providers.

**10.2 Amounts payable to the sole shareholder**

*a) becoming due and payable within one year*

	CCY	Amount in CCY	31 December 2018 EUR	31 December 2017 EUR
Series 1 bonds - Luneau Technology (note i)	EUR	2,142,291	2,142,291	-
Accrued cash interest on series 1 bonds - Luneau Technology (note i)	EUR	529,244	529,244	318,314
Accrued cash interest on series 2 bonds - Learning Curve (note ii)	GBP	-	-	342,551
Accrued PIK interest on series 2 bonds - Learning Curve (note ii)	GBP	334,971	374,464	-
Accrued PIK interest on series 8 bonds - Learning Curve (note ii)	GBP	13,926	15,568	12,331
Accrued PIK interest on series 24 bonds - Learning Curve (note ii)	GBP	88,465	98,895	-
Accrued cash interest on series 3 bonds - CH & Co. (note iii)	GBP	-	-	158,697
Accrued cash interest on series 4 bonds - Banner A (note iv)	GBP	-	-	103,382
Accrued cash interest on series 12 bonds - Kerudys A (note ix)	EUR	190,508	190,508	442,395
Accrued PIK interest in series 12 bonds - Kerudys A (note ix)	EUR	285,762	285,762	-
Accrued PIK interest in series 13 bonds - Kerudys B (note ix)	EUR	946,333	946,333	845,204
Accrued PIK interest in series 20 bonds - CSI (note xii)	GBP	-	-	1,600,062
Accrued PIK interest in series 22 bonds - Gravotech (note xiv)	EUR	916,795	916,795	-
Accrued PIK interest in series 25 bonds - ParkingEye A (note xv)	GBP	378,803	423,464	-
Accrued PIK interest in series 26 bonds - ParkingEye B (note xv)	GBP	371,635	415,451	-

**MML CAPITAL EUROPE VI S.A.**
**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**
**10. Creditors (continued)**
**10.2 Amounts payable to the sole shareholder (continued)**
*a) becoming due and payable within one year (continued)*

		Amount in	31 December	31 December
	CCY	CCY	2018	2017
			EUR	EUR
IQarus working capital facility series 17 (note xiii)	GBP	-	-	2,258,586
Accrued cash interest for IQarus working capital facility series 17 (note viii)	GBP	-	-	39,732
Other payables to the shareholder	EUR	55,766	55,766	16,709
Advance on series 15 bonds - IQarus A (note vi)	GBP	-	-	2,254,765
Advance on series 16 bonds - IQarus D (note viii)	USD	-	-	4,081,952
Advance on series 18 bonds - PIE B (note xi)	GBP	-	-	7,600,152
Advance on series 19 bonds - IQarus A (note vi)	GBP	-	-	714,456
Advance on series 20 bonds - CSI (note xii)	GBP	-	-	38,700,102
Advance on series 24 bonds - Learning Curve (note ii)	GBP	5,369,104	6,097,449	-
Advance on series 25 bonds - ParkingEye A (note xv)	GBP	19,760,870	22,638,053	-
Advance on series 26 bonds - ParkingEye B (note xv)	GBP	29,254,320	33,513,749	-
			<u>68,643,792</u>	<u>59,489,390</u>

The amounts payable to the sole shareholder are mainly composed of the above advances, bonds and accrued interest, which are repayable on demand, except for the PIK interest which will be capitalised in 2019.

**MML CAPITAL EUROPE VI S.A.**
**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**
**10. Creditors (continued)**
**10.2 Amounts payable to the sole shareholder (continued)**
*a) becoming due and payable after more than one year*

	Interest rate	Opening value 1 January 2018 EUR	Borrowing / (Reimbursement) / (Transfer) EUR	Capitalised interest EUR	31 December 2018 EUR
Series 1 bonds - Luneau Technology - EUR - (note i)	9.8460%	2,142,291	(2,142,291)	-	-
Series 2 bonds - Learning Curve - GBP - (note ii)	9.8460%	25,266,515	-	2,131,873	27,398,388
Series 8 bonds - Learning Curve - GBP - (note ii)	18.6320%	427,409	-	82,674	510,083
Series 3 bonds - CH & Co - GBP - (note iii)	9.8460%	12,366,807	-	1,004,272	13,371,079
Series 10 bonds - CH & Co - GBP - (note iii)	9.8460%	12,525,075	-	1,104,059	13,629,134
Series 4 bonds - Banner A - GBP - (note iv)	6.3460%	10,822,351	-	554,925	11,377,276
Series 5 bonds - Banner C - GBP - (note v)	10.8460%	13,028,584	-	1,163,641	14,192,225
Series 11 bonds - Banner C - GBP - (note v)	10.8460%	8,914,451	-	911,880	9,826,331
Series 23 bonds - Banner C - GBP - (note v)	10.8590%	-	3,400,056	205,456	3,605,512
Series 6 bonds - IQarus A - GBP - (note vi)	9.8460%	5,831,451	-	485,948	6,317,399
Series 9 bonds - IQarus A - GBP - (note vi)	9.8460%	2,444,498	-	218,821	2,663,319
Series 14 bonds - IQarus A - GBP - (note vi)	9.8460%	1,639,428	-	154,953	1,794,381
Series 15 bonds - IQarus A - GBP - (note vi)	9.8460%	-	2,254,765	210,980	2,465,745
Series 19 bonds - IQarus A - GBP - (note vi)	9.8460%	-	714,456	69,385	783,841
Series 21 bonds - IQarus A - GBP - (note vi)	9.8460%	-	2,849,182	276,940	3,126,122
Series 7 bonds - IQarus B - GBP - (note vii)	9.8460%	204,906	-	16,900	221,806
Series 16 bonds - IQarus D - GBP - (note vii)	9.8460%	-	4,081,952	377,144	4,459,096
Series 12 bonds - Kerudys A - EUR - (note ix)	9.8460%	10,490,760	-	613,496	11,104,256
Series 13 bonds - Kerudys B - EUR - (note x)	13.0960%	14,684,576	-	1,903,690	16,588,266
Series 18 bonds - PIE B - GBP - (note xi)	7.8460%	-	7,600,152	604,543	8,204,695
Series 20 bonds - CSI - GBP - (note xii)	9.8490%	-	38,700,102	5,397,893	44,097,995
Series 22 bonds - Gravotech - EUR - (note xiv)	9.8590%	-	12,253,279	-	12,253,279
		<u>120,789,102</u>	<u>69,711,653</u>	<u>17,489,473</u>	<u>207,990,228</u>



**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. Creditors (continued)**

**10.2 Amounts payable to the sole shareholder (continued)**

(i) Series 1 bonds

On 11 December 2014, the Company received an advance on series 1 bonds from the Shareholder in order to finance the Company's investment in Luneau Technology convertible bonds, advancing the Company an amount of EUR 2,142,291, with a cash interest rate of 9.8460%. The bonds were issued on 22 February 2017 and are due to mature on 11 December 2019.

(ii) Series 2, 8 and 24 bonds

On 26 March 2015, the Company received an advance on series 2 bonds from the Shareholder in order to finance the Company's investment in Learning Curve secured investor loan stock, advancing the Company an amount of EUR 20,435,556 (GBP 14,513,889), with a PIK interest rate of 9.8460% accrued quarterly and capitalised every 30 April, 31 July, 31 October and 31 January. The interest capitalised during 2018 totals EUR 2,131,873 (GBP 1,886,806). The bonds were issued on 22 February 2017 and are due to mature on 26 September 2022.

On 7 April 2016, the Company received an advance on series 8 bonds from the Shareholder in order to finance the Company's investment in Learning Curve secured investor loan stock, advancing the Company an amount of EUR 367,894 (GBP 297,000), with an effective interest rate of 18.6320% accrued and capitalised quarterly every 30 April, 31 July, 31 October and 31 January. On 19 December 2016, the Company disposed of part of its holding for EUR 46,354 (GBP 37,421). The interest capitalised during 2018 totals EUR 82,674 (GBP 73,186). The bonds were issued on 22 February 2017 and are due to mature on 26 September 2022.

On 12 December 2018, the Company entered into a loan agreement, with an effective date of 11 October 2018, with the Shareholder in order to finance the Company's investment in Learning Curve secured investor loan stock ("Series 24 bonds"), advancing the Company an amount of EUR 6,071,452 (GBP 5,346,000), with a PIK interest rate of 9.8590% accrued quarterly and capitalised every 30 April, 31 July, 31 October and 31 January. The interest capitalised during 2018 totals EUR 25,997 (GBP 23,104). The bonds were issued on 7 February 2019 and are due to mature on 15 July 2019.

(iii) Series 3 and 10 bonds

On 1 June 2015, the Company received an advance on series 3 bonds from the Shareholder in order to finance the Company's investment in CH&Co secured loan notes A, advancing the Company an amount of EUR 10,470,676 (GBP 7,430,227). Up until 31 March 2016, the bonds bore a PIK interest rate of 9.8460%. From 1 April 2016, the bond bore cash interest and PIK interest of 4.9230% each, accrued and capitalised at the end of each calendar month. From 1 April 2017, cash interest was turned off and the bond started bearing 100% PIK interest at a rate of 9.8460%. The interest capitalised during 2018 totals EUR 1,004,272 (GBP 889,852). The bonds were issued on 22 February 2017 and are due to mature on 31 December 2021.

On 7 June 2016, the Company received an advance on series 10 bonds from the Shareholder in order to finance the Company's investment in CH&Co secured loan notes, advancing the Company an amount of EUR 11,440,440 (GBP 8,910,000) with cash interest and PIK interest of 4.9230% each accrued and capitalised at the end of each calendar month. From 1 April 2017, cash interest was turned off and the bond started bearing 100% PIK interest at a rate of 9.8460%. The interest capitalised during 2018 totals EUR 1,104,059 (GBP 978,270). The bonds were issued on 22 February 2017 and are due to mature on 31 December 2021.

**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. Creditors (continued)**

**10.2 Amounts payable to the sole shareholder (continued)**

(iv) Series 4 bonds

On 10 July 2015, the Company received an advance on series 4 bonds from the Shareholder in order to finance the Company's investment in Banner secured series A loan notes, advancing the Company an amount of EUR 10,496,963 (GBP 7,454,700), with a cash interest rate of 4.8815% and a PIK interest rate of 1.4645%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 amounts to EUR 554,925 (GBP 496,400). The bonds were issued on 22 February 2017 and are due to mature on 31 December 2021.

(v) Series 5, 11 and 23 bonds

On 10 July 2015, the Company received an advance on series 5 bonds from the Shareholder in order to finance the Company's investment in Banner unsecured series C loan notes, advancing the Company an amount of EUR 10,455,143 (GBP 7,425,000), with a PIK interest rate of 10.8460%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 1,163,641 (GBP 1,040,917). The bonds were issued on 22 February 2017 and are due to mature on 31 December 2021.

On 1 July 2016, the Company received an advance on series 11 bonds from the Shareholder in order to finance the Company's investment in additional Banner unsecured series C loan notes, advancing the Company an amount of EUR 7,676,312 (GBP 6,435,000), with a PIK interest rate of 10.8460%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 911,880 (GBP 815,708). The bonds were issued on 22 February 2017 and are due to mature on 31 December 2021.

On 6 June 2018, the Company received an advance on series 23 bonds from the Shareholder in order to finance the Company's investment in additional Banner unsecured series C loan notes, advancing the Company an amount of EUR 3,400,056 (GBP 2,970,000), with a PIK interest rate of 10.8590%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 205,456 (GBP 183,788). The bonds were issued on 11 December 2018 and are due to mature on 31 December 2021.

(vi) Series 6, 9, 14, 15, 19 and 21 bonds

On 18 September 2015, the Company received an advance on series 6 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 4,835,758 (GBP 3,529,235), with a PIK interest rate of 9.8460% accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 485,948 (GBP 434,697). The bonds were issued on 22 February 2017 and are due to mature on 18 September 2021.

On 15 April 2016, the Company received an advance on series 9 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 2,107,875 (GBP 1,677,443), with a PIK interest rate of 9.8460% accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 218,821 (GBP 195,743). The bonds were issued on 22 February 2017 and are due to mature on 18 September 2021.

**10. Creditors (continued)**

**10.2 Amounts payable to the sole shareholder (continued)**

(vi) Series 6, 9, 14, 15, 19 and 21 bonds (continued)

On 31 August 2016, the Company received an advance on series 14 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 1,451,058 (GBP 1,230,649), with a PIK interest rate of 9.8460%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 154,953 (GBP 138,610). The bonds were issued on 22 February 2017 and are due to mature on 18 September 2021.

On 12 December 2016, the Company received an advance on series 15 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 2,052,386 (GBP 1,721,945), with a PIK interest rate of 9.8460%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 210,980 (GBP 188,729). The bonds were issued on 13 March 2018 and are due to mature on 18 September 2021.

On 19 June 2017, the Company received an advance on series 19 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 679,239 (GBP 594,000), with a PIK interest rate of 9.8460%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 69,385 (GBP 62,068). The bonds were issued on 13 March 2018 and are due to mature on 18 September 2021.

On 19 March 2018, the Company received an advance on series 21 bonds from the Shareholder in order to finance the Company's investment in IQarus series A secured subordinated loan notes, advancing the Company an amount of EUR 2,849,182 (GBP 2,495,561), with a PIK interest rate of 9.8590%, accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 276,940 (GBP 247,733). The bonds were issued on 11 December 2018 and are due to mature on 18 September 2021.

(vii) Series 7 bonds

On 18 September 2015, the Company received an advance on series 7 bonds from the Shareholder in order to finance the Company's investment in IQarus series B unsecured subordinated loan notes, advancing the Company an amount of EUR 169,562 (GBP 123,750), with a PIK interest rate of 9.8460% accrued and capitalised annually on 31 December. The interest capitalised during 2018 totals EUR 16,900 (GBP 15,118). The bonds were issued on 22 February 2017 and are due to mature on 18 September 2021.

(viii) Series 16 bonds

On 18 November 2016, the Company received an advance on series 16 bonds from the Shareholder in order to finance the Company's investment in IQarus series D secured subordinated loan notes, advancing the Company an amount of EUR 3,756,852 (USD 3,960,000), with a PIK interest rate that will be determined upon conclusion of the investment in IQarus UK Limited. PIK interest will be zero percent from 18 November 2016 to 31 December 2016 and 9.8460% from 1 January 2017; accrued and capitalised annually on 31 December thereafter. The interest capitalised during 2018 totals EUR 377,144 (USD 431,812). The bonds were issued on 13 March 2018 and are due to mature on 31 December 2021.

**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. Creditors (continued)**

**10.2 Amounts payable to the sole shareholder (continued)**

(ix) Series 12 bonds

On 25 July 2016, the Company received an advance on series 12 bonds from the Shareholder in order to finance the Company's investment in Kerudys Loan Notes A, advancing the Company an amount of EUR 9,900,000, with a cash interest rate of 3.9384% and a PIK interest rate of 5.9076% capitalised annually on 25 July. The bonds were issued on 22 February 2017 and are due to mature on 25 July 2024. The interest capitalised during 2018 totals EUR 613,496.

(x) Series 13 bonds

On 25 July 2016, the Company received an advance on series 13 bonds from the Shareholder in order to finance the Company's investment in Kerudys Loan Notes B, advancing the Company an amount of EUR 12,969,000, with a PIK interest rate of 13.0960%, capitalised annually on 25 July. The bonds were issued on 22 February 2017 (Note 18) and are due to mature on 25 January 2025. The interest capitalised during 2018 totals EUR 1,903,690.

(xi) Series 18 bonds

On 2 June 2017, the Company received an advance on series 18 bonds from the Shareholder in order to finance the Company's investment in PIE, advancing the Company an amount of EUR 7,269,926 (GBP 6,336,000) with a cash interest rate of 3.9230% p.a. and a PIK interest rate of 3.9230% p.a. capitalised every 31 December, callable on demand. The advance will not be repaid in full until the investment in the underlying asset is sold. The interest capitalised during 2018 totals EUR 604,543 (GBP 535,532). The bonds were issued on 13 March 2018 and are due to mature on 2 June 2023.

On 10 August 2017, the Company entered into a loan agreement with an effective date of 2 June 2017 with the Shareholder in order to finance the Company's investment in PIE, advancing the Company an amount of EUR 4,259,723 (GBP 3,712,500) with a cash interest rate of 3.9230% p.a. and a PIK interest rate of 3.9230% p.a. capitalised every 31 December, callable on demand. The investment in Loan Notes A were redeemed on 7 July 2017 and the proceeds were reused to finance part of the investment in CSI.

(xii) Series 20 bonds

On 1 August 2017, the Company received an advance on series 20 bonds from the Shareholder in order to finance the Company's investment in CSI Midco Limited, advancing the Company an amount of EUR 38,700,102 (GBP 34,612,380) with a PIK interest rate of 9.8490% which does not capitalise and is fully payable on maturity. The bonds were issued on 13 March 2018 and are due to mature on 1 August 2023. The PIK interest amounted to EUR 5,397,893 as at 31 December 2018.

(xiii) Series 17 bonds

On 8 August 2017, the Company entered into a loan agreement with an effective date of 25 May 2017 with the Shareholder in order to finance the Company's investment in IQarus UK Limited ("IQarus working capital facility"), advancing the Company an amount of EUR 2,258,586 (GBP 1,980,000) with a cash interest rate of 9.8460% p.a. payable every 25th of each month, callable on demand. The advance was repaid on 14 September 2018.

**NOTES TO THE ANNUAL ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. Creditors (continued)****10.2 Amounts payable to the sole shareholder (continued)****(xiv) Series 22 bonds**

On 28 March 2018, the Company received an advance on series 22 bonds from the Shareholder in order to finance the Company's investment in Gravotech Holding, advancing the Company an amount of EUR 12,253,279 with a PIK interest rate of 9.8590% which capitalises annually on 31 March. The bonds were issued on 11 December 2018 and are due to mature on 29 March 2030. The PIK interest accrued for the year ended 31 December 2018 totals EUR 916,795.

**(xv) Series 25 and 26 bonds**

On 12 December 2018, the Company entered into a loan agreement with an effective date of 29 October 2018 with the Shareholder in order to finance the Company's investment in ParkingEye ("Series 25 bonds"), advancing the Company an amount of EUR 22,638,053 (GBP 19,760,870) with a PIK interest rate of 9.8590% which capitalises annually on 2 November. The bonds were issued on 7 February 2019 and are due to mature on 2 May 2026. The PIK interest accrued for the year ended 31 December 2018 totals EUR 423,464.

On 12 December 2018, the Company entered into a loan agreement with an effective date of 29 October 2018 with the Shareholder in order to finance the Company's investment in ParkingEye ("Series 26 bonds"), advancing the Company an amount of EUR 33,513,749 (GBP 29,254,320) with a PIK interest rate of 9.8590% which capitalises annually on 2 November. The bonds were issued on 7 February 2019 and are due to mature on 2 May 2026. The PIK interest accrued for the year ended 31 December 2018 totals EUR 415,451.

As at 31 December 2018, the advances received on series 24, 25 and 26 bonds were callable on demand and thus are presented as becoming due and payable within one year.

**11. 1. to 5. Gross profit or loss**

Other external expenses are as follows:

	<b>1 January to 31 December 2018 EUR</b>	<b>1 January to 31 December 2017 EUR</b>
Administration fees	55,947	161,305
Audit fees	30,713	44,811
Other professional fees	60,797	37,685
Other expenses	5,595	2,836
<b>Total</b>	<b>153,052</b>	<b>246,637</b>

**MML CAPITAL EUROPE VI S.A.**
**NOTES TO THE ANNUAL ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**
**12. Income from other investments and loans forming part of the fixed assets**

<i>a) other income</i>	<b>1 January to 31 December 2018 EUR</b>	<b>1 January to 31 December 2017 EUR</b>
Interest on secured series A loan notes (Banner)	580,556	562,612
Interest on unsecured series C loan notes (Banner)	2,366,087	1,965,223
Interest on secured series A loan notes (IQarus)	1,471,159	1,052,421
Interest on unsecured series B loan notes (IQarus)	17,569	16,176
Interest on secured Investor loan stock (Learning Curve)	2,396,270	2,084,416
Interest on loan notes (CH & Co.)	2,167,791	1,984,055
Interest on secured series A loan notes (Luneau Technology)	216,393	216,393
Interest on secured series A loan notes (Kerudys)	1,087,705	1,026,137
Interest on secured series B loan notes (Kerudys)	2,079,198	1,835,936
Discount amortisation on unsecured Investor loan stock	78,972	25,801
Interest on secured series D loan notes (IQarus)	377,828	350,570
Interest on working capital facility (IQarus)	159,002	137,858
Interest on secured series A loan notes (PIE)	-	31,578
Interest on secured series B loan notes (PIE)	623,537	340,182
Interest on secured series B loan notes (CSI)	3,947,559	1,665,016
Interest on loan notes (Gravotech)	939,299	-
Interest on secured series A loan notes (ParkingEye)	437,164	-
Interest on secured series B loan notes (ParkingEye)	431,456	-
Bank Interest	1,404	-
	<b>19,378,949</b>	<b>13,294,374</b>

**13. Other interest and similar income**

Other interest and similar income consists of net unrealised and realised foreign exchange gains incurred during the year of EUR 410,705 (2017: EUR 72,118).

**14. Other interest and similar expenses**

Other interest and similar expenses consists of interest payable on amounts payable to partners and shareholders of EUR 18,887,502 (2017: EUR 12,970,474).

**15. Tax**

The Company is subject in Luxembourg to the applicable general tax regulations.

**16. Off-balance sheet commitments**

There are no off-balance sheet commitments.

## **MML CAPITAL EUROPE VI S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **17. Staff costs**

During the year, the Company had no employees.

#### **18. Subsequent events**

The series 24, 25 and 26 bonds were admitted to the official list of The International Stock Exchange ("TISE") with effect from 7 February 2019. The accrued PIK interest on the bonds as at 31 December 2018 will be capitalised in 2019.

On 6 February 2019, the MML Group signed a deal to invest into DMS, a fund governance business. This investment is subject to regulatory approval in jurisdictions where the business operates and will fund in the following months.

On 1 April 2019, the Company invested GBP 16.1 million (EUR 18.7 million) in Loan Notes for a new investment in Altius, a data consultancy business. The Company received a loan of 16.1 million (EUR 18.7 million) from MML Capital Partners Fund VI L.P., which was fully invested in Altius.

On 25 March 2019, the Company received cash proceeds of GBP 27.9 million (EUR 32.6 million) regarding the Learning Curve refinancing. Of the GBP 27.9 million (EUR 32.6 million) cash proceeds, GBP 20.3 million (EUR 27.2 million) represents a repayment of capital, GBP 0.4 million (EUR 0.4 million) of capital gains, GBP 7.2 million (EUR 8.4 million) of PIK interest and EUR 3.4 million of FX Loss. From these proceeds, an amount of GBP 27.2 million (EUR 32.0 million) was used to repay the bonds, generating EUR 3.3 million of FX gain.

On 31 May 2019, the Company received cash proceeds of GBP 22.0 million regarding the sale of CH&Co to Equistone. Of the GBP 22.0 million, GBP 16.5 million represents a repayment of capital and GBP 5.5 million of PIK interest.

No other significant events have occurred between the balance sheet date and the date when these annual accounts have been approved and authorised for issue by the Board of Directors, which would require additional disclosures in or adjustments to the annual accounts.