



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	881 459 442
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	APCOA SCANDINAVIA AS
Forretningsadresse:	Sandakerveien 138 0484 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Rune Feltman
Dato for fastsettelse av årsregnskapet:	30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Lønnskostnad	8		
Annen driftskostnad	8, 9	13 091 553	102 900
Sum kostnader		13 091 553	102 900
Driftsresultat		-13 091 553	-102 900
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	9	45 748 745	36 713 211
Annen finansinntekt	2, 10	92	
Sum finansinntekter		45 748 837	36 713 211
Nedskrivning av finansielle eiendeler	1		
Rentekostnad til foretak i samme konsern		17 858 509	5 959 237
Annen rentekostnad		8 836 565	15 077 711
Annen finanskostnad	2, 10	5 674 072	24 105 597
Sum finanskostnader		32 369 146	45 142 545
Netto finans		13 379 691	-8 429 334
Ordinært resultat før skattekostnad		288 137	-8 532 234
Skattekostnad på ordinært resultat	7	1 990 330	-1 877 091
Ordinært resultat etter skattekostnad		-1 702 193	-6 655 143
Årsresultat		-1 702 193	-6 655 143
Årsresultat etter minoritetsinteresser		-1 702 193	-6 655 143
Totalresultat		-1 702 193	-6 655 143
Overføringer og disponeringer			
Overført til/fra annen egenkapital		-1 702 193	-6 655 143
Sum overføringer og disponeringer	5	-1 702 193	-6 655 143



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	29 916 211	31 906 541
Goodwill	11		
Sum immaterielle eiendeler		29 916 211	31 906 541
Finansielle anleggsmidler			
Investering i datterselskap	1, 2, 9	724 915 783	686 009 811
Sum finansielle anleggsmidler		724 915 783	686 009 811
Sum anleggsmidler		754 831 995	717 916 353
Omløpsmidler			
Varer			
Fordringer			
Andre kortsiktige fordringer	2, 3, 9	45 748 745	36 724 808
Sum fordringer		45 748 745	36 724 808
Bankinnskudd, kontanter o.l.	4		
Sum omløpsmidler		45 748 745	36 724 808
SUM EIENDELER		800 580 740	754 641 161
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	6	11 300 000	11 200 000
Overkurs		74 377 352	35 571 380
Sum innskutt egenkapital		85 677 352	46 771 380
Opptjent egenkapital			
Annen egenkapital		56 464 044	58 166 237



Balanse

Beløp i: NOK	Note	2021	2020
Sum opptjent egenkapital		56 464 044	58 166 237
 Sum egenkapital	5	 142 141 396	 104 937 617
 Gjeld			
Langsiktig gjeld			
Utsatt skatt	7		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2		408 341 700
Øvrig langsiktig gjeld	3	470 015 672	56 000 000
Sum annen langsiktig gjeld		470 015 672	464 341 700
 Sum langsiktig gjeld		 470 015 672	 464 341 700
 Kortsiktig gjeld			
Betalbar skatt	7		
Annen kortsiktig gjeld	2, 3	188 423 672	185 361 844
Sum kortsiktig gjeld		188 423 672	185 361 844
 Sum gjeld		 658 439 344	 649 703 544
 SUM EGENKAPITAL OG GJELD		 800 580 740	 754 641 161



APCOA SCANDINAVIA AS
ÅRSREGNSKAP OG
ÅRSBERETNING 2021



ÅRSBERETNING 2021

Virksomhetens art

APCOA Scandinavia AS forretningsidé er deltagelse i parkeringsvirksomhet og tilgrensede aktiviteter. Selskapet har datterselskap i Norge (APCOA PARKING Norway AS) og Sverige (APCOA PARKING Sverige AB). Hovedkontoret ligger i Oslo. Konsernregnskap for eier APCOA Group hvor APCOA Scandinavia AS inngår, kan innhentes ved henvendelse til hovedkontoret.

Forsknings- og utviklingsaktiviteter

Foretaket har for tiden ingen pågående forsknings- eller utviklingsaktiviteter, men jobber gjennom sine datterselskaper kontinuerlig med å videreutvikle deres driftskonsepter.

Arbeidsmiljø

Bedriften har ingen ansatte.

Likestilling

Bedriften har ingen ansatte. Styret består av to menn og en kvinne.

Ytre miljø

Bedriften forurenser ikke det ytre miljø. For øvrig vises til APCOA PARKING Norway AS og APCOA PARKING Sverige AB sine respektive ESG Rapporter for 2021.

Fremtidig utvikling

Et positivt resultat i selskapet er avhengig av utviklingen i datterselskapene i Norge og Sverige. Morselskapet har mottatt konsernbidrag fra sin norske datter og forventer det samme for 2022. Utenlandsk datter er pålagt utbyttebegrensninger. Underliggende drift i alle døtre forventes å være positiv. Likviditeten er uansett sikret gjennom konsernet, jf. avsnittet «likviditetsrisiko» under.

Det norske datterselskapet gjennomførte på slutten av 2020 et vellykket oppkjøp av selskapene Security Park AS og Profectum AS. Sommeren 2021 ble alle selskapene fusjonert inn i APCOA PARKING Norway AS. Fusjonen er gjennomført til regnskapsmessig og skattemessig kontinuitet. Selskapene hadde sammenfallende fremtidsplaner og vekstambisjoner og styret har god tro på at det sammenslåtte selskapet skal vokse videre.

Resultat, investeringer, finansiering og likviditet

Langsiktig gjeld til kredittinstitusjoner er i 2021 refinansiert. Etter dette har selskapet et konserninternt lån til sin mor i stedet for et lån til ekstern part.

Gjelden ble samtidig konvertert fra euro til NOK. Årets bokførte valutatap kommer i all hovedsak fra denne konverteringen.

Årets negative resultat er på NOK 1,7 mill.

Selskapet har mottatt konsernbidrag fra sin norske datter. Årsaken til underskuddet kommer som følge av valutatapet ved konvertering av gjeld. Skattekostnaden er knyttet til redusert utsatt skattefordel da underskudd til fremføring synker.



Selskapet har pr 31.12.2021 en egenkapital på kr 142,1 mill., som er en forbedring fra fjorårets egenkapital på kr 104,9 mill. Det er gjennomført en kapitaløkning i selskapet som er hovedårsaken til forbedret egenkapital

Selskapets likviditetsbeholdning var pr. 31.12.2021 kr 0. Styret vurderer at likviditetssituasjonen er tilfredsstillende siden selskapet kan låne midler fra konsern ved behov.

Netto kontantstrøm er kr 0 da selskapet ikke har midler på egen bankkonto.

Investeringer i datterselskaper er verdsatt til laveste verdi av kostpris og virkelig verdi vurdert ut ifra selskapenes egenkapital, resultater de siste årene samt foreliggende prognoser og budsjetter for inneværende 5-års periode.

Styret vurderer verdien av investeringer som fornuftig og forsvarlig.

Styret er ikke kjent med forhold av vesentlig betydning for bedømmelsen av selskapet som ikke fremgår av regnskapet, og denne årsberetningen for øvrig.

Finansiell risiko

Markedsrisiko

Fordringer og gjeldsposter er i norske kroner og SEK. Selskapet har kun konserninterne fordringer og gjeldsposter

Kreditrisiko

Selskapet har bare fordringer på konsernselskap. Det er ikke inngått avtaler om motregning eller andre finansielle instrumenter som minimerer kredittrisikoen i selskapet.

Likviditetsrisiko

Likviditeten i selskapet må ses i sammenheng med funksjonen som holdingselskap for den norske og svenske delen av APCOA konsernet. Selskapets likviditet er organisert i en konsernkontoordning som innebærer at datterselskapenes kontantbeholdning er formelt sett fordringer på morselskapet og alle konsernselskap er solidarisk ansvarlig for de trekk konsernet gjør.

Konsernet gjorde våren 2021 senariovurderinger som påviste en likviditetsrisiko. Som konsekvens av dette ble det i mai 2021 sikret ny finansiering, som konsernet anser som tilstrekkelig til å sikre videre drift inkludert en betydelig buffer for uforutsette hendelser.

Erfaringene gjennom pandemien og starten av 2022 tilsier at tilbakevendingen av parkerende kommer raskt ved lettelse av tiltak. APCOA Parking Norway AS sin likviditet, samt APCOA konsernets likviditet, anses på nåværende tidspunkt som god.

Det er i alle døtre et godt tilsig av nye kontrakter og lite frafall av kontrakter, som skal gjøre selskapene i stand til å levere overskudd også i 2022.

Styreansvarsforsikring

Selskapets styre og daglig leder har forsikringsdekning gjennom konsernet for mulig ansvar overfor foretaket og tredjeperson på 10 millioner euro.

Hendelser etter balansedagen

Styret er ikke kjent med forhold av vesentlig betydning for bedømmelsen av selskapet som ikke fremgår av regnskapet, og det er etter årsskiftet ikke inntruffet forhold av vesentlig betydning for regnskapet 2021



Fortsatt drift

Styret bekrefter at forutsetningen for fortsatt drift er til stede og regnskapet er avlagt under denne forutsetning. Selskapets egenkapital er ved utgangen av 2021 på kr 142,1 mill. Likviditeten er sikret via konsernet. Alle lån er konserninterne.

Årsresultat og disponeringer

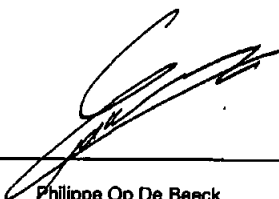
Selskapets resultat etter skatt viser negativt kr 1 702 193

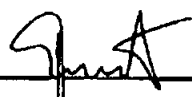
Styret foreslår følgende disponering

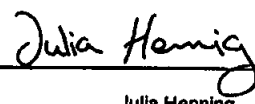
<u>Reduksjon av annen egenkapital</u>	- kr	1 702 193
Sum overføringer	- kr	1 702 193

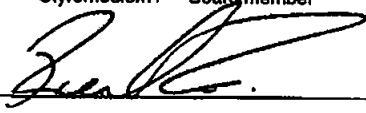
Styret i/ Board APCOA Scandinavia AS

Oslo, 24. Juni/ 24 June 2022


Philippe Op De Beeck
Styrets leder/ Chairman of the Board


Frank van der Sant
Styremedlem / Board member


Julia Henning
Styremedlem / Board member


Rune Feltman
Administrerende direktør/ Managing director



APCOA Scandinavia AS

Resultatregnskap

Driftsinntekter og driftskostnader	Note	2021	2020
Annen driftskostnad	8, 9	13 091 553	102 900
Sum driftskostnader		13 091 553	102 900
Driftsresultat		-13 091 553	-102 900
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	9	45 748 745	36 713 211
Annen finansinntekt	2, 10	92	0
Rentekostnad til foretak i samme konsern		17 858 509	5 959 237
Annen rentekostnad		8 836 565	15 077 711
Annen finanskostnad	2, 10	5 674 072	24 105 597
Resultat av finansposter		13 379 691	-8 429 334
Ordinært resultat før skattekostnad		288 137	-8 532 234
Skattekostnad på ordinært resultat	7	1 990 330	-1 877 091
Ordinært resultat		-1 702 193	-6 655 143
Årsresultat		-1 702 193	-6 655 143
Overføringer			
Overført til/fra annen egenkapital		-1 702 193	-6 655 143
Sum overføringer	5	-1 702 193	-6 655 143

**APCOA Scandinavia AS****Balanse**

Eiendeler	Note	2021	2020
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	29 916 211	31 906 541
Sum immaterielle eiendeler		29 916 211	31 906 541
Finansielle anleggsmidler			
Investeringer i datterselskap	1, 2, 9	724 915 783	686 009 811
Sum finansielle anleggsmidler		724 915 783	686 009 811
Sum anleggsmidler		754 831 995	717 916 353
Omløpsmidler			
Fordringer			
Andre kortsiktige fordringer	2, 3, 9	45 748 745	36 724 808
Sum fordringer		45 748 745	36 724 808
Sum omløpsmidler		45 748 745	36 724 808
Sum eiendeler		800 580 740	754 641 161



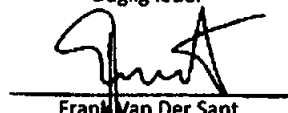
APCOA Scandinavia AS

Balanse

Egenkapital og gjeld	Note	2021	2020
Innskutt egenkapital			
Aksjekapital	6	11 300 000	11 200 000
Overkurs		74 377 352	35 571 380
Sum innskutt egenkapital		85 677 352	46 771 380
Opptjent egenkapital			
Annen egenkapital		56 464 044	58 166 237
Sum opptjent egenkapital		56 464 044	58 166 237
Sum egenkapital	5	142 141 396	104 937 617
Gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2	0	408 341 700
Øvrig langsiktig gjeld	3	470 015 672	56 000 000
Sum annen langsiktig gjeld		470 015 672	464 341 700
Kortsiktig gjeld			
Betalbar skatt	7	0	0
Annen kortsiktig gjeld	2, 3	188 423 672	185 361 844
Sum kortsiktig gjeld		188 423 672	185 361 844
Sum gjeld		658 439 344	649 703 544
Sum egenkapital og gjeld		800 580 740	754 641 161

Oslo, 24.06.2022

Styret i APCOA Scandinavia AS


Philippe A M A Op De Beeck
Styreleder
Christiane Julia Hennig
Styremedlem
Rune Feltman
Daglig leder
Frank Van Der Sant
Styremedlem



Kontantstrømoppstilling

APCOA Scandinavia AS

(alle beløp i hele NOK)

	Note	2021	2020
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		288 139	-8 532 234
Periodens betalte skatt	7	0	0
Nedskrivninger		0	0
Endring i andre tidsavgrensningsposter		-5 888 539	11 668 329
Netto kontantstrøm fra operasjonelle aktiviteter		-5 600 400	3 136 095
Kontantstrømmer fra investeringsaktiviteter			
Innbetaling av utbytte		0	0
Utbetalinger ved kjøp av aksjer		0	-8 000 000
Netto kontantstrøm fra investeringsaktiviteter		0	-8 000 000
Kontantstrømmer fra finansieringsaktiviteter			
Innbetalinger ved opptak av ny langsiktig gjeld		0	83 771 380
Innbetaling av kapital	3	0	8 000 000
Utbetalinger ved nedbetaling av langsiktig gjeld		-408 341 700	0
Inn/utbetalinger til selskap i samme konsern		413 942 100	-86 907 475
Netto kontantstrøm fra finansieringsaktiviteter		5 600 400	4 863 905
Netto endring i kontanter og kontantekvivalenter		0	0
Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse		0	0
Beholdning av kontanter og kontantekvivalenter ved periodens slutt		0	0



Noteopplysninger til årsregnskapet

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk. Alle beløp er ført opp i hele NOK.

Bruk av estimater

Utarbeidelse av regnskap i samsvar med regnskapsloven krever bruk av estimater. Videre krever anvendelse av selskapets regnskapsprinsipper at ledelsen må utøve skjønn. Områder som i stor grad inneholder slike skjønnsmessige vurderinger, høy grad av kompleksitet, eller områder hvor forutsetninger og estimater er vesentlige for årsregnskapet, er beskrevet i notene.

Datterselskap

Datterselskapene er vurdert etter kostmetoden i selskapsregnskapet. Dersom virkelig verdi av selskapene er lavere enn balanseført verdi og verdifallet ikke forventes å være forbigående foretas nedskrivning til virkelig verdi. Eiendelen i balansen er vist under finansielle eiendeler. Utbytte, konsernbidrag og andre utdelinger fra datterselskap er inntektsført samme år som det er avsatt i givers regnskap. Overstiger utbyttet / konsernbidraget andel av opptjent resultat etter anskaffelsestidspunktet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrasket investeringens verdi i balansen til morselskapet.

Klassifisering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter anskaffelsestidspunktet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld. Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på opptakstidspunktet. Anleggsmidler vurderes til anskaffelseskost, fratrasket av- og nedskrivninger. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Anskaffelseskost

Anskaffelseskost for eiendeler omfatter kjøpesummen, med fradrag for bonuser, rabatter og lignende, og med tillegg for kjøpsutgifter (frakt, toll, offentlige avgifter som ikke refunderes og andre direkte kjøpsutgifter). Ved kjøp i utenlandsk valuta balanseføres eiendelen til kursen på transaksjonstidspunktet. For varige driftsmidler omfatter anskaffelseskost også direkte utgifter for å klargjøre eiendelen for bruk, for eksempel utgifter til testing av eiendelen.

Fordringer

Andre fordringer, både omløpsfordringer og anleggsfordringer, føres opp til det laveste av pålydende og virkelig verdi. Virkelig verdi er nåverdien av forventede framtidige innbetalinger. Det foretas likevel ikke neddiskontering når effekten av neddiskontering er uvesentlig for regnskapet. Avsetning til tap vurderes på samme måte som for kundefordringer.

Utenlandsk valuta

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på måletidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden under andre finansposter.



Noteopplysninger til årsregnskapet

Gjeld

Gjeld, med unntak for enkelte avsetninger for forpliktelser, balanseføres til nominelt gjeldsbeløp.

Skatt

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt beregnes med aktuell skattesats på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt eventuelt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet. Oppføring av utsatt skattefordel på netto skattereduserende forskjeller som ikke er utlignet og underskudd til fremføring, begrunnes med antatt fremtidig inntjening. Utsatt skatt og skattefordel som kan balanseføres oppføres netto i balansen.

Skattereduksjon ved avgitt konsernbidrag, og skatt på mottatt konsernbidrag som føres til reduksjon av kostpris eller direkte mot egenkapitalen, føres direkte mot skatt i balansen (mot betalbar skatt hvis konsernbidraget har virkning på betalbar skatt og mot utsatt skatt hvis konsernbidraget har virkning på utsatt skatt).

Utsatt skatt regnskapsføres til nominelt beløp.

Kontantstrømoppstilling

Kontantstrømoppstillingen utarbeides etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd and andre kortsiktige, likvide plasseringer som umiddelbart og med uvesentlig kursrisiko kan konverteres til kjente kontantbeløp og med gjenværende løpetid mindre enn tre måneder fra anskaffelsesdato.



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2021

Note 1 Datterselskap

Investeringene i datterselskap regnskapsføres etter kostmetoden.

Datterselskap	Forretnings- kontor	Eier-/ stemme- andel	Egenkap. siste år (100 %)	Resultat siste år (100 %)	Balanseført verdi
APCOA PARKING Norway AS*	Oslo	100 %	112 507 726	22 868 135	583 120 502
APCOA PARKING Sverige AB	Stockholm	100 %	166 446 476	-36 498 215	141 795 281
Balanseført verdi 31.12.					724 915 783

* Det er mottatt konsernbidrag på kr. 45 748 745 fra APCOA PARKING Norway AS. Konsernbidrag er ført som finansinntekt. Økningen i investeringen i APCOA Parking Sverige AB skyldes et ubetinget aksjeinnskudd til APCOA Sverige.

Note 2 Gjeld

Selskapet har ingen gjeld som forfaller mer enn 5 år etter regnskapsårets slutt eller fordringer som forfaller mer enn ett år etter regnskapsårets slutt.

Oversikt over låneforhold:	2021	2020
Gjeld til kredittinstitusjoner	0	408 341 700
Sum	0	408 341 700

Reduksjon i gjeld til kredittinstitusjoner skyldes at selskapets nærmeste morselskap APCOA PARKING Holdings GmbH har refinansiert lånet som konsernet totalt tidligere heftet solidarisk for. I forbindelse med refinansieringen har det blitt inngått en ny avtale mellom APCOA PARKING Holdings GmbH og selskapet. I stedet for å hefte for MEUR 39 av det totale lånet til konsernet ble det inngått et konserninternt lån på kr 413,9 millioner. Denne konverteringen medførte et valutatap på kr 5,7 millioner spesifisert i note 9. Mellomværende med selskap i samme konsern mv er omtalt i note 3.

	2021	2020
Gjeld sikret ved pant	0	408 341 700
Balanseført verdi av pantsatte eiendeler	770 664 530	722 734 620



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2021

Note 3 Mellomværende med selskap i samme konsern m.v.

	Andre fordringer	
	2021	2020
Foretak i samme konsern	45 748 745	36 724 808
Sum	45 748 745	36 724 808

I 2020 utgjør mottatt konsernbidrag kr. 36 713 211 av andre fordringer.

I 2021 utgjør mottatt konsernbidrag kr. 45 748 745 av andre fordringer.

	Langsiktig gjeld		Kortsiktig gjeld	
	2021	2020	2021	2020
Foretak i samme konsern	470 015 672	56 000 000	188 423 672	185 361 844
Sum	470 015 672	56 000 000	188 423 672	185 361 844

Note 4 Bundne bankinnskudd, trekkrettigheter

Selskapet har ingen bundne bankmidler eller trekkrettigheter.

Konsernets likviditet er organisert i en konsernkontoordning. Dette innebærer at datterselskapenes kontantbeholdning formelt sett er fordringer på morselskapet, og alle konsernselskap er solidarisk ansvarlige for de trekk konsernet har gjort.

Note 5 Egenkapital

Årets endring i egenkapital	Aksjekapital	Overkurs	Annen egenkapital	Sum
Egenkapital 01.01.	11 200 000	35 571 380	58 166 237	104 937 617
Årets resultat			-1 702 193	-1 702 193
Gjeldskonvertering	100 000	38 805 972		38 905 972
Egenkapital 31.12.	11 300 000	74 377 352	56 464 044	142 141 396

Note 6 Aksjekapital og aksjonærinformasjon

Aksjekapitalen på kr. 11 300 000 består av 100 000 aksjer á kr. 113.

Alle aksjene eies av APCOA PARKING Holdings GmbH, og det er bare én aksjeklasse

APCOA PARKING Holdings GmbH utarbeider konsernregnskap hvor APCOA Scandinavia AS inngår. Kopi av konsernregnskapet kan innhentes på selskapets kontor i Oslo.



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2021

Note 7 Skatt

Beregning av utsatt skatt/utsatt skattefordel	Endring	2021	2020
Midlertidige forskjeller			
Anleggsmidler	0	0	0
Langsiktig gjeld i utenlandsk valuta	0	0	0
Netto midlertidige forskjeller	0	0	0
Underskudd til fremføring	9 046 956	-135 982 777	-145 029 733
Avskåret rentefradrag til fremføring	0	-150 572 106	-150 572 106
Grunnlag for utsatt skattefordel	9 046 956	-286 554 883	-295 601 839
	0		
Utsatt skatt (skattefordel) 22 %	1 990 330	-63 042 074	-65 032 405
Herav ikke balanseført utsatt skattefordel	0	33 125 863	33 125 863
Utsatt skatt / skattefordel (-) i balansen	1 990 330	-29 916 211	-31 906 541

Selskapet har balanseført utsatt skattefordel basert på en vurdering om at selskapet vil kunne motta konsernbidrag fra APCOA Parking Norway AS som er tilstrekkelig til å kunne utnytte underskudd til fremføring.

Grunnlag for skattekostnad, endring i utsatt skatt og betalbar skatt	2021	2020
Resultat før skattekostnad	288 137	-8 532 234
Endring i forskjeller som ikke inngår i grunnlag for utsatt skatt/skattefordel	0	0
Permanente forskjeller	8 758 819	0
Grunnlag for årets skattekostnad	9 046 956	6 747 296
Endringer i forskjeller som inngår i grunnlag for utsatt skatt/skattefordel	0	0
Endring i avskåret rentefradrag til fremføring	0	0
Endring i tidligere års underskudd til fremføring	0	0
Endring i underskudd og godtgjørelse til fremføring	-9 046 956	8 532 234
Grunnlag for betalbar skatt i resultatregnskapet	0	0
+/- Mottatt/avgitt konsernbidrag	0	0
Skattepliktig inntekt (grunnlag for betalbar skatt i balansen)	0	0

Fordeling av skattekostnaden	2021	2020
Betalbar skatt på årets resultat	0	0
Sum betalbar skatt	0	0
Endring i utsatt skatt/skattefordel	1 990 330	-1 877 091
Endring i utsatt skatt/skattefordel som følge av endret skattesats		0
Skattekostnad	1 990 330	1 484 405



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2021

Avstemming av årets skattekostnad

Regnskapsmessig resultat før skattekostnad	288 137	-8 532 234
Beregnet skatt 22% (22%)	63 390	-1 877 091
Skattekostnad i resultatregnskapet	1 990 330	-1 877 091
Differanse	1 926 940	0

Differansen består av følgende:

22% (22%) av forskjeller som ikke inngår i grunnlag for utsatt skatt/skattefordel	0	0
22% (22%) av permanente forskjeller	1 926 940	0
Endring i utsatt skatt/skattefordel som følge av endret skattesats	0	0
Effekt av endring fremførbart underskudd tidligere år		0
Sum forklart differanse	1 926 940	0

Betalbar skatt i balansen	2021	2020
Betalbar skatt i skattekostnaden	0	0
Skattevirkning av konsernbidrag	0	0
Betalbar skatt i balansen	0	0

Note 8 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte mm.

Selskapet har ingen ansatte og det er ikke utbetalt lønn i 2020 eller 2021.

Daglig leder blir lønnet av APCOA PARKING Norway AS. Det er ingen viderefakturerte kostnader til APCOA Scandinavia AS.

Det er ikke gitt lån/sikkerhetsstillelse til daglig leder, styrets leder eller andre nærstående parter.

Selskapet er ikke pliktig til å ha en tjenstepensjonsordning etter Lov om obligatorisk tjenstepensjon da det ikke har ansatte.

Kostnadsført godtgjørelse til revisor (ekskl. mva)	2021	2020
Lovpålagt revisjon (inkl. teknisk bistand med årsregnskap)	53 250	54 878
Andre attestasjonstjenester	25 000	0
Skatterådgivning (inkl. teknisk bistand med ligningspapirer)	13 250	14 475
Annen bistand	200 000	12 580
Sum godtgjørelse til revisor	291 500	81 933



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2021

Note 9 Transaksjoner med nærstående parter

Yteiser til ledende ansatte er omtalt i note 8, og mellomværende med konsernselskaper er omtalt i note 3.

Selskapets transaksjoner med nærstående parter:	2021	2020
a) Salg av varer og tjenester		
Ingen transaksjoner med nærstående parter		
b) Kjøp av varer og tjenester		
Kjøp av tjenester:		
- Datterselskap (administrative tjenester)	54 000	53 100
Mottatt konsernbidrag fra konsernselskap er inntektsført som finansinntekt.	45 748 745	36 713 211
Mottatt utbytte fra datterselskap er inntektsført	0	0

Note 10 Spesifikasjon av annen finansinntekt og -kostnad

Annen finansinntekt	2021	2020
Valutagevinst	0	0
Annen finansinntekt	92	0
Sum annen finansinntekt	92	0

Annen finanskostnad	2021	2020
Valutatap	5 673 972	24 105 596
Annen finanskostnad	100	1
Sum annen finanskostnad	5 674 072	24 105 597



Til generalforsamlingen i APCOA Scandinavia AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert APCOA Scandinavia AS' årsregnskap som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2021, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av the International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen elles fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Uavhengig revisors beretning - APCOA Scandinavia AS



Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
<https://revisorforeningen.no/revisjonsberetninger>

Oslo, 30. juni 2022
PricewaterhouseCoopers AS

Hallvard Helgetun
Statsautorisert revisor
(elektronisk signert)

(2)



Revisjonsberetning

Signers:

Name	Method	Date
Helgetun, Hallvard	BANKID_MOBILE	2022-07-01 14:03

This document package contains:

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.



AUDITOR'S REPORT

APCOA Parking Holdings GmbH
Leinfelden-Echterdingen

Consolidated Financial Statements as of December 31, 2021 and the
Group Management Report for the Financial Year 2021

INDEPENDENT AUDITOR'S REPORT

(Translation - the German text is authoritative)







Content	Page
Group Management Report 2021.....	1
Consolidated financial statements as of 31 December 2021.....	1
INDEPENDENT AUDITOR'S REPORT.....	1
General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften dated January 1, 2017	





APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

**APCOA Parking Holdings GmbH
Leinfelden-Echterdingen**

Group Management Report 2021



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

APCOA at a glance

	2021	2020
	T€	T€
Financial Performance Indicators		
Recurring EBITDA*	40.023	401
Recurring EBITDA-Marge %	6,5%	0,1%
CAPEX*	39.659	27.711
Free Cash Flow*	43.525	(56.711)
payments for the acquisition of subsidiaries net of cash acquired	(2.594)	(18.310)
Consolidated Revenues	616.338	531.937
Net Profit / Net Loss	(81.825)	(114.450)
Total Balance Sheet	1.652.407	1.560.831
Equity and Minority Shares	(202.853)	(121.414)
Equity Ratio %	-12,3%	-7,8%
Closing Balance of Cash and Cash Equivalents	148.421	65.030
Average Number of Employees	4.711	4.750
* Key performance indicator		



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

<u>List of contents</u>	Page
APCOA at a glance	2
1 General information.....	4
1.1 Business activity	4
1.2 Ownership structure.....	4
1.3 Organizational structure.....	4
1.4 Products and services	7
1.5 Business-relevant and market trends.....	8
1.6 Management system	9
1.7 Key performance indicators.....	10
1.8 Corporate governance statement.....	10
2 Economic and business report.....	10
2.1 Macroeconomic and industry parameters	10
2.2 Events after the balance sheet date	11
2.3 Business performance	12
2.3.1 Results of operations	12
2.3.2 Financial position	15
2.3.3 Net assets	17
2.4 Overall assessment of the business and financial position	18
3 Forecast	21
4 Report on opportunities and risks	21
4.1 Operational opportunities and risks.....	21
4.2 Financial risks	23
5 Overall statement.....	25

1 General information

1.1 Business activity

The APCOA Parking Holdings GmbH Group (APCOA PARKING Group) is a pan-European provider in the area of parking space management. The company's business activities focus on the operation of public and private parking spaces and parking garages, as well as monitoring the proper use of parking spaces. The Group provides parking management services as either a leaseholder or owner-appointed operator. With 13 national companies across Europe, the APCOA PARKING Group manages around 1.7 million car parking spaces at approximately 12,000 locations. The company's sales revenue and earnings base is highly diversified in several respects: geographically, the company is present in 13 countries, operates parking facilities in different types of locations, and does so through different types of contracts, namely both leases and management contracts. In addition, sales revenues are generated not only through short-term parking fees but also through long-term rental agreements of several month duration with long-term parkers, as well as through fees from supervising the proper use of private parking spaces. The company identifies further opportunities in the future to expand the revenue base by developing alternative usage scenarios, especially for unutilized parking spaces.

The car parks and parking garages are primarily operated in city locations, airports, hospitals, shopping centres, hotels, trade fairs and event centres. The APCOA PARKING Group also provides Park&Guard services (issuing penalty notices on private land and administering fines in public spaces) and an extended range of ancillary services (e.g. valet services, traffic and taxi management as well as reservation systems at airports and trade fairs).

Since early 2021, the company has been expanding its core business under the designation "APCOA Urban Hubs". Behind this stands the further diversified use of the Group's physical and digital infrastructure by partner companies as well as its own services. Specifically, parking areas can be used for services in the areas of logistics, mobility, electrification and new technologies. Examples include the short-term storage of goods for distribution over the last mile as well as offers for shared mobility services, e-charging stations and the installation of 5G antennas. The FLOW digital platform enables reservation, contactless access and automatic billing for the use of the physical infrastructure. In the context of the trends of urbanization, new mobility and increasing e-commerce, APCOA's pan-European network, with more than 12,000 locations in over 1,000 cities, offers great development potential for the company and its partners.

1.2 Ownership structure

The APCOA PARKING Group is wholly owned by Park Luxco 3 S.C.A., a holding company with its headquarters in Luxembourg, Luxembourg. Park Luxco 3 S.C.A. is owned by a number of further holding companies. Funds advised by Centerbridge Partners Holding LLC, New York, USA, hold an 83.02% interest as of the balance sheet date.

1.3 Organizational structure

APCOA PARKING Holdings GmbH, Stuttgart, is the Group parent company. In addition to APCOA Parking Holdings GmbH, the Group comprises 34 subsidiary companies (previous year: 38).

The APCOA PARKING Group is managed by Philippe Op de Beeck, CEO, and Samuel Groves, CFO. Both represent APCOA Parking Holdings GmbH as Managing Directors. As the Group's managing body, the Management Board bears primary operational and strategic responsibility for the Group.



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

The Supervisory Board advises and has decision-making powers in accordance with the internal allocation of responsibilities and is thereby integrated into the corporate strategy.

The APCOA PARKING Group manages its national companies centrally on a similar basis via APCOA PARKING Holdings GmbH.

APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

The APCOA PARKING Group: country overview



The Group's international subsidiaries each have their own operational management, which in turn report directly to the Management Board of APCOA PARKING Holdings GmbH. APCOA PARKING Holdings GmbH supports its international subsidiaries with its back-office expertise and provides centralized IT, personnel, marketing, treasury, financial controlling, Group accounting, internal audit and operational excellence.

1.4 Products and services

The APCOA PARKING Group offers a wide range of services within its Parking and Park&Guard business units. Alongside the management and marketing of car parks and parking spaces, such services include: traffic management, taxi management, shuttle management, valet parking, trolley services, Park&Guard, security and cleaning services, advertising space marketing, e-solutions such as online booking platforms, apps and electronic payment methods, collection services as well as 24/7 support and advising property owners on commercial & technical asset management, in addition to the planning, financing, construction and operation of parking garages and parking spaces.

With the digitalization of parking processes that has been implemented since 2018, the company offers end customers – in other words, motorists – various services related to on-street and off-street parking via smartphone applications and end customer-oriented websites. These services cover the entire parking value chain: from searching for and reserving a parking space through to navigating to the parking garage, contactless entry and exit, and electronic payment. This saves drivers having to draw a ticket, walk to the ticket machine or cash machine, and pay with cash, making the parking process easier, faster and more comfortable for end customers.

Specifically, the “APCOA FLOW” brand was launched in the first half of 2018, under which the company bundles all its digital services. The launch initially took place on the German market at more than 200 locations entailing a total of approximately 100,000 parking spaces, with the aim of making all parking spaces in the APCOA Group usable with FLOW in the future. FLOW has since been introduced in Italy, Sweden, Austria, Poland, Denmark and Norway. Belgium, the Netherlands and Switzerland will be added in the course of 2021. In the United Kingdom and Ireland, a similar offering continues to exist under the APCOA Connect brand. The functions within smartphone apps are being further developed constantly. In October 2020, FLOW surpassed the level of 1,000,000 registered users across all markets. In total, over 4 million customers are already using digital parking services from the APCOA Group.

APCOA FLOW is based on an open, digital and scalable platform that connects all parking garages, including parking technology, with its customers and their vehicles via a cloud solution including smartphone apps. The result is a networked system which for the first time provides APCOA with a direct channel to its end customers. This opens up completely new possibilities to address and retain customers as part of marketing activities.

In addition, the digital platform via its open interfaces offers the opportunity to realize new B2B partnerships with companies from the mobility, logistics, electrification and technology sectors. Numerous partnerships have already been implemented in this context. What they all offer in common is that, by linking the physical infrastructure with the digital infrastructure, an alternative use of the parking areas is enabled that extends beyond the core function of “parking”. APCOA markets this concept to partner companies and property owners under the designation “APCOA Urban Hubs”.

The following present some specific examples of Urban Hub applications: a joint mobility hub was opened with Berlin’s public transport companies, where various sharing offerings from mobility service providers are available. Furthermore, numerous car parks are now being used by logistics service providers as temporary warehouses for the distribution by electric tricycles of goods on the last mile within the city centre. Moreover, packages can already be picked up from locker boards at various locations. Several providers of sharing vehicles use APCOA parking garages to electrically charge their vehicles as well as to provide them to their customers. At Stuttgart Airport, the first parking garage for automated valet parking was equipped in October 2020 in partnership with Bosch and Daimler. Vehicles with Level 4 autonomous driving capabilities navigate the parking garage on a driverless basis. Automated valet parking was also presented at the Elbphilharmonie in Hamburg as part of the ITS Congress in October 2021 together with the consortium partners of the SynCoPark research project. The electric

charging infrastructure of currently over 2,000 charging stations is also being further expanded throughout the Group. This is realized partly through concessions with industrial partners such as E.ON in Germany, and partly through the Group's own investments, such as in Denmark and Sweden, where APCOA purchases electricity and sells it on to customers. The Group's parking areas are to be successively transformed into urban hubs. Further partnerships are being negotiated and implemented.

Various identification technologies such as RFID cards, cameras for automatic licence plate recognition (ANPR), QR code readers and Bluetooth interfaces are utilized in this context, which give the customer access to the car park, and start and end the parking process. The parking fees are billed automatically in the background via stored user profiles.

Furthermore, the company continued to work on its electronic platforms for the distribution and management of its long-term parking offerings. By the end of 2021, platforms for booking seasonal and long-term parking spaces for end customers were available in all national companies. The websites of the 13 national companies are constantly being optimized and further developed in terms of transaction functions for the online sale of services as well as content and its findability on the Internet.

With the APCOA Traffic Management System, the APCOA PARKING Group has also developed a system to control and direct traffic flows in designated service areas such as airports, railway stations and other highly frequented transport hubs. Taxi management at Berlin Brandenburg Willy Brandt Airport (BER) represents a specific application example. The APCOA Traffic Management System is structured to achieve a high level of service and quality optimization, orderly and targeted traffic flows, greater security and safety, and efficient and fair treatment of all passengers and drivers. In addition, the system contributes to high carbon emission savings.

1.5 Business-relevant and market trends

The APCOA PARKING Group's business is influenced by various external factors, including, in particular, the long-term megatrends of urbanization, new forms of mobility, digitalization, e-commerce and sustainability. In the short and medium term, the occurrence of the Covid-19 pandemic will also have a bearing on market trends.

The Covid-19 pandemic, which also appeared in Europe from February 2020, caused very volatile frequency levels up until the end of 2021. Due to repeated government-imposed lockdowns, rapid and sharp decreases in transactions in the short-term parking sector were recorded in each case. However, easing was followed by a very rapid recovery within a few weeks in the number of transactions.

In the long term, however, fundamental trends such as urbanization will shape market development and growth. Across the globe, an ever-increasing number of people are opting to live in cities, which offer a high standard of living as cultural and economic centres. More than half of the world's population already lives in cities today, and this figure is set to rise to over five billion by 2030. Urban population growth has become a noticeable feature in Europe's major cities. As the populations of major metropolitan areas grow, so do the demands placed on mobility by their citizens. Individual mobility by car also plays a leading role, accounting for over 80% of passenger transport in the EU. This is also reflected in the continuing increase in the number of new registrations and growing number of cars in Europe. In parallel to these developments, the availability of free public and private parking space is diminishing. This has led to high urban traffic volumes, including drivers constantly searching for parking spaces.

According to a study conducted by INRIX in 2017, German motorists, for example, spend an average of 41 hours per year searching for parking spaces. As a consequence, in Germany alone 1.9 billion hours of time and 3.2 billion litres of fuel are wasted. This corresponds to macroeconomic costs of over € 40 billion, presenting significant opportunities, particularly in

terms of greater collaboration with city and municipal authorities in the area of integrated, smart parking facility management.

Nevertheless, rising demand for mobility does not automatically lead to an increase in demand for parking spaces within urban areas. New business models based on digital technologies such as car sharing and additional taxi services such as “Uber” provide alternatives to private vehicle usage. Furthermore, cities and municipalities are expanding their public transportation networks as they seek to control the flow of traffic through their town and city centres. Some cities restrict combustion-engine car traffic by introducing additional road user charges, such as London’s congestion charge and Oslo’s road tolls. This can lead to an unchanged or even slight reduction in the level of traffic, as well as stagnating demand for parking spaces.

In addition, several European countries have now decided not to register any new vehicles with combustion engines in the future, such as Norway from 2025, the Netherlands, Ireland and Iceland from 2030, followed by France and the UK from 2040. As an alternative drive concept, electromobility, in particular, is currently emerging as an option, for which an area-wide charging infrastructure in public spaces is required. Their expansion by public and private investors will continue to become increasingly important throughout Europe in the coming years, in order to establish the new technology.

For some time now, strong growth has also been occurring in e-commerce and delivery services, which has been further accelerated by the coronavirus pandemic. While this is associated with a decrease in frequencies in stationary retail outlets in city centre locations, which can also have a negative effect on parking, the associated high demand for logistics services requires additional logistics space in city centres for the handling and distribution to end customers of goods ordered online.

These developments open up new potentials for the APCOA PARKING Group. In the context of the discussion surrounding the “smart city”, the APCOA PARKING Group perceives itself as a partner for cities and municipalities in the areas of logistics, mobility and new technologies. With its traffic management system, the company has already proven, for example, that it can successfully manage traffic flows at mobility hubs such as airports and railway stations, and thereby achieve carbon savings.

In addition, parking garages in urban areas can assume new tasks. With the help of digital platforms and technological access solutions, as well as an expansion of the electric infrastructure, parking garages are being transformed into hubs where mobility, logistics, e-charging and technology services are offered. Here, vehicles can be borrowed, rented and electrically charged. Parking garages are also contact points at a central location for logistics companies that store parcels for pick-up, or use vacant spaces as distribution centres. In addition, parking garages represent an interesting basis for the installation not only of 5G masts but also of (micro) wind turbines and photovoltaic systems with which electrical energy can be generated. As a consequence, car parks possess the potential to contribute to the sustainable development of the city of the future as hubs in urban areas.

Increased digitalization – in other words, the use of smartphones for navigation, reservation and payment – will exert a long-term influence on motorists’ parking behaviour. Parking facilities will need to be retrofitted with the latest technologies and connected to the Internet if they are to provide value-added functionality via smartphone apps. Contactless access not only makes using parking facilities more convenient and more secure for drivers, but also represents a significant competitive advantage for individual car parks.

1.6 Management system

The Group’s financial planning and controlling are centralized and based on the target figures defined by the Management Board and agreed with the various business units and international subsidiaries. Developments in the Group’s business are monitored regularly on the basis of monthly updated evaluations of key performance indicators (monthly reporting). These assessments are utilized to track the implementation of the Group’s strategic goals and to initiate countermeasures if business performance diverges from plan. In addition, two to four meetings

are held per year between the local, operational managing directors and the Group, as well as – depending on the size and nature of the strategic issues – intensive reviews of business development per country once to three times per year.

1.7 Key performance indicators

The most important financial performance indicators of relevance for the management of the APCOA PARKING Group include recurring EBITDA (earnings before interest, taxes, depreciation and amortization, adjusted for exceptional items), investments (capital expenditure) and free cash flow. The definition of these control relevant ratios is based on the accounting standards applicable in the European Union until 31 December 2018. IFRS 16 is not taken into account at present. At present, the APCOA PARKING Group does not employ any Group-wide non-financial key performance indicators. In the future, the use of trends in key frequency figures is planned, i.e. the number of entries and exits in car parks, as well as the length of stay, as an indicator in order to gauge car park utilization. However, this requires the daily provision of all transaction data relating to a parking garage. At present, this information is not yet available for all parking garages.

The recurring EBITDA indicator reflects developments in the Group's operating businesses and is consequently a key indicator of the Group's performance. The APCOA PARKING Group defines recurring EBITDA as EBITDA as calculated in the income statement on the basis of IFRS applicable as of 31 December 2018, adjusted for exceptional items. As a consequence, IFRS 16 is not applied in the calculation.

Capital expenditure includes all additions to the Group's non-current assets (excluding the application of IFRS 16), including those financed through leasing contracts that do not result in any direct outflows from the Group's cash resources. In particular, capital expenditure relates to additions to non-current assets that serve to improve or maintain buildings, technical systems, and parking spaces forming the basis of the Group's operating business. Investments related to bringing new parking facilities into service are also included.

Free cash flow represents a further key financial performance indicator. This consists of cash flow from operating activities plus cash flow from investing activities, less expenses attributable to M&A activities. Since the 2020 financial year, this has been adjusted for M&A activities and financial assets. Here, too, IFRS 16 is not applied.

1.8 Corporate governance statement

The APCOA PARKING Group is aiming for a target of 35% female management by 2025. Furthermore, a target of 15% for the first management level below the executive board and a target of 20% for the second management level is also being aimed for by 2025.

2 Economic and business report

2.1 Macroeconomic and industry parameters

The APCOA PARKING Group is characterized by a business model that is highly diversified in terms of contract portfolio across different types of location and contract (lease and management contracts), and on the revenue side across short-term parking, control fees and long-term rental contracts.

The business is based on the high level of vehicle ownership in Europe, which is continuing to rise, despite the coronavirus situation. At the end of 2020, nearly 350 million passenger cars were registered, up 1.6% from the previous year. In addition, over 56 million commercial vehicles and buses were registered, 2.6% more than in 2019.

In terms of the aforementioned trends of urbanization, digitalization including e-commerce, and the electrification of individualized transportation, new opportunities are arising for the use of space in the parking infrastructure through proprietary services as well as services from partners. As part of the Urban Hub Initiative, new sales revenue channels with partners from the

logistics, mobility, e-shop and proximity services sectors can be increasingly developed in this context in the future.

Our locations in the vicinity of city centres and shopping centres are benefiting from the trend towards urbanization, which is attracting increasing numbers of people to cities. Mobility offerings such as car-sharing are also leading to an increase in vehicles within the urban environment. Offsetting this, the equally expanding utilization of local public transport as well as booming e-commerce represent a risk to the attractiveness of inner cities, as well as the greater use of working from home offices.

Our locations that are affected by travel activity are in part reliant on passenger volume trends in European air travel. Passenger volumes have risen by more than 30% since 2014. In the 2019 financial year, too, the number of passengers across the European Union were up by 3.2%, according to the European Airport Council International (ACI). Due to the emergence of Covid-19 and the subsequent repeated government-imposed lockdowns, this trend could not be continued in 2020 and 2021. Passenger numbers in the European Union had decreased 60% by the end of 2021 compared to 2019, according to Airports Council International Europe (ACI). Pre-crisis levels are expected to be reached in 2025. Despite the negative trend in the past two years, the ACI continues to project that global air passenger traffic will expand at an annual rate of 3.7% to reach 19.7 billion passengers by 2040.

In addition to environment-specific influencing factors, the pricing of parking tariffs represents a further important factor for revenue trends. Parking fees are generally determined on the basis of supply and demand at individual locations. Prices are set in line with local competitive environments and the level of market transparency in the immediate vicinity of our parking facilities. Moreover, the APCOA PARKING Group is able to adjust parking fees where it has been specifically authorized by landlords in individual leasehold contracts. The leases for parking garages and parking spaces are typically stable over the entire contractual term, except in the case of revenue-based leases. Index adjustments to rents based on inflation trends are usually offset by raising parking fees.

Dynamic pricing has developed as an important instrument to optimize pricing. Depending on various factors such as day of the week, time of day or occupancy, parking tariffs can be dynamically adjusted at car park level. The company has thereby also created a possibility to manage demand at individual car park level to a certain extent. Overall, dynamic pricing offers significant revenue enhancement potential.

In terms of the competitive situation, a high level of fragmentation is still evident in the European market for parking space management. The majority of providers are local operators with fewer than 20 parking garages. The top five parking managers at European level in terms of the number of parking spaces are the APCOA PARKING Group, Q-Park N.V., Empark Aparcamientos y Servicios, S.A., Interparking N.V., Saba Infraestructuras S.A. and Indigo Park S.A. Potential for growth exists here through further consolidation.

2.2 Events after the balance sheet date

As of early 2022, APCOA continues to be affected by measures to contain the coronavirus pandemic, especially in areas such as the airports, trade shows and events. The further course of the spread of the coronavirus and the consequences for the Group's business performance are being monitored on an ongoing basis. Based on the latest developments, in particular the lifting of mobility restrictions in the first quarter of 2022, the management assumes that the financial year 2022 will have a significantly lower impact on the group's net assets, financial position and results of operations than in the previous year (see also 3 forecast report).

The APCOA Parking Group has no business operations in Russia and Ukraine. No direct effects of the sanctions have been identified to date. Rising petrol, kerosene and energy prices, or potential government restrictions on mobility, could exert a negative effect on the company's financial position and performance. The management Board currently assumes no significant influence.

2.3 Business performance

The 2021 financial year was impacted by government-imposed mobility restrictions in Europe, particularly in the first and fourth quarters, as a consequence of which the APCOA PARKING Group failed to achieve its sales revenue and earnings targets, especially at locations affected by the airports, trade fairs and events segments.

Sales revenues for the 2021 financial year grew by T€ 84,401, or by 15.9%, year-on-year, and operating profit adjusted for non-recurring items (recurring EBITDA) was up by T€ 39,622 year-on-year. The significant increase in recurring EBITDA anticipated in the 2020 forecast report was consequently achieved.

Capital expenditure, which was reduced in the previous year, was increased by T€ 11,948 to T€ 39,659 in the 2021 financial year. Investment activity in 2021 was thereby higher than the moderate increase expected in the 2020 forecast report, due to the positive trend in new business and the availability of sufficient liquidity.

Free cash flow of T€ 43,525 was generated in the financial year under review, compared with a cash outflow of T€ -56,711 in the previous year. Cash outflows for corporate acquisitions and loans in the 2021 financial year amounted to T€ -2,594 (previous year: T€ -18,310). The significant growth in free cash flow anticipated in the 2020 forecast report was thereby achieved.

2.3.1 Results of operations

Income statement

	2021	2020
	T€	T€
Sales revenues	616.338	531.937
Other income	11.348	15.909
Lease expense	(158.951)	(122.889)
Cost of material and of purchased services	(62.094)	(57.628)
Personnel expenses	(166.322)	(164.119)
Other expenses	(54.734)	(60.528)
Exceptional items	9.800	22.211
Application IFRS 16	(155.364)	(164.492)
Recurring EBITDA	40.023	401
Application IFRS 16 and Exceptional items	145.563	142.281
Earnings before interest, taxes and depreciation / amortization (EBITDA)	185.586	142.682
Amortization / depreciation and (reversal of) impairment of intangible assets, property, plant and equipment and right of use asset	(160.729)	(174.199)
Earnings before interest and taxes (EBIT)	24.857	(31.517)
Financial income	5.381	16.638
Financial expenses	(108.460)	(102.673)
Result in associated companies accounted for by at equity method	(32)	137
Earnings before income taxes (EBT)	(78.254)	(117.415)
Income taxes	(3.571)	2.965
Net gain / (Net loss) for the year	(81.825)	(114.450)
thereof attributable to		
Shareholders of the parent company	(81.933)	(113.948)
Minority shares	108	(502)

The APCOA PARKING Group utilizes recurring EBITDA and its components as a key performance indicator, on a basis that excludes the application of IFRS 16. The above presentation of the income statement reflects this approach.

In the 2021 financial year, the APCOA PARKING Group recorded total sales revenue growth of 15.9% (T€ 84,401) compared with the previous year.

The sales revenue growth and government support led to a significant improvement in earnings in the 2021 financial year. In particular, the sales revenue growth was reflected in higher variable lease expenses as well as higher costs for related services. In total, recurring EBITDA amounted to T€ 40,023 in the 2021 financial year, an increase of T€ 39,622 compared with the previous year.

The net loss amounted to T€ 81,825 in the 2021 financial year, representing a year-on-year decrease of T€ 32,625. In addition to the operating profit, which has not yet returned to pre-coronavirus levels, this reflected a lower level of impairment losses than in the previous year.

The following table shows the sales revenues for the 2021 financial year and the previous 2020 year as generated by the respective segments of the APCOA PARKING Group:

	2021	2020
Sales by segment	T€	T€
DACH	188.960	167.351
North / West region	184.586	158.307
North / East region	143.977	125.440
South / East region	61.504	49.098
All other segments	37.331	31.740
Sales by segment	616.358	531.937
Effects from reconciliation	(20)	-
Sales	616.338	531.937

In the Germany, Austria and Switzerland (DACH) region, the APCOA PARKING Group achieved a 12.9% year-on-year growth in sales revenues (from T€ 167,351 to T€ 188,960). Only sites that are heavily dependent on travel reported a negative sales revenue trend, while non-travel sites reflect a significant year-on-year improvement.

Sales revenue growth was also achieved in the North-West region (United Kingdom and Norway), with sales revenues up by 16.6% year-on-year, from T€ 158,307 to T€ 184,586. Locations near restaurants and events, in particular, benefited from the relaxation of coronavirus pandemic control measures compared with the previous year.

The same picture is evident in the North-East region (Denmark and Sweden), where sales revenue growth amounted to 14.8% (from T€ 125,440 to T€ 143,977). Again, locations significantly impacted by restaurants and events reported the highest rate of sales revenue growth.

The South-East region (Italy and Poland) recorded an increase in sales revenue of 25.3% (from T€ 49,098 to T€ 61,504). Only locations in the catchment areas of healthcare centres and educational institutions recorded a slight year-on-year recovery due to the very restrictive measures taken by the Italian government to control coronavirus.

Other countries contributed T€ 37,331 to total sales revenues in the year under review, representing an increase of 17.6% (previous year: T€ 31,740). In general, this area also registered a positive sales revenue trend, although sites reliant on high levels of travel activity continued to be adversely affected.

The following table presents a reconciliation of the operating result (EBITDA) to the tax-relevant the operating result adjusted for exceptional items prior to the application of IFRS 16 (recurring EBITDA):



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

	2021	2020
	T€	T€
recurring EBITDA by segment		
DACH	4.543	(11.626)
North / West region	14.954	8.394
North / East region	21.560	14.008
South / East region	9.172	4.895
All other segments	(10.208)	(15.271)
recurring EBITDA by segment	40.023	401
Special effects	(9.800)	(22.210)
Effect from the application of IFRS 16	155.364	164.492
Depreciation, write-ups and impairments of intangible assets, property, plant and equipment and right-of-use assets	(160.729)	(174.199)
Financial result	(103.111)	(85.899)
Earnings before taxes (EBT)	(78.254)	(117.414)

The operating result for the financial year under review includes exceptional items in the amount of T€ 9,800. The main exceptional items are restructuring expenses (T€ 3,070), special bonus provisions (T€ 2,539) and contingent losses (T€ 1,760) as well as provisions for contingent losses in the UK (T€ 1,150).

Despite the considerable year-on-year increase, recurring EBITDA in the 2021 financial year was heavily impacted by the reduction in sales revenues during the coronavirus crisis. Compared to the previous year, recurring EBITDA from all regions reported significant growth to T€ 40,023. In 2021, recurring EBITDA was again largely dependent on contract structures, and thereby the extent of variability and flexibility, and resultant options for action. Countries with a higher share of contracts with fixed remuneration payments or leases with predominantly variable rents, or Park&Guard sales revenues, were in a better position than those with a high proportion of leases with fixed rental payments. A significant contribution to the improvement in earnings compared with the 2020 financial year was made by various government aid programs, such as the Interim Aid Facility III in Germany, which amounted to T€ 12,000.

2.3.2 Financial position

Capital structure and collateral

The APCOA PARKING Group's equity ratio stood at -12.3% as of 31 December 2021. The Group is financed principally by a bond. The bond has a 5.5-year maturity and matures in January 2027. This comprises a bullet tranche of T€ 320,000 (senior secured fixed rate notes), a bullet tranche of T€ 365,000 (senior secured floating rate notes) and a credit line of T€ 80,000 for overdrafts and bank guarantees (revolving credit facility). In the 2021 financial year, the interest rate on the senior secured fixed rate notes amounted to 4.625%, and to 5.00% on the senior secured floating rate notes. The floating rate bond bears interest at 3-month Euribor (with a 0% floor) plus a 5.00% margin.

The lending agreement includes covenants, compliance with which is checked regularly. These were adhered to as of 31 December 2021.

As security for the new syndicated loan, Group companies have assigned shares in individual Group companies, trade accounts receivables, other receivables, and receivables from consolidated subsidiaries. Furthermore, bank accounts have also been assigned as collateral for lending agreements. The borrowers are jointly liable for the credit facilities. The companies registered in the UK have agreed a contract to provide collateral for the loan, involving their total assets (debenture). The lender has full right of enforcement should the borrower prove unable to meet its capital and interest payment obligations.

Credit lines

To secure the Group's solvency and financial flexibility, a liquidity reserve in the form of credit lines is held available, and, where required, cash. As of 31 December 2021, the APCOA PARKING Group had cash and cash equivalents of T€ 148,421. The following table shows the various credit facilities available to the APCOA PARKING Group:

		Credit Facility conditions			
		31.12.2021 Actual	Fixed rate	Variable rate	Margin
Senior Secured Fixed Rate Notes	T€	320.000	4,625%	EURIBOR	
Senior Secured Floating Rate Notes	T€	365.000		EURIBOR	5,00%
Revolving Credit Facility	T€	80.000		EURIBOR	3.75%

The commitment fee for unused credit lines for the revolving credit facility amounts to 1.125%.

Credit lines	Line	31.12.2021		Uncalled
		T€	Called-up T€	
Revolving Credit Facility	80.000		20.233	59.767
Local credit lines	350			350
Total (Cash and Guarantee)	80.350		20.233	60.117

The revolving credit facility consists of a T€ 49,500 line for overdrafts and a T€ 30,500 guarantee line. The guarantee line also serves as a guarantee for the APCOA PARKING Group's operating business, which was utilized as of the reporting date in the amount of T€ 20,233.

The local lines exist in Italy. These are made available to APCOA PARKING Group in order to enable the Group to meet its short-term credit requirements.

Investments

The following table shows the investments made in the 2021 and 2020 financial years:



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

	2021 T€	2020 T€
Existing business	26.187	11.899
New business	7.715	8.728
Infrastructure	5.757	7.084
APCOA PARKING Group	39.659	27.711

In the 2021 financial year, investments of T€ 39,659 were realized. Compared to the previous year, investments increased by 43.1% (T€ 11,948), thereby compensating for the investments that had not been realized in the previous year in order to thereby improve liquidity.

The investments in the existing business of T€ 26,187 were primarily for the renewal and technological improvement of existing equipment in the course of contract extensions. Despite strong new business, investments (T€ 7,715) were held within limits, as was the case in the area of digital infrastructure (T€ 5,757).

Liquidity

Consolidated Cash flow statement

	2021 T€	2020 T€
Cash Flow from operating activities	208.350	127.970
Cash Flow from reorganisational cost	(1.977)	(6.731)
Cash Flow from operating activities	206.374	121.239
Cash Flow from investing activities	(20.635)	(43.255)
<i>thereof payment for acquisition of subsidiaries net of acquired cash and cash equivalents</i>	(1.795)	(10.805)
Free Cash Flow	185.739	77.984
Cash Flow from financing activities	(102.480)	(66.290)
Cash changes in cash and cash equivalents	83.259	11.694
Opening balance of cash and cash equivalents	65.030	53.803
Noncash changes in cash and cash equivalents	133	(373)
Closing balance of cash and cash equivalents before general allowance IFRS 9	148.421	65.124
General allowance on the value of cash and cash equivalents IFR	-	(94)
Closing balance of cash and cash equivalents	148.421	65.030

The liquidity position grew by T€ 83,391 compared with the previous year.

Operating cash flow, which is derived from adjusting cash flow from operating activities to reflect cash-effective exceptional items and the respective previous year's reorganization, amounted to T€ 208,350 in the 2021 financial year, compared with T€ 127,970 in the previous year, representing an increase of T€ 80,380. This trend mainly reflects the recovery of business operations, which were severely affected by the coronavirus crisis in 2020. Operating earnings before interest, taxes, depreciation and amortization (EBITDA) increased by T€ 42,904 to T€ 185,586 in 2021, to which was added an effect of T€ 65,894 from the change in trade payables and other liabilities, as in 2021 these rose year-on-year.

Cash flow from operating activities was less affected by a negative cash flow from reorganization and exceptional items of T€ -1,977 than in the previous year (T€ -6,731).



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

Cash flow from investing activities reduced by T€ 22,621, from T€ -43,255 to T€ -20,635, in the financial year under review, mainly due to the lower level of capital expenditure in the 2021 financial year. In addition, in the 2021 financial year, cash of T€ 1,795 was used for earn-out agreements on corporate acquisitions from 2020.

Free cash flow increased by T€ 107,755 year-on-year to T€ 185,739, influenced to a large extent by the more positive operating result, but also by reduced cash flow from investing activities.

The cash outflow from financing activities rose by T€ 36,191 in 2021. In the 2021 financial year, loans increased by a total of T€ 681,972, while repayments of lease liabilities and financial liabilities of T€ 693,252, interest paid, bank charges and transaction costs of T€ 91,176, including interest on lease liabilities of T€ 53,296, had the opposite effect. In contrast to the previous year, in 2021 no transactions arose from financing activities with the shareholder.

The following table shows a reconciliation of free cash flow after the application of IFRS 16 to the free cash flow financial performance indicator (i.e. excluding IFRS 16):

	2021 T€	2020 T€
Free Cash Flow (after application of IFRS 16)	185.739	77.984
EBITDA effect from application of IFRS 16	(155.364)	(164.492)
Changes in Working Capital, other assets and liabilities	8.699	12.367
Other changes due to IFRS 16	1.856	(880)
Free Cash Flow (excl. IFRS 16)	40.931	(75.022)
<i>thereof payment for acquisition of subsidiaries net of acquired cash and cash equivalents</i>	<i>(1.795)</i>	<i>(10.805)</i>
<i>thereof payment for granted loans</i>	<i>(800)</i>	<i>(7.506)</i>
Free Cash Flow (excl. IFRS 16) w/o acquisition of subsidiaries and loans granted*	43.525	(56.711)
<i>*key performance indicator</i>		

2.3.3 Net assets

In the financial year under review, total assets increased by T€ 91,576 to T€ 1,652,407.

	31.12.2021 T€	31.12.2020 T€
Consolidated Balance Sheet		
Intangible assets, property and right of use assets	1.413.761	1.387.467
Financial assets and other long-term assets	21.587	44.058
Short-term assets	68.638	64.276
Cash and cash equivalents	148.421	65.030
Total assets	1.652.407	1.560.831
Equity and non-controlling interests	(202.853)	(121.414)
Non-current liabilities	1.475.422	1.370.392
Current liabilities	379.838	311.853
Total liabilities	1.652.407	1.560.831

The intangible assets consist mainly of goodwill of T€ 356,826 (previous year: T€ 355,931), customer relationships capitalized in the amount of T€ 91,000 (previous year: T€ 97,239) and trademarks of T€ 26,405 (previous year: T€ 26,257). In contrast to the previous year, no corporate acquisitions were realized in the financial year under review; the main factors in 2021 comprised the amortization of customer relationships, as well as foreign currency effects.

Property, plant and equipment as well as rights of use were up by T€ 33,964 to T€ 919,903 in the financial year under review. This increase of T€ 33,464 is mainly attributable to rights of use for leased parking garages and office space, leased parking garage equipment and leased vehicles. In 2021, additions to rights of use under IFRS 16 amounting to T€ 156,888 significantly exceeded depreciation, amortization and impairment losses totalling T€ 128,001, plus currency effects of T€ 5,814 that increased the carrying amount.

Financial assets and other non-current assets mainly include deferred tax assets of T€ 6,783 (previous year: T€ 28,352) and other financial assets of T€ 12,157 (previous year: T€ 11,320), where the increase is largely attributable to the loan to the ParcBrux joint venture in Belgium, which will also be continued in 2021.

Current assets increased by T€ 4,362 year-on-year to T€ 68,638. The change is mainly due to a higher level of trade receivables in line with the positive revenue trend, which increased by T€ 9,326 to T€ 47,003 as a consequence of revenue foregone and a greater level of working capital management. This is offset by a decrease in other assets of T€ 6,382 to T€ 16,531, mainly due to a lower level of prepayments.

Cash and cash equivalents amounted to T€ 148,421, compared to T€ 65,030 in the previous year, reflecting a rise of T€ 83,391, which was principally due to the refinancing in 2021.

As of 31 December 2021, shareholders' equity including minority interests amounted to T€ -202,853, thereby decreasing by T€ -81,439 compared to the previous year. The equity ratio reduced overall from -7.8% to -12.3%, which is largely attributable to the net loss for the year under review.

The increase in non-current liabilities by T€ 105,030 to T€ 1,475,422 is chiefly due to the Group's higher level of debt in the 2021 financial year, which is reflected in the increase of T€ 126,157 in the balance sheet item financial liabilities (non-current) to T€ 1,454,708. Deferred tax liabilities amounted to T€ 13,507 (previous year: T€ 33,764).

Current liabilities stood at T€ 379,838 as of 31 December 2021 (previous year: T€ 311,853). The increase is mainly attributable to the rise of T€ 36,443 in trade payables and other financial liabilities. Current financial liabilities also increased by T€ 26,486 to T€ 180,260, mainly due to higher levels of both current lease liabilities and current liabilities from bonds.

2.4 Overall assessment of the business and financial position

At the time of the preparation of the Group management report, the Management Board considers the APCOA PARKING Group's commercial situation to be challenging due to the coronavirus (SARS-CoV-2) that has been present in Europe since early 2020. In particular, government-imposed restrictions on mobility and lockdowns are continuing to have a significant impact on the Group's business activities, despite gradual easing.

Since February (Italy) or March (rest of the Group) 2020, frequencies in the Group's car parks have decreased sharply due to the restrictions on public life and freedom of movement introduced by governments in Europe. In the meantime, the situation has increasingly improved due to the lifting of legal restrictions. However, with each reintroduction of full or partial restrictions, parking garage frequencies diminish again. Overall, since 2020, a correlation of business trends with infection rates and government measures continued to be evident in the past financial year.

For this reason, the management took measures at an early stage to limit the negative impact on the company's employees, operations and business development. Specifically, home office regulations for office staff were introduced in order to protect customers and employees, operational personnel were switched to multi-shift operation, and hygiene measures in offices and parking garages were intensified. These measures were also continued in 2021. In addition,

government aid programs were utilized in various countries to obtain compensation for foregone sales revenues and to cover various costs.

On 23 July 2021, APCOA Parking Holdings GmbH issued T€ 685,000 of senior secured corporate bonds with a 2027 maturity consisting of fixed rate senior secured notes and floating rate senior secured notes. The proceeds from the offering of the notes were used by the Group in order to (i) repay in full certain of its existing liabilities, including accrued interest, (ii) deposit cash on the Group's balance sheet for general corporate and working capital purposes and (iii) pay fees and expenses incurred in connection with the offering of the notes. State corona aid has also improved liquidity.

In the Management Board's opinion, this package of measures is sufficient and appropriate to ensure the company's status as a going concern, and is also sufficient to safeguard against further negative developments from the Covid-19 pandemic and to realize investments in the company's future.

Immediately after initial crisis management with the onset of the economic crisis caused by the Covid-19 pandemic in early 2020, from the second quarter of 2020 onward the management refocused on the continued expansion of the core business. The focus in this context was on new business growth, revenue and portfolio management measures, initiatives to achieve cost leadership, and securing the high level of customer loyalty. This was further supplemented by a strong focus on end customers through new digital services and the establishment of strategic partnerships with other market participants in the logistics, mobility and energy sectors that utilize spaces for their own services. These measures were also continued in 2021. Related consequences included a further increase in the contract portfolio thanks to new business.

Following the considerable reduction in frequencies in 2020, sales revenues and earnings increased significantly in 2021, despite the still precarious situation. Compared to the previous year, sales revenues grew by almost 16%, from T€ 531,937 to T€ 616,338. Recurring EBITDA amounted to T€ 40,023, compared with T€ 401 in 2020. The recurring EBITDA margin rose from 0.1% to 6.5%.

Operating cash flow amounted to T€ 206,374 as of the end of 2021. At T€ 5,202, capital expenditure on new business (excluding finance leases) – especially acquisitions, the existing infrastructure and digitalization – was maintained at a significant level despite the tense situation, in order to create a good starting position for the period following the Covid-19 pandemic. The financing measures and the activities to protect working capital led to a net cash flow of T€ 83,392.

The contribution to earnings from new business amounted to T€ 7,685 in the financial year under review. The customer retention rate – for the APCOA PARKING Group this refers to the relationship with the lessor in the case of leases, and with the client in the case of management contracts – stood again at a very high level of 97.3%. With the extension of existing contracts and arrangement of new contracts as well as organic growth, the APCOA PARKING Group has further strengthened its position as a European parking management company in a year marked by crisis.

APCOA added 2021 numerous new contracts over various geographies. These properties within easy reach of city centres and shopping centres include the Florentinum property in Dresden's inner city, as well as the acquisition of entire portfolios with several shopping and city centre properties in Denmark, the Netherlands, Norway, Poland, Sweden and the UK.

APCOA has also concluded a number of contracts in the rail sector. Partnerships have been agreed with Denmark's national rail operator (DSB Danish Rail), Austria's national rail operator (ÖBB), station operator Jernhusen in Sweden, and Southeastern Rail in the UK, for numerous locations in each case. At London Heathrow Airport, UK, responsibility for forecourt management was assumed in addition to the management of the parking areas. In Italy, a contract was signed for parking management at the port of Naples.

In addition to the Elbphilharmonie Hamburg and the Allianz Arena Munich in Germany, the best-known portfolio properties that benefit especially from events include Wembley Park in



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

the United Kingdom. A collaboration with Eintracht Frankfurt for the Deutsche Bank Park has now been added. The company also has contracts with hotels such as the Adlon in Berlin and various properties of the Mövenpick chain.

In Sweden, a contract was extended for the operation of the parking facilities of hospital operator Locum AB.

In the Park&Guard and Services areas, numerous contracts were concluded in the 2021 financial year. In Italy, the tender of the municipality of Sesto San Giovanni for on- and off-street parking was won. In Belgium, an agreement was reached with the city of Brussels to expand cooperation in the on-street area.

Due to the outbreak of the Covid-19 pandemic and the repeated lock downs in all 13 markets since 2020, the company also had to face some challenges in the past financial year. After the interruption of the previously very positive business trend in 2020, which closed with positive recurring EBITDA in spite of the difficulties, the company improved in all areas in 2021. Despite further government restrictions and associated consequences, the company closed the 2021 financial year with significant sales revenue and earnings growth, as well as positive net cash flow. This was made possible by the management's early and rigorous response to the Covid-19 pandemic and ongoing measures to safeguard growth and liquidity. This response included not only a far-reaching reduction in expenditure but also a corporate bond issue. Moreover, despite the difficult market environment, a new record result was achieved in the acquisition of new business. With the further development of the parking garages into urban hubs, investments were also made in a new business area that is making its first contributions to earnings.

3 Forecast

The ongoing impact of the Covid-19 pandemic and related government measures to restrict mobility also suggest weak sales revenues and an associated weaker earnings contribution from locations heavily influenced by travel, healthcare, and hospitality in the first quarter of 2022. The APCOA PARKING Group has reflected these economic consequences in its financial forecasts.

With regard to the current financial year, the Management Board nevertheless expects a positive trend in all key figures, a significant increase in recurring EBITDA, a significant expansion of capital expenditure, as well as free cash flow at the previous year's level.

This estimate is based on an ongoing lifting of the mobility restrictions and on experience from the two previous years where the lifting of mobility restrictions has led to a rapid and strong increase in frequencies and sales revenues.

4 Report on opportunities and risks

4.1 Operational opportunities and risks

Responsibility and accountability for opportunity and risk management are clearly regulated within the APCOA PARKING Group and are reflected in the Group's organizational structure. Central Group management is performed by APCOA PARKING Holdings GmbH in combination with the decentralized responsibilities for the operating business that rest with the international subsidiaries.

The centralization of administrative and promotional sales functions, together with their consistent expansion, serves to secure and develop the Group's existing business portfolio and open up new business fields.

As far as consumers are concerned, the APCOA PARKING Group has identified significant opportunities in the online and offline marketing of its service portfolio, such as from short-term parking spaces, long-term parking contracts, season tickets and special offers linked to the reservation of airport parking spaces. The company has opened up a further distribution channel with its apps "APCOA Connect" in the UK and Ireland as well as "APCOA FLOW" in all other countries where APCOA is represented, through which mobile, contactless parking services can be accessed and purchased both on- and off-street. Together, the apps APCOA Connect and APCOA FLOW already have more than four million registered users, who can also be addressed individually for the first time via these channels. The ongoing development of existing digital services such as e-charging and the introduction of new services such as autonomous valet parking also enable the further development and retention of end consumers, who can be reached in a personalized manner via these channels.

APCOA enjoys a very high level of trust in the corporate client segment. More than 98% of expiring contracts were renewed in 2021. With innovative technologies, efficient processes and profitable business models, APCOA achieves attractive returns for property owners in the management of parking areas, while at the same time enhancing the value of the properties. The marketing of parking spaces to partner companies for logistics, mobility, e-charging and technology services, which has already been launched successfully, enables new sales revenue potentials to be tapped. The same applies to rising demand for e-charging infrastructure. The APCOA PARKING Group is leveraging these opportunities by investing in and expanding central IT systems, digitalizing parking handling facilities, setting up e-charging stations and intensive partner management.

The Group's Park&Guard as well as traffic and taxi management product lines also generate further opportunities. Furthermore, positive potentials derive from the marketing of the physical and digital infrastructure to business partners from the logistics, mobility, electrification and technology and proximity services sectors as part of the Urban Hubs Initiative.

Short-term risks from new business can arise from the delayed operational start date of a parking property newly added to the portfolio. Rental increases can also lead to reduced profitability as lease terms cannot easily be amended to the Group's benefit, and leases cannot be cancelled without respecting specified notice periods. Equally, rental increases as a consequence of inflation-linked indexation that cannot necessarily be passed on to end customers comprise a further potential risk.

Opportunities and risks can also arise from the Group's existing business activities. The related risk is that existing contracts might not be renewed, or that open tenders might not be won again. Given the healthy number of contracts in the Group's portfolio, the loss of a small number of contracts represents a low-level risk for the APCOA PARKING Group.

As far as end customers are concerned, risks are posed by a decrease in the frequency of car park usage as a consequence of general negative economic trends, regulatory measures and extraordinary events such as natural catastrophes, extreme weather, terrorist attacks and disease epidemics. These would potentially exert a negative effect on air passenger numbers and hotel bookings, as well as impacting on shopping and recreation patterns. Potential changes in parking patterns, for example due to increased use of public transportation, could also have a negative impact on the Group's business performance.

Were any of these risks to materialize, a subsequent impact on EBITDA would arise.

The Covid-19 pandemic, which continues at present, confirms the risks described. The effects of this event exerted the feared negative impact on all key business figures. The Management Board had taken measures to minimize the effect on employees, the company and its operations. These include, in particular, measures to protect the workforce, maintain business operations, reduce costs and investments and thereby maintain liquidity on a sustainable basis. The Group's ability to continue as a going concern depends, in particular, on the extent to which the measures taken to secure capital and liquidity by providers of equity and debt capital will be sufficient. By issuing two corporate bonds in the 2021 financial year, the APCOA PARKING Group has strengthened its liquidity situation to the extent that it will be able to continue its business operations, including if mobility restrictions would extend into 2022.

During the course of operating activities, risks may also arise in connection with the handling of cash by the company's employees which may lead to financial losses caused by employees or external parties.

The APCOA PARKING Group counters such potential asset and reputational risks through guidelines, process definitions and process controls for its own employees, as well as for external service providers.

Incidents such as theft, burglary and the misappropriation of funds are systematically recorded, pursued and analysed. This enables existing control mechanisms to be continuously improved and regularly monitored during the course of internal audits. Furthermore, the Group-wide whistle-blower program ensures irregularities can be reported and investigated. The risk of material and financial losses is assessed as low as a consequence.

Given the past years' fraud cases, we have assembled a package of measures to minimize both asset and reputation risks in such cases. Important steps in this context included the systematic analysis of the ICS system at all APCOA companies by external consultants from Germany and the UK. A risk assessment initially enabled fraud sensitive processes to be defined and the subsequent preparation of a risk control matrix that formed the core framework for the subsequent audits at all national companies. Specific action plans with responsibilities and implementation deadlines were defined for the identified weak spots. Implementation was monitored through a monthly follow-up process and has been completed. Further follow-up audits on the implementation status are now taking place.

Fraud sensitive areas include the core processes of Park-to-Cash, Order-to-Cash, Invest-to-Dispose, Financial Reporting, Purchase-to-Pay and Hire-to-Retire. For these, 38 sub-processes and more than 90 individual controls were defined and audited as audit objectives.

Furthermore, Group-wide generic standards are being defined as part of this project, taking an ICS system into account. These are already being gradually launched, especially in the revenue recognition and cash management areas.

The APCOA PARKING Group manages its insurance policies at Group level and insures itself, its management and its employees against risks that may arise from its business activities. The risk portfolio is monitored on an ongoing basis in conjunction with an insurance broker and any necessary amendments to the Group's insurance cover are agreed and implemented across the Group. The APCOA PARKING Group implements a stringent strategy in order to optimize liability for operational and administrative risks, and to prevent and handle passive and active claims. Since the first quarter of 2017, the Group insurance unit has been working with web-based software to manage and actively report for all Group companies.

4.2 Financial risks

Liquidity risks

Liquidity risks relate to the prospect of the APCOA PARKING Group not being able to fulfil its financial obligations. The company manages its liquidity by maintaining liquid reserves and bank credit lines alongside the cash inflows from its operating business, and by having access to the capital market through continuous dialogue. Operational liquidity management comprises the daily pooling of liquid funds in the Group's cash pool, which the Group Treasury function coordinates. In this way, liquidity surpluses and shortages can be managed both in accordance with the requirements of the Group as a whole and those of the individual Group companies.

For budget planning purposes, a monthly liquidity plan was prepared for 2022, which was updated and extended to 2023 as part of the going concern audit.

Liquidity at the level of both the Group and the national companies is monitored continuously. A Group liquidity status report is compiled daily for this purpose. In addition, is monthly by everyone units prepare a rolling 17-week liquidity forecast by planning category, and week.

Besides liquid assets of T€ 148,421, the APCOA PARKING Group has at its disposal free credit lines of T€ 49,500 for overdrafts as of 31 December 2021.

The APCOA PARKING Group's liquidity risk has increased due to the Covid-19 pandemic, and its impact on sales revenues. As a consequence, the APCOA PARKING Group agreed a new financing facility on 23 July 2021. The company thereby has at its disposal a bullet tranche of T€ 320,000 (senior secured fixed rate notes), a bullet tranche of T€ 365,000 (senior secured floating rate notes) and a credit and guarantee line of T€ 80,000 (revolving credit facility). The previous financing facilities of Term Loan Facility B for T€ 592,000 and Term Loan Facility B2 for T€ 78,000 were replaced by the new financing facilities. The Management Board has taken additional measures to ensure sufficient liquidity within the Group. These include reductions in rental payments through contract renegotiations, changes in fixed to variable rental components, operating expense and overhead reductions, reduced investment levels, and the use of government measures such as short-time working allowances. The Group applies its rolling weekly 17-week forecast model in order to monitor its liquidity position. Based on the experience from the various months when mobility restrictions were in place, the Management Board has a good overview of the liquidity effects of various measures taken by European governments in the fight against the pandemic. In all countries where APCOA is represented, vaccination programs have made great strides and many countries have already begun to ease restrictions and limitations. In this respect, a reduced level of liquidity risk exists compared to 2020.

Refinancing risks

With the placing of the bond on 23 July 2021, it was agreed that compliance with a minimum liquidity level is to be monitored as a financial ratio (covenant). Satisfying this covenant forms a key element of the Group's planning, and compliance is monitored and reported to lenders at monthly intervals.

As of September 2022, the framework of the refinancing requires that the Drawn Super Senior Leverage Ratio as a financial covenant of the revolving credit facility is met. This ratio is based on a Pro Forma EBITDA as defined in the credit agreement. Under certain circumstances, a breach of such a covenant can entitle lenders to demand repayment of their loans in full, irrespective of the terms set out in individual loan agreements. Non-compliance with this covenant leads to a refinancing risk for the Group. At present, the Management Board anticipates that the Super Senior Revolving Credit Facility will not be utilized based on current and future liquidity.

Tax risks

Tax risks can arise for the APCOA PARKING Group if local tax authorities fail to agree with the APCOA PARKING Group's assessment of a specific case. This risk is taken into consideration by obtaining tax advice and monitoring the relevant matters. The resultant tax risks could have a moderate short-term bearing on the APCOA PARKING Group's finances.

Credit risks

Credit risks arise from the possibility that contractual partners to a transaction prove unable to fulfil their financial obligations, thereby causing financial losses for the APCOA PARKING Group. Receivables default risks are low as a result of the APCOA PARKING Group's business model. This risk is further minimized by the wide geographical distribution of such receivables, as well as their distribution across a large number of individual debtors. The elevated default risk in the Park&Guard business arising from non-payers is reflected through value adjustments to individual accounts receivables.

Currency risks

Currency risks for the APCOA PARKING Group arise primarily from investments, financing measures and operative activities. The APCOA PARKING Group ensures, however, that national subsidiaries are provided with the necessary financial means in their local currencies so that no significant currency risks are generated for the national subsidiaries. The APCOA PARKING Group does not hedge against currency risks that do not influence the Group's cash flow (risks arising from the currency conversion of foreign financial statements into the Group's reporting currency, so-called translation risks). As debt funding for the APCOA PARKING Group is provided in the Group currency (EUR) and partly differs from the currencies of the local APCOA companies, a translation risk arises from exchange rate fluctuations. This risk is monitored on a monthly basis with hedging measures being implemented where required. Additionally, currency risks arising from cash flows are monitored on a monthly basis.

Interest rate risks

Risks of interest rate changes arise based on potential changes in market interest rates, and can lead to a change in the fair value of fixed-interest financial instruments, and fluctuations in interest payments on variable interest rate financial instruments. The APCOA PARKING Group considers the risk of significant increases in interest rates to be moderately elevated and expects interest rates to rise slightly in the medium term. The relevant reference interest rate of the APCOA Parking Group is Euribor, and due to the agreed floor of 0%, a slight increase does not affect interest payments. The company monitors and assess interest rate risks on a quarterly basis so it can react quickly to changes in the market.



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2021

5 Overall statement

The management team took over the business of the APCOA PARKING Group in spring 2016 and successfully concentrated its activities until the end of the 2019 financial year on the company's continued growth and on margin improvement. In our view, the various strategic initiatives and investments, in particular, have made an important contribution in this context.

On the basis of its expertise from 13 European countries and its high market penetration, the company successfully leveraged opportunities in the area of Europe-wide parking space management until the end of the 2019 financial year. These continuing major opportunities include increasing urbanization, the reduction and increasing expense of public parking facilities, the growing need for mobility in metropolitan areas and the digitalization of parking processes.

Furthermore, the acquisition of various competitors has enabled the company to take advantage of opportunities for consolidation in the fragmented parking management market. In this context, the company focused on the reasonable expansion of its product portfolio, enlarging its market share, opening new markets and adding new technologies and products.

On this basis, the APCOA PARKING Group has expanded its market position as one of the leading European companies in parking management, as well as its profitability, in the period up to and including 2019.

The Covid-19 pandemic, which has been active in Europe since March 2020, has presented the Management Board with a new situation. As a consequence, the initial focus was on protecting the workforce, securing liquidity and maintaining long-term business viability. With the issuance of two corporate bonds totalling € 685 million in July 2021, the company has created a financial cushion for a further continuation of the exceptional situation relating to Covid-19, as well as prospectively for further investments in new business.

Compared to the first year of the crisis in 2020, both sales revenues and earnings grew significantly again in the past financial year, even if pre-crisis levels have not yet been reached in full. The management expects the economic situation to recover further in 2022 and plans to return to its original growth path and further expand its strong position in the parking management market. The company assumes that numerous opportunities will arise as a consequence of the current distortions in the market.

To this end, the company has taken a number of important decisions and established new business models. These include the further development of the company's strategy since as early as 2020. On this basis, the APCOA Urban Hubs initiative was launched in 2021, thereby establishing a new business area for the marketing of parking spaces, especially for B2B partners from the logistics, mobility, e-charging and technology sectors. This area is already making a substantial contribution to business. The company identifies major market interest in this area and has accumulated a considerable pipeline of partnership projects. With the planned large-scale expansion of e-charging infrastructure, the company plans to tap an additional, fast-growing source of sales revenues. APCOA also identifies further potential in the area of arranging additional contracts with property owners seeking a financially stable and technologically broad-based service provider. Last but not least, the company identifies market opportunities in the acquisition of further competitors that have been weakened by the crisis.

Leinfelden-Echterdingen, 8 April 2022

Philippe Op de Beeck

Managing Director

Samuel Groves

Managing Director

Page 25 of 25





**APCOA Parking Holdings GmbH
Leinfelden-Echterdingen**

Consolidated financial statements
as of
31 December 2021



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated financial statements as of 31 December 2021

Contents

Consolidated income statement for the 2021 financial year	3
Consolidated statement of comprehensive income for the 2021 financial year.....	4
Consolidated balance sheet as of 31 December 2021	5
Consolidated statement of changes in equity for the 2021 financial year	6
Consolidated statement of cash flows for the 2021 financial year	7
Notes to the consolidated financial statements for the 2021 financial year.....	8
1. General.....	8
2. Accounting and measurement methods	15
3. Notes to the consolidated income statement	28
4. Notes to the consolidated balance sheet	37
5. Notes to the consolidated statement of cash flows	58
6. Other disclosures	60



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated income statement for the 2021 financial year

		2021	2020
	Notes	T€	T€
Sales revenues	(12)	616.338	531.937
Other income	(13)	11.348	15.909
Lease expense	(14)	(158.951)	(122.889)
Cost of material and of purchased services	(15)	(62.094)	(57.628)
Personnel expenses	(16)	(166.322)	(164.119)
Other expenses	(17)	(54.734)	(60.528)
Earnings before interest, taxes and depreciation / amortization (EBITDA)		185.586	142.682
Amortization / depreciation and impairment of intangible assets and of property, plant and equipment as well as right of use asset	(18)	(160.729)	(174.199)
Earnings before interest and taxes (EBIT)		24.857	(31.517)
Financial income	(19)	5.381	16.638
Financial expenses	(20)	(108.460)	(102.673)
Result in associated companies accounted for by at equity method	(24)	(32)	137
Earnings before income taxes (EBT)		(78.254)	(117.415)
Income taxes	(21)	(3.571)	2.965
Net gain / (Net loss) for the year		(81.825)	(114.450)
thereof attributable to			
Shareholders of the parent company		(81.933)	(113.949)
Minority shares		108	(502)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated statement of comprehensive income for the 2021 financial year

	Notes	2021 T€	2020 T€
Net gain / (Net loss) for the year		(81.825)	(114.450)
Other comprehensive income			
Currency effect of foreign subsidiaries		64	1.042
Gains / (losses) from the hedging of cash flows		261	145
Effects from the fair value measurement of equity instruments		(75)	-
Items that may be reclassified to profit or loss in the future		250	1.187
Remeasurement of defined contribution plans	(37)	169	(98)
Income tax effects		(8)	13
Items that are not to be reclassified to profit or loss in the future		161	(85)
Other comprehensive income after taxes		411	1.101
Total comprehensive income after taxes		(81.414)	(113.348)
thereof attributable to			
Shareholders of the parent company		(81.500)	(112.852)
Minority shares		85	(496)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated balance sheet as of 31 December 2021

Consolidated Balance Sheet as of December 31, 2020 in T€

Assets	Notes	31.12.2021		31.12.2020		Notes	31.12.2021		31.12.2020	
		T€	T€	T€	T€		T€	T€	T€	T€
Non-current assets		1,435,348	1,431,525	Equity capital attributable to shareholders of the parent company	(202,368)		(202,368)	(120,869)		
Intangible assets	(22)	493,858	501,528	Subscribed capital	(31)		104	104		
Property, plant, equipment and right of use assets	(23)	919,903	885,939	Capital reserve	(32)		788,058	788,058		
Shares in associated companies accounted for by at equity method	(24)	1,751	1,783	Other reserves	(33)		(8,360)	(8,869)		
Associated companies	(25)	139	215	Revenue reserves	(34)		(962,170)	(880,162)		
Other financial assets	(26)	12,157	11,320	Equity capital attributable to minority shares			(485)	(545)		
Other assets	(27)	757	2,388	Minority shares						
Deferred tax assets	(21)	6,783	28,352	Total equity capital			(202,853)	(121,414)		
Current assets		217,060	129,306	Non-current liabilities			1,475,422	1,370,392		
Inventories	(28)	1,124	1,417	Financial liabilities	(35)		1,454,708	1,328,551		
Trade receivables and other financial assets	(29)	47,003	37,677	Other provisions	(36)		3,112	3,475		
Current income tax receivables	(21)	3,980	2,270	Provisions for pensions and similar obligations	(37)		4,041	4,406		
Other assets	(27)	16,531	22,912	Current income tax liabilities	(21)		16	170		
Cash and cash equivalents	(30)	148,421	65,030	Other liabilities	(38)		37	26		
				Deferred tax liabilities	(21)		13,507	33,764		
				Current liabilities			379,838	311,853		
				Trade payables and other financial liabilities	(39)		131,989	95,546		
				Financial liabilities	(35)		180,280	153,774		
				Other liabilities	(36)		9,303	10,080		
				Current income tax liabilities	(21)		4,731	3,596		
				Contract Liabilities	(38)		12,390	13,224		
				Other liabilities	(38)		41,185	35,633		
Total assets		1,652,407	1,560,831	Total equity and liabilities			1,652,407	1,560,831		



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated statement of changes in equity for the 2021 financial year

Notes	Equity capital attributable to shareholders of the parent company									
	Accumulated total comprehensive income									
	Subscribed capital	Capital Reserve	Revenue reserves	Remeasurement of defined benefit plans	Reserve for cash flow hedges	Reserve for currency differences	Other reserves	Total	Minority shares	Total equity
	(30) T€	(31) T€	(9) (33) T€	(32) T€	(32) T€	(9) (32) T€	(32) T€	T€	T€	T€
As of January 1, 2020	104	818.058	(766.213)	(2.504)	(1.106)	(7.630)	1.273	41.983	8	41.991
Period result	-	-	(113.948)	-	-	-	-	(113.948)	(502)	(114.450)
Other comprehensive income	-	-	-	(85)	145	1.036	-	1.095	6	1.101
Total compreh. income for the period	-	-	(113.948)	(85)	145	1.036	-	(112.852)	(496)	(113.348)
Dividends paid to shareholders	-	-	(90.000)	-	-	-	-	(90.000)	-	(90.000)
Allocation to capital reserve	-	-	40.000	-	-	-	-	40.000	-	40.000
Dividends paid to minority shares	-	-	-	-	-	-	-	-	(57)	(57)
As of December 31, 2020	104	768.058	(880.162)	(2.589)	(960)	(6.593)	1.273	(120.869)	(545)	(121.414)
As of January 1, 2021	104	768.058	(880.162)	(2.589)	(960)	(6.593)	1.273	(120.869)	(545)	(121.414)
Period result	-	-	(81.933)	-	-	-	-	(81.933)	108	(81.825)
Other comprehensive income	-	-	(75)	161	261	87	-	433	(23)	411
Total compreh. income for the period	-	-	(82.008)	161	261	87	-	(81.500)	85	(81.414)
Dividends paid to shareholders	-	-	-	-	-	-	-	-	-	-
Allocation to capital reserve	-	-	-	-	-	-	-	-	-	-
As of December 31, 2021	104	768.058	(962.170)	(2.428)	(699)	(6.506)	1.273	(202.368)	(484)	(202.853)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen Consolidated statement of cash flows for the 2021 financial year

	Notes	2021 T€	2020 T€
Group result before income taxes		(78.254)	(117.415)
Amortization / depreciation, impairment and value adjustments	(18)	160.729	174.199
Financial result	(19) (20)	103.111	85.898
Change in other assets		7.360	(6.394)
Change in trade receivables and other financial assets		(8.530)	11.968
Change in inventories		302	(24)
Change in provisions		(1.059)	1.513
Change in trade payables and other liabilities		32.697	(33.197)
Non-cash income and expenses		(6.771)	9.787
Income taxes paid		(3.212)	(5.097)
Cash flow from operating activity		206.374	121.239
Proceeds from the sale of property, plant and equipment and intangible assets		570	194
Investments in property, plant and equipment and intangible assets	(22) (23)	(18.610)	(25.139)
Payments for granted loans		(800)	(7.506)
Payments for acquisition of affiliated companies, excl. acquired cash and cash equivalents	(6)	(1.795)	(10.805)
Cash flow from investing activity		(20.635)	(43.255)
Payments-in from voluntary deposits in capital reserves		-	40.000
Dividends paid to non-controlling interest		(25)	(57)
Dividends paid to shareholders		-	(90.000)
Payments received from long-term financial debt	(35)	681.972	205.082
Repayment of financial debt	(35)	(593.740)	(34.736)
Redemption of liabilities from finance lease	(35) (42)	(99.512)	(106.040)
Interest, bank charges and transaction cost paid	(20) (35) (42)	(91.176)	(80.538)
Cash flow from financing activity	(40)	(102.480)	(66.290)
Change in cash and cash equivalents		83.259	11.694
Opening balance of cash and cash equivalents		65.030	53.803
Currency-related changes in the value of cash and cash equivalents		133	(373)
General allowance on the value of cash and cash equivalents IFRS 9		-	(94)
Closing balance of cash and cash equivalents	(30)	148.421	65.030
Net change in cash and cash equivalents		83.392	11.227

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

APCOA Parking Holdings GmbH Leinfelden-Echterdingen

Notes to the consolidated financial statements for the 2021 financial year

1. General

APCOA Parking Holdings GmbH, with its registered head office in Leinfelden-Echterdingen, Germany, is a limited liability company under German law. As the parent company of the Group (the APCOA PARKING Group), it is registered at the Stuttgart District Court under commercial register sheet number 726108. The company's administrative head office is located at Flughafenstrasse 34, 70629 Stuttgart, Germany. The consolidated financial statements are presented in euros (€), as the majority of Group transactions are processed in that currency. Unless otherwise specified, the presentation is in thousands of euros (T€). The use of rounded amounts and percentages may lead to differences due to commercial rounding. The consolidated income statement is prepared in accordance with the nature of expense format. The financial year of APCOA Parking Holdings GmbH and its subsidiaries included in the consolidated financial statements corresponds to the calendar year.

The consolidated financial statements of APCOA Parking Holdings GmbH are published in the electronic version of the German Federal Gazette (Bundesanzeiger).

(1) Business activity

The Group operates in the parking facilities management area. The Group has a diversified portfolio of rental/lease agreements and management agreements for the management of parking spaces/facilities and parking garages.

(2) Ownership structure

The company is wholly owned by Park Luxco 3 S.C.A., with its registered head office in Luxembourg, Luxembourg. Park Luxco S.C.A., with its registered head office in Luxembourg, Luxembourg, is the ultimate parent company and an indirect shareholder in APCOA Parking Holdings GmbH.

Management coinvestment program and management compensation in the event of a change of ownership

As the parent company of the APCOA PARKING Group, Park Luxco 3 S.C.A., a company under Luxembourg law that wholly owns APCOA Parking Holdings GmbH, persons of the APCOA PARKING Group together with further external individuals (together referred to as the coinvestors) hold an indirect 12.50% interest via a coinvestment company, Park Investment S.C.S.p. As of the balance sheet date, this group of individuals held 75.88% of the shares available for this purpose. The shares were offered to the coinvestors in 2016 and 2017 at the respective current fair values. The fair value was calculated by an external valuer based on recognized valuation methods, including applying peer group earnings multiples. The coinvestment program plans for the coinvestors to participate in a change of ownership of the parent company, including due to a disposal or an IPO, in the resultant net proceeds in accordance with their indirect interests. The coinvestment program includes regulations for the instance that the group of individuals leave the company early. Depending on the reason and timing of the departure from the company, coinvestors in this instance are entitled to repurchase their investment at a value between the original purchase cost and the fair value on the date of leaving the company, if a minimum employment period of three years has been reached. Repurchase in this context is structured in the form of mutual call and put options, depending on the reason and timing of the departure from the company.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

As the shares were acquired by the coinvestors at the respective current fair values on the purchase date, no emolument to be recognized as personnel expenses in the period existed or exists.

In the 2021 financial year, a further management compensation program ("equity-settled") was introduced for the company's Management Board, individual members of the Advisory Board and members of the management of the company's subsidiaries, which is subject to the rules of IFRS 2. Under this program, an income component is regulated depending on the disposal price in the event of a potential divestiture or the liquidation of the APCOA PARKING Group. The necessary condition is that the respective beneficiary is still employed by the APCOA PARKING Group at the time of the sale.

The relevant compensation portion for the company's Management Board estimated for the 2021 financial year is below one million euros, which has not been recognized as a personnel expense. No payment obligation exists on the part of APCOA PARKING Group. Payments are to be rendered by Park Luxco 2 S.à.r.l. ("equity-settled"). The relevant compensation share is an estimated value, which is significantly influenced by the estimate of the sales proceeds and the exit time.

(3) Basis for the preparation of the consolidated financial statements

The consolidated financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS), as applicable in the European Union (EU) as of 31 December 2021, and with the supplementary provisions under Section 315e of the German Commercial Code (HGB). The term "IFRS" encompasses all standards published by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRIC).

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group is able to meet the mandatory repayment terms of the lease and loan liabilities as disclosed in note (35) Financial liabilities. APCOA has been severely affected by the emergence of coronavirus (SARS – CoV-2) in its markets, and by the global measures taken in the form of travel restrictions, curfews, event cancellations and the closure of public facilities (see also the comments in the Group management report). APCOA has taken a variety of measures to mitigate the effects (see note (44) Group risk management). Consequently, the Management Board expects that the Group will have adequate resources to continue operations for the foreseeable future.

Reporting for financial year 2021 is based on the applicable mandatory standards and provides a true and fair view of the Group's financial position and performance. The Group has not made early, voluntary application of standards and IFRIC interpretations that have already been issued but had not yet entered into force. The company will apply these standards and interpretations for the first time as of the mandatory date. Due to the issuance in the 2021 financial year of bonds traded on a public market, APCOA is applying IFRS 8 segment reporting for the first time in the financial year under review.

New or amended standards and interpretations adopted by the EU and applicable for the first time during the financial year under review

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2

The amendments provide companies with temporary reliefs for the financial reporting impact arising from replacing interbank offered rates (IBORs) with alternative nearly risk-free rates (RFRs). The amendments provide for the following practical expedients:

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

- A practical expedient that enables contractual changes or changes in contractual cash flows that derive directly from the reform – such as fluctuations in a market interest rate – to be treated as changes in a variable interest rate
- A practical expedient that permits changes to the designation and documentation of a hedging relationship required by IBOR reform without thereby leading to the discontinuation of hedge accounting
- A temporary exemption from the separate identifiability requirement when an RFR instrument is utilized in order to hedge a risk component. These changes had no effect on the consolidated financial statements. The Group intends to utilize the practical expedients from the date when they become effective. The first-time application of these amendments did not have any effect on the company's financial position and performance.

Amendments to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) (Amendments to IFRS 16: Covid-19-Related Rent Concessions). The amendments provide lessees with relief in applying the rules in IFRS 16 on accounting for lease modifications due to rent concessions granted as a direct consequence of the coronavirus pandemic. As a practical expedient, a lessee can elect to suspend the evaluation of whether a lessor's pandemic rent concession constitutes an amendment to the lease. A lessee that makes this election accounts for any qualifying lease modification resulting from the coronavirus pandemic rent concession in the same way as it would account for the modification under IFRS 16 if it were not a lease modification. Originally, these changes were to apply until 30 June 2021. However, as the coronavirus pandemic is continuing, the IASB on 31 March 2021 extended the application period of the practical expedient until 30 June 2022. The amendments are to be applied for financial years commencing on or after 1 April 2021. The application of the amendment to IFRS 16 has a minor impact on the financial position and performance. Income from negative variable rental payments is shown in note (13). The first-time, early application of these amendments did not have any effect on the financial position and performance.

New or amended standards and interpretations either not yet adopted by the EU or not yet applied

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard that sets out principles for recognition, measurement, presentation, and disclosure requirements in relation to insurance contracts. When it comes into force, IFRS 17 will replace IFRS 4 Insurance Contracts, which was published in 2005. IFRS 17 is applicable to all types of insurance contracts (i.e., life insurance, property insurance, direct insurance, and reinsurance) as well as to certain guarantees and financial instruments with discretionary participation features, regardless of the type of issuing entity. Individual exceptions apply in relation to the scope of application. The overall objective of IFRS 17 is to create a more useful and consistent accounting model for insurers. In contrast to the provisions of IFRS 4, which largely grandfather previous local accounting regulations, IFRS 17 provides a comprehensive model for insurance contracts that reflects all relevant aspects of accounting. The core of the standard is the general model, supplemented by

- a specific variant for contracts with direct participation features (variable fee approach) and
- a simplified model (premium allocation approach), usually for short-term contracts.

IFRS 17 is to be applied for financial years commencing on or after 1 January 2023. Comparative information is mandatory. Early application is permitted if the company already applies IFRS 9 and IFRS 15, or applies them for the first time at the same time as IFRS 17. This new regulation is not applicable to the APCOA PARKING Group, consequently, do not have any impact on its financial position and performance.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

In May 2020, the IASB issued amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework. The amendments replace the reference to the Framework for the Preparation and Presentation of Financial Statements issued in 1989 with a reference to the Framework for Financial Reporting issued in March 2018 without significantly changing the standard's existing regulations. The IASB has also introduced an exemption to the recognition principles in IFRS 3 in order to avoid separately recognized liabilities and contingent liabilities in the application scope of IAS 37 or IFRIC 21 generating so-called Day 2 gains or losses. At the same time, the IASB decided to amend the standard to include a clarifying statement that the existing regulations for contingent assets in IFRS 3 are not affected by the replacement of the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are to be applied for financial years commencing on or after 1 January 2022. At present, the APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In May 2020, the IASB published amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use. Accordingly, companies will no longer be permitted to deduct from the cost of an item of property, plant and equipment proceeds from the sale of goods produced while an item of property, plant and equipment is being brought to the location and condition necessary for it to be capable of operating in the manner intended by the management. Instead, such revenue is to be recognized in the income statement together with the cost of the item of property, plant, and equipment. The amendments are effective for financial years commencing on or after 1 January 2022, and are to be applied retrospectively to property, plant and equipment brought into working condition on or after the start of the earliest annual period presented in the financial statements in which the amendments are first applied. At present, the APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract, in order to specify which costs a company should take into account when assessing whether a contract is onerous or loss-making. The amendment focuses on costs that are directly related to the contract (directly related cost approach). Costs associated with the performance of contracts for the supply of goods or services include both the directly attributable (incremental) costs of fulfilling the contract, and overheads that relate directly to activities undertaken in fulfilling the contract. General administrative costs are not directly related to the contract and are consequently not included in the contract performance costs, unless the contract expressly provides for them to be passed on to the customer. The amendments are to be applied for financial years commencing on or after 1 January 2022. At present, the APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

Also in May 2020, the IASB approved the Annual Improvements to IFRS Standards 2018-2020 Cycle. The improvements to the collective standard, which was published as part of the annual update, relate to several IFRSs (IFRS 1, IFRS 9, IFRS 16 and IAS 41), mainly eliminate inconsistencies and clarify wording (first applicable on 1 January 2022). At present, the APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In January 2020, the IASB published amendments to IAS 1, Classification of Liabilities as Current or Non-current. In particular, the amendments to IAS 1 clarify that the classification of liabilities as current or non-current is to be based on the company's rights existing as of the balance sheet date. In this context, the management's expectations and intentions as to whether such a right will actually be exercised, or early repayment is intended should not be taken into consideration. The amendments to IAS 1 are to be applied retrospectively and for financial years commencing on or after 1 January 2023. At present, the APCOA PARKING Group does not expect the first-time application of the amendments to IAS 1 to have any effect on the consolidated financial statements.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

In February 2021, the IASB issued amendments to IAS 1 and “IFRS Practice Statement 2 Making Materiality Judgements” in which it provides guidance and illustrative examples to assist companies in assessing when accounting policy information should be classified as “material” and is consequently to be disclosed. The amendments are intended to assist companies in making disclosures about accounting policies that are more helpful to users of financial statements by replacing the requirement to disclose “significant” accounting policies with the requirement to disclose “material” information about accounting policies, and by adding guidance to help companies apply the concept of materiality in assessing when to disclose information about accounting policies. The amendments to IAS 1 are to be applied for financial years commencing on or after 1 January 2023. At present, the APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In February 2021, the IASB issued amendments to IAS 8 that introduce a new definition for accounting estimates. The amendments clarify how changes in accounting estimates differ from changes in accounting policies and corrections of errors. They also explain how companies can make accounting estimates using measurement techniques and inputs. The amendments are effective for annual periods commencing on or after 1 January 2023, and are to be applied to changes in accounting policies and accounting estimates that occur on or after the beginning of the financial year of initial application. Earlier application is permitted, provided that this fact is stated. The APCOA PARKING Group has not applied the amendments early, and at present does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In May 2021, the IASB issued amendments to IAS 12 that specify how an entity accounts for income taxes, including deferred taxes. Under certain circumstances, companies are exempt from recognizing deferred taxes when they recognize assets or liabilities for the first time (initial recognition exemption). Previously, some uncertainty existed as to whether the exemption applied to transactions involving leases (when a lessee recognizes an asset and a liability at the inception of the lease) and asset retirement obligations (when an entity recognizes a liability and includes the retirement costs in the cost of the asset). The amendments clarify that this exemption does not apply and that companies must recognize deferred taxes on such transactions. This is regulated by the newly inserted text section IAS 12.22A. The amendment is effective for financial years commencing on or after 1 January 2023, with early adoption permitted. The APCOA PARKING Group has not realized an early adoption of these amendments and currently does not expect the amendments to have a significant impact on the consolidated financial statements.

In addition to the amendments described in detail above, the IASB has issued further pronouncements, whose application is also not yet mandatory at the present time and whose applicability in some cases still requires adoption into EU law. The APCOA PARKING Group does not currently expect the application of these pronouncements to have a material effect on its financial position and performance.

In the event of recognition by the EU of IASB pronouncements whose application is not mandatory until later financial years, the APCOA PARKING Group does not currently plan to apply them early.

(4) Consolidated Group

With APCOA Parking Holdings GmbH, these consolidated financial statements include 34 (previous year: 38) companies that were fully consolidated as of 31 December 2021.

The Norwegian companies Security Park AS, Profectum AS and Automaten AS, which were acquired in 2020, were merged into APCOA Parking Norway AS in 2021.

The Irish company Nationwide Controlled Parking Systems Limited was merged into APCOA Parking Ireland Ltd. in 2021



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Subsidiaries

All subsidiaries in which APCOA Parking Holdings GmbH directly or indirectly holds voting rights are fully consolidated.

Fully consolidated subsidiaries		31.12.2021	31.12.2020
Name	Head office	Capital share parent company	Capital share parent company
APCOA Parking Holdings GmbH	Leinfelden-Echterdingen		
APCOA PARKING Deutschland GmbH	Filderstadt	100%	100%
Park & Control PAC GmbH	Stuttgart	100%	100%
PARCON Gesellschaft für Parkraummanagement und Consulting mbH	Hamburg	51%	51%
ARGE Klinikum Augsburg GbR	Leinfelden-Echterdingen	86%	86%
APCOA Parking Austria GmbH	Vienna	100%	100%
Park & Control PAC Austria GmbH	Vienna	100%	100%
APCOA Parking Holdings UK Ltd.	Uxbridge	100%	100%
APCOA Parking UK Ltd.	Uxbridge	100%	100%
APCOA Facilities Management (UK) Ltd.	Uxbridge	100%	100%
APCOA Facilities Management (Harrow) Ltd.	Uxbridge	100%	100%
APCOA Parking Services UK Ltd.	Uxbridge	100%	100%
APCOA Parking Ireland Ltd.	Lucan Village	100%	100%
Nationwide Controlled Parking Systems Limited	Dublin	-	100%
Parking and Enforcement Agency Ltd	Belfast	100%	100%
APCOA Parking Italia S.p.A.	Mantova	100%	100%
Park & Control S.r.l.	Mantova	100%	100%
APCOA Scandinavia AS (vormals EuroPark Scandinavia AS)	Oslo	100%	100%
APCOA Parking Norway AS (vormals EuroPark AS)	Oslo	100%	100%
Security Park AS	Oslo	-	100%
Profectum AS	Oslo	-	100%
Automaten AS	Oslo	-	100%
APCOA PARKING Sverige AB	Stockholm	100%	100%
EuroPark Öst AB	Stockholm	100%	100%
Rationell Parkeringservice RPS AB	Stockholm	100%	100%
PS Park Smart AB	Stockholm	100%	100%
EPS Bevakning AB	Stockholm	100%	100%
XPert Parkering Sweden AB	Malmö	100%	100%
APCOA Parking Holding Danmark ApS	Vejle	100%	100%
APCOA PARKING Danmark A/S	Vejle	100%	100%
EuroIncasso ApS	Vejle	100%	100%
APCOA Parking Polska Sp. z o.o.	Warsaw	100%	100%
APCOA Parking Nederland B.V.	Rotterdam	100%	100%
APCOA PARKING Belgium N.V.	Antwerp	100%	100%
APCOA Parking Switzerland AG	Basel	51%	51%
APCOA Parking Service Switzerland AG	Biel	100%	100%
APCOA PARKING Luxembourg S.à.r.l.	Luxembourg	100%	100%
Park & Control PAC Switzerland GmbH (vormals Real Estate Schaffhausen GmbH)	Schaffhausen	100%	100%

In the 2021 financial year, the following fully consolidated German Group companies utilized the exemption contained in Section 264 (3) of the German Commercial Code (HGB):

- APCOA PARKING Deutschland GmbH
- Park & Control PAC GmbH

Investments in equity accounted companies

Investments in equity accounted companies comprise associated companies and joint ventures. As a matter of principle, companies over which the company exerts a significant influence, or which are joint ventures, are equity accounted in the company's consolidated



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

financial statements. On 4 January 2019, the company and a partner established the joint venture ParcBrux BVBA, located in Ghent, Belgium, with a registered capital of T€ 200, of which 50 percent (T€ 100) is attributable to APCOA.

On 4 October 2017, the company acquired a 13.33% interest in AGILE PARKING SOLUTIONS PRIVATE LIMITED, New Delhi, India. The company has the right to a seat on this company's supervisory board and thereby exercises significant influence over this associated company. As a consequence of a capital increase without APCOA's participation, the interest attributable to APCOA was diluted to 10.44%. With a balance sheet date of 31 March, the company's balance sheet date differs from that of the parent company.

(5) Other holdings

Other investments in which the company holds less than 20 percent are carried at fair value with no effect on income.

(6) Acquisitions

No business combinations were realized in 2021. The payments for the acquisition of subsidiaries recognized in the statement of cash flows for 2021 relate to purchase price payments under earn-out agreements for acquisitions implemented in the previous year.

The preliminary purchase price allocation for the Security Park acquisition from 2020 was finalized in 2021. The final goodwill from the acquisition of Security Park amounts to T€ 7,965.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

2. Accounting and measurement methods

(7) Consolidation principles

The consolidated financial statements include APCOA Parking Holdings GmbH and the subsidiaries over which it exercises direct or indirect control. The APCOA PARKING Group controls an investee if it has power over the investee. In other words, the APCOA PARKING Group has existing rights giving it the current ability to direct the relevant activities. These are activities that significantly influence returns from the investee. The APCOA PARKING Group must also have exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the level of such returns.

Where the APCOA PARKING Group holds less than the majority of voting rights, other facts and circumstances may lead the APCOA PARKING Group to control an investee (including contractual arrangements which give the APCOA PARKING Group power over the investee). The APCOA PARKING Group reassesses whether it controls an investee if facts and circumstances indicate that changes have occurred to the factors determining control.

Subsidiaries are consolidated from the date when the APCOA PARKING Group acquires control, and deconsolidated from the date when the APCOA PARKING Group forgoes control. All assets, liabilities, income, expenditure and cash flows of APCOA Parking Holdings GmbH are combined with those of its subsidiaries in the consolidated financial statements.

Intragroup transactions (revenues, expenses and income as well as receivables and liabilities) are fully eliminated.

Any difference that arises from the acquisition of further shares or the sale of shares after the initial consolidation without any loss of control over an already fully consolidated subsidiary is taken directly to equity.

Corporate acquisitions

A business combination is accounted for in accordance with IFRS 10 "Consolidated Financial Statements" applying the purchase method in accordance with IFRS 3 "Business Combinations". The acquired assets and liabilities must be measured at fair value as of the acquisition date. This entails offsetting the costs to acquire the participating interests with the fair values of the acquired assets, liabilities and contingent liabilities. Any excess over the acquisition cost is recognized as goodwill and impairment tested at least once a year. Where the acquisition cost is lower than the fair value of the acquired assets and liabilities, the difference is immediately recognized in profit or loss. If less than 100% of shares are acquired, the acquisition costs of an investment are compared against the fair values of the assets and liabilities acquired on a pro rata basis. Minority interests are reported in equity in the amount of the residual fair value, including the profits and losses attributable to them.

Applying the acquisition method requires estimates and assessments to be made, in particular in determining the fair value of the intangible assets and of the property, plant and equipment acquired, and the liabilities assumed, upon acquisition, as well as the useful lives of the intangible assets and property, plant and equipment acquired. The estimates made as part of allocating the purchase price may significantly influence the Group's future results.

(8) Currency translation

Business transactions recorded in the individual financial statements of entities that process their business transactions in currencies other than the respective local currencies are translated at the exchange rate applicable as of the transaction date. Monetary items denominated in foreign currencies (liquid assets, receivables, liabilities) are translated at the closing rate applicable at the respective balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are recorded at fair value are translated at the



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

exchange rates valid as of the date when the fair value is determined. Gains and losses arising from currency translation are recognized in profit or loss.

The Group includes 20 (previous year: 23) subsidiaries whose functional currency is not the euro. With the exception of one company (APCOA Parking Holdings UK Ltd., Uxbridge), the subsidiaries' functional currency corresponds to the respective local currency, as the subsidiaries are economically independent foreign sub-entities. For the purposes of the consolidated financial statements, financial statements prepared in foreign currencies are translated into euros. The financial statements are translated on the basis of the functional currency concept in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates" applying the modified closing rate method. Accordingly, the assets and liabilities are translated at the closing rate, equity at the historical rate, and expenses and income at the average exchange rate for the year. Any differences arising from currency translation are posted to the Group's other reserves (reserve for currency differences). When a subsidiary is disposed of, these translation differences are recognized in profit or loss.

Currency translation in the Group is based on the following exchange rates against the euro:

Currency	ISO Code	Closing rate 2021	Average rate 2021	Closing rate 2020	Average rate 2020
British pound	GBP	0,840280	0,860004	0,899030	0,889214
Danish krone	DKK	7,436400	7,437049	7,440900	7,454393
Norwegian krone	NOK	9,988800	10,163389	10,470300	10,724762
Polish zloty	PLN	4,596900	4,564036	4,559700	4,443177
Swedish krona	SEK	10,250300	10,144850	10,034300	10,488131
Swiss franc	CHF	1,033100	1,081411	1,080200	1,070309

(9) Use of management estimates and judgements

As part of preparing the consolidated financial statements, the Management Board must make estimates and assumptions that can impact on components and items in the consolidated financial statements and on the notes to the consolidated financial statements. Actual developments may vary from the estimates and assumptions made.

Impact of the Covid-19 pandemic

Since March 2020, our business activities have been significantly affected by the pandemic and the associated uncertainties. Due to the still not fully foreseeable global consequences of the Covid-19 pandemic, especially the estimates and discretionary decisions made in connection with the assets and liabilities reported on the balance sheet are subject to a greater level of uncertainty.

In updating the estimates and judgements, account was taken of information available concerning expected economic trends and country-specific government policies.

This information was included particularly in impairment tests for the cash-generating units. In the case of impairment of trade receivables, the expected credit loss model was reviewed in relation to the assessment of future economic conditions in the context of Covid-19.

Trade receivables

All trade receivables are initially recognized at the transaction price and subsequently adjusted for impairment to reflect the expected default. The calculation is based on historical default rates, which are adjusted to reflect current economic developments. As a rule, a decrease in the volume of receivables reduces such value adjustments on a portfolio basis accordingly, and vice versa. If individual receivables are at risk of default, estimates and assessments based on the respective customer's creditworthiness are included.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Impairment

The determination of the recoverable amount of a cash generating unit, an asset and an intangible asset with an indefinite useful life is based on management estimates. The recoverable amount is the higher of the fair value less costs to sell, and value in use. The company normally determines these values in line with valuation methods based on discounted cash flows. These discounted cash flows are calculated on the basis of five-year forecasts which are prepared in line with financial plans authorized by the Management Board. The cash flow forecasts take into consideration historical data and are based on the Management Board's best estimates of future development. Cash flows beyond the planning period are extrapolated applying a standard growth rate that is determined in consideration of the expected long-term development potential of the relevant markets and publicly available long-term inflation expectations as well as the possibility of passing these on to customers in the form of price increases. Weighted average costs of capital are utilized to discount the cash flows. These are based on a peer group and were determined using capital market data. The most important assumptions on which the determination of fair value less costs to sell and value in use is based include estimated cash flows, estimated growth rates, weighted average costs of capital, and tax rates. The measurement of intangible assets with indeterminable useful lives is additionally dependent on the underlying licence rates. These premises and their underlying methodology can have a significant impact on the respective values and ultimately on the amount of possible impairment of goodwill, intangible assets with indefinite useful lives, and other assets. Further details on estimates and assumptions are provided in note (10) Accounting and measurement methods, under the heading "Impairment of long-lived assets" and note (22) Intangible assets.

Pensions and similar obligations

Obligations for pensions and similar commitments and related expenses and income are calculated in accordance with actuarial valuations. Such valuations are based on key assumptions, including discounting factors, wage and pension trends, and life expectancies. The discount factor applied reflects the interest rates that can be achieved as of the balance sheet date for high-value fixed-interest investments with matching maturities. The underlying assumptions can differ from actual outcomes due to a fluctuating market and economic situation. This can exert significant effects on the obligations of pensions and other post-retirement benefits. The resultant differences are recognized directly in other comprehensive income under equity in the period in which they arise, and do not affect profit and loss as a consequence.

Other provisions

The calculation of provisions is associated with significant estimates. The other provisions are formed for a large number of individual risks whose payment dates or amounts are uncertain. Determining these other provisions requires the making of estimates. These provisions also relate to provisions against risks arising from legal disputes and processes, insofar as these fulfil the criteria for making provisions. Assessing the level of such provisions entails not only an assessment of circumstances in the specific case that is being asserted, but also making recourse to the results of comparable proceedings and appraisals by lawyers and other factors, as well as assumptions about event probabilities and the bandwidths of potential utilization.

Income tax

The recognition of tax provisions is based on estimates. It should also be determined whether the recognition of deferred tax assets is permitted, or whether a valuation adjustment to deferred tax assets is required. The likelihood that deferred tax assets arising from timing differences and losses carried forward can be offset against taxable profits in the future must be evaluated. Deferred tax assets must also be recognized to the extent that sufficient taxable

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

temporary differences are available. Uncertainties exist concerning the interpretation of complex tax regulations as well as concerning the amount and date of future taxable income.

Leasing

The measurement of liabilities from leases and rights of use requires assumptions to be made regarding key parameters or their probabilities and dates of occurrence or exercise, as well as the determination of an appropriate capitalization rate. In determining the term of leases, all facts and circumstances that provide an economic incentive to exercise renewal options or not to exercise termination options are taken into consideration. Term changes arising from the exercise of renewal or termination options are only included in the contract term if their exercise is reasonably certain. For the APCOA PARKING Group this is regularly the case if the exercise option lies within the detailed planning period and is reflected in planning. In the case of exercise options that are not exercised until after the detailed planning period, it is generally not sufficiently certain that they will be exercised.

For further information, please refer to note (10) Accounting and valuation methods, and (42) Information about leases.

(10) Accounting and measurement principles

The significant accounting and measurement principles applied in the preparation of the consolidated financial statements are presented below. Further explanations of individual consolidated income statement and consolidated balance sheet items, as well as the corresponding figures, are provided in the notes.

Intangible assets

Intangible assets with a specified useful life are measured at acquisition cost and amortized straight-line over their useful life, as a matter of principle. Intangible assets with an indefinite useful life are tested annually for impairment. Intangible assets are also reviewed for impairment whenever indications exist of impairment, and are written down to their recoverable amount where necessary. If the factors causing a previously recognized impairment no longer apply, the asset is reinstated at the value it would have had if no impairment had been recognized in prior periods.

Useful lives and amortization methods for intangible assets are reviewed at least at every reporting date. Where expectations are no longer in line with previous estimates, the corresponding changes are recognized as changes in accounting estimates in accordance with IAS 8.

In addition to goodwill, the balance sheet item intangible assets also includes licences, rights of use, contractual rights and purchased software as well as intangible assets identified in business combinations, contractual relationships (management contracts), internally generated intangible assets and trademarks. The company applies the following amortization methods and useful lives:

Intangible assets	Amortization method	Useful life
Goodwill	-	indefinite
Trademarks	-	indefinite
Acquired concessions, industrial property rights and similar rights and assets	straight line	2 - 20 years
Contractual relations	straight line	15 - 28 years
Internally developed intangible assets	straight line	3 - 5 years

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

In the 2021 financial year, the contractual relationships were amortized over a remaining useful life of 14 years for the contractual relationships until fiscal year 2017, and over 15-20 years for the contractual relationships acquired after that.

Service concession arrangements

IFRIC 12 draws a distinction between two types of service concession arrangements. In the first type, the operator recognizes a financial asset, specifically an unconditional contractual right to cash receipts or other financial assets from the government in return for constructing or upgrading public sector assets. In the other type, the operator recognizes an intangible asset – a right to charge for use of a public sector asset that the operator has constructed or upgraded. A right to charge users is not an unconditional right to receive cash because the amounts are contingent on the extent to which the public uses the service. In the event that a contract relates to both types of arrangements, IFRIC 12 provides for recognizing a financial asset to the extent that the government has given an unconditional guarantee of payment for constructing a public sector asset. If the operator is dependent on the public using the service in order to obtain payment, the operator recognizes a corresponding intangible asset. The first-time application of this interpretation in the 2008 financial year had the effect that an intangible asset was capitalized in connection with the conclusion of an association agreement for the operation of parking facilities. The acquisition costs, which amounted to T€ 4,416 as of 31 December 2021, will be written off over the contract period up to 2028. The carrying amount as of 31 December 2021 stands at T€ 1,683. The object of the association agreement is, firstly, the building renovation of the parking area on the premises of Klinikum Augsburg (Augsburg Medical Clinic) and, secondly, the related parking facilities management over a term of 20 years. To enable management of the parking area, parking processing equipment must be financed by the holder of the concession licence (APCOA PARKING Group), in return for the right to manage the parking facilities by charging parking fees to third parties. The APCOA PARKING Group bears the operator risk. For this reason, the service concession arrangement is recognized in accordance with the intangible asset model.

At the end of the building concession arrangement the construction services performed by the licence holder are transferred to the ownership of Klinikum Augsburg, either without compensation, or at fair value, at the option of Klinikum Augsburg.

In the past financial year, revenues in the amount of T€ 1,180 (previous year: T€ 1,292) were generated in this connection, and earnings of T€ 124 (previous year: T€ 190).

Goodwill

The goodwill arising from business combinations represents the surplus of acquisition costs of the respective corporate acquisition over the Group's share in the fair value of identifiable assets, liabilities and contingent liabilities as of the acquisition date. This goodwill is allocated to the respective groups of cash-generating units and tested for impairment at least once a year.

Property, plant and equipment

Property, plant and equipment is recognized at cost less depreciation and impairment losses. The period over which property, plant and equipment is depreciated is based on the expected useful economic life. In the year of acquisition, property, plant and equipment is depreciated on pro rata temporis. Residual carrying amounts, useful lives and depreciation methods are reviewed at least once a year, on the reporting date. Where expectations are no longer in line with previous estimates, the corresponding changes are accounted for as changes in accounting estimates in accordance with IAS 8. Rights of use from leases are also reported under property, plant and equipment, as they are recorded under the same balance sheet items as own assets.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Asset disposals are recognized at historical cost, as well as under accumulated depreciation. Gains or losses arising on disposals of property, plant and equipment are presented in other operating income or other operating expenses.

The Group reviews property, plant and equipment for indications of impairment on a regular basis, and at least as of every balance sheet date. The APCOA PARKING Group applies the following depreciation and amortization methods, and useful lives:

Property, plant and equipment	Depreciation	
	method	Useful life
Land, land rights, buildings and buildings on third party land	straight line	10 - 50 years
Technical equipment and machines	straight line	3 - 15 years
Other equipment, operating and office equipment	straight line	2 - 20 years

Research and development

Research and development expenditure is expensed in the period it is incurred, unless it has to be capitalized in accordance with IAS 38 "Intangible Assets".

Equity investments

All purchases and sales of equity investments are recognized on the trade date.

Impairment of long-lived assets

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least once per year. Impairment tests are performed for intangible assets with limited useful lives, for rights of use, as well as for property, plant and equipment only if specific indications are present pursuant to IAS 36 Impairment of Assets. If the asset's recoverable amount is less than its carrying value, the impairment adjustment is recognized through profit and loss. The recoverable amount is normally determined individually for each asset. If this is not possible, it is determined based on a group of assets that largely generate independent cash flows. For the Group, a cash-generating unit is generally a multi-storey car park. The recoverable amount is the higher of the fair value less costs to sell, and value in use. Purchased goodwill is recognized as an asset and impairment tested at least once annually, as well as when indications of impairment exist. This requires an estimate of the recoverable amount of the groups of cash-generating units to which the goodwill is allocated. Pursuant to IAS 36, the starting point to determine the cash-generating units is the company's internal management and reporting structure. As the internal reporting structure of the APCOA PARKING Group is country-based, the corresponding assets and goodwill were allocated to the respective countries as group of cash-generating units.

In order to determine the recoverable value, both the value in use and the fair value of the cash-generating units to which goodwill is allocated are determined. The leading value concept to determine recoverable value is the concept of fair value less costs to sell (net realizable value).

The Group is required to apply an appropriate measurement model to determine net realizable value. This method is based on the discounted cash flow valuation method as an indicator of fair value.

The valuation method is to be allocated in its entirety to Level 3 of the fair value hierarchy of IFRS 13, as the valuation of the cash-generating units also includes non-observable input factors.

Annual impairment test of goodwill and brand marks as of 31 December 2021

The regular impairment test for APCOA PARKING Group's goodwill and brand marks was performed on 31 December 2021 (previous year: 31 December 2020). Updated financial plans

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

approved by management from the starting point. The plans have been adjusted to reflect the impact of IFRS 16. The risk-adjusted capitalisation rates changed (after taxes) to rates ranging between 5.40% and 7.17% (previous year: 5.09% and 6.52%). The pre-tax interest rate was between 6.21% and 9.28% (in the previous year between 6.04% and 8.49%). The planning for the budget and the mid-term plan (detailed planning period) was carried out on the basis of detailed revenue and cost planning over 5 years (previous year: 5 years) at country and Group level. To this end, assumptions were made primarily about the future trends in parking fees and occupancy rates, as well as cost trends and new business. The trends in these assumptions are based on internal Group estimates and external market studies. Influences from the coronavirus pandemic were considered in the preparation of the 2022 budget and subsequent mid-term plan. Based on past data, the management still assumes that the long-term growth rates can be achieved following the detailed planning period. A uniform growth rate of 1.00% was applied for the long-term planning (previous year: 1.00%).

Cash generating unit	Capitalisation	Capitalisation	Growth rate	Growth rate
	rate	rate		
	2021	2020	2021	2020
Germany	5,40%	5,09%	1,00%	1,00%
United Kingdom	6,57%	6,10%	1,00%	1,00%
Norway	7,17%	6,52%	1,00%	1,00%
Italy	7,01%	6,48%	1,00%	1,00%
Belgium	6,06%	5,54%	1,00%	1,00%
Denmark	5,55%	5,22%	1,00%	1,00%
Sweden	5,91%	5,75%	1,00%	1,00%
Austria	5,87%	5,39%	1,00%	1,00%
Netherlands	5,56%	5,20%	1,00%	1,00%
Switzerland	5,46%	5,12%	1,00%	1,00%
Ireland	6,13%	5,42%	1,00%	1,00%

Based on the impairment test conducted as of 31 December 2021, no impairment losses were applied to the cash-generating units. It was also the case that in the previous year no impairment losses were recognized.

The licence price analogy method was applied to calculate the fair value less costs to sell of the "APCOA" and "EuroPark" brand marks. To this end, the Group has to select the brand-relevant future cash flows and also an appropriate discount rate to calculate these cash flows' present value. The cash flows are derived from the corporate planning, with the latest developments and trends being taken into consideration. They are discounted to the balance sheet date applying a risk-equivalent capitalisation rate of 5.40% and 7.17% (previous year: 5.09% and 6.52%). The pre-tax interest rate lay between 7.22% and 8.80% (previous year: 6.77% and 8.01%). The detailed planning period was set at 5 years (previous year: 5 years). The extrapolation of cash flows beyond the medium-term planning period was based on a constant growth rate of 1.00% (previous year: 1.00%) in consideration of expected price and volume-based growth. The determination of the brand marks' fair value less costs to sell was based on licence rates in the 0.20% – 0.50% range (previous year: 0.20% – 0.50%). The licence rates are selected on the basis of market analyses and management estimates. In the event that the reason for impairment losses recognised in previous years is no longer valid, such impairment losses can be reversed to reach a maximum of the original purchase cost. No need for impairment losses was identified for the brand marks. For this reason, the company has refrained from calculating a value in use.

Inventories

Raw materials, supplies and purchased merchandise are recognized at cost (measurement applying the weighted average cost method) or, to the extent required, at net realizable value,

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

whichever is lower. Inventory risks due to limited saleability and excess inventories are taken into adequate consideration through valuation write-downs.

Trade receivables

Trade receivables are recognized at nominal value. Risk provisions are formed taking collateral into consideration.

Cash and cash equivalents

Cash and cash equivalents, which include cash accounts and short term cash investments at banks, cash balances and liquid funds in parking facilities, as well as funds in transit, have remaining terms of up to three months at the date of addition and are measured at amortized cost. A provision for risks has been formed.

Pension provisions

The actuarial measurement of pension provisions is based on the projected unit credit method for defined benefit pension plans as stipulated in IAS 19 "Employee Benefits". Under this method, consideration is given to both the pensions and acquired vested benefits known at the balance sheet date and the expected future salary and pension increases and other actuarial assumptions. The calculation of the pension obligations is based on an actuarial survey that takes biometric calculation bases into consideration. The interest rate to calculate the obligations' present value is calculated, as a matter of principle, on the basis of yields for first-class fixed interest corporate bonds for the respective currency zone with matching maturities. Actuarial gains and losses arising from experience-based adjustments and changes in the actuarial assumptions are recognized in other comprehensive income under equity in the period in which they occur, with no effect on profit or loss, and without later recycling to the income statement. The interest component contained in the pension expense is shown in the financial result. Income from plan assets is also shown as interest income. The service cost is presented under personnel expenses.

The amounts to be paid as part of defined contribution plans are recognized through profit and loss when the contributions are due, and are presented as a component of personnel expense. Contribution prepayments are capitalized if the prepayments will lead to a refund or a reduction of future payments.

Other provisions

Other provisions are formed for legal or constructive obligations to third parties which arise from a past event, which are likely to lead to an outflow of resources in the future, and whose amount can be reliably estimated. The probability that an outflow of resources will occur must be over 50% (more likely than not). Provisions are formed only for legal or constructive obligations to third parties. Provisions that do not lead to an outflow of resources in the subsequent year are recognized at the settlement amount discounted to the balance sheet date, if the discounting gives rise to a material interest effect. The discounting calculation is based on interest rates before taxes, which reflect current market expectations concerning the interest effect and, if required, risks specific to the relevant debt. The settlement amount also includes expected cost increases.

Financial instruments

According to IFRS 9 in combination with IAS 32, financial instruments are contractual arrangements that give rise to a financial asset at one entity and a financial liability or an equity instrument at another entity. If financial assets' trading date and settlement date do not coincide, the date of performance is authoritative for the initial recognition. The initial measurement of a financial instrument is at fair value, as a matter of principle, with the exception of trade receivables, which are recognized at transaction price as a matter of

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

principle. For purposes of the value measurement, IFRS 9 differentiates between the following categories of assets:

- Financial instruments recognized at fair value through profit or loss,
- Financial instruments recognized directly in equity,
- Financial instruments recognized at amortized cost.

Financial liabilities are classified into two categories, by contrast:

- Financial instruments held for trading which are recognized at fair value through profit and loss and
- Other financial liabilities.

Subsequent measurement is at fair value or amortized cost applying the effective interest rate method, depending on the categorization of the financial instruments. The fair value corresponds to the market or stock exchange price. If no active market or exchange exists for a given financial instrument, where possible the fair value is determined through the use of financial mathematical methods such as generally accepted option price models or by discounting future cash flows at the market interest rate. Amortized cost corresponds to the acquisition cost less redemption payments, value impairments and the reversal of any difference between the acquisition cost and the amount repayable at final maturity in application of the effective interest rate method.

Investments are measured at fair value with no effect on income. On disposal, the change in value recognized in other comprehensive income is transferred to retained earnings. Dividends are recognized in the income statement unless they represent a capital repayment.

Unless otherwise specified, the fair value of current financial instruments, cash and cash equivalents, trade receivables and trade payables corresponds to their carrying amounts, due to such items' short-term nature.

According to IFRS 9, the impairment model used is based on expected credit losses. The impairment provisions must be applied to debt instruments that are subsequently measured at amortized cost or at fair value through equity. Under the general approach, expected losses are recognized as soon as the asset is recognized. The standard provides for a three-stage model for determining expected losses.

Under the general approach, financial instruments are allocated to the first stage on initial recognition and a provision for potential loan losses is formed by recognising an impairment loss in the amount of the credit losses expected to be incurred within the next twelve months. A transfer to Stage 2 occurs if a significant increase in credit risk exists and the provision for potential loan losses is calculated for the losses expected over the entire term. Whether a significant increase in credit risk has occurred is assessed by comparing the original probability of default at the time the instrument was acquired with the probability of default on the balance sheet date. A significant increase in the credit risk has occurred if the loan is overdue by more than 30 days. If an objective indication exists, a transfer to Stage 3 takes place. As a consequence, interest income is to be determined in relation to the net carrying amount, while interest income for both Stage 1 and Stage 2 continues to be determined in relation to the gross carrying amount. Objective evidence of impairment is assumed in the case of overdue payments of 90 days and 360 days for fines, respectively. If a low default risk exists on the key date (e.g., investment grade), the financial instrument is assigned to the first step without further examination.

Receivables from equity accounted investments are situated in Stage 1, i.e. recognition of impairment in the amount of credit losses expected in the next twelve months.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

IFRS 9 also contains a simplified approach for trade receivables and contract assets in accordance with IFRS 15. Under the simplified approach, an impairment loss is recognized for all financial instruments, irrespective of credit quality, to the extent of the expected losses over the remaining term. As a consequence, a blanket allocation to Stage 2 is made on addition and, in the event of objective evidence of impairment, a transfer to Stage 3 is made.

For trade receivables and contract assets, impairment is determined using the simplified approach, while cash and cash equivalents and other financial assets are impaired using the general model.

For risk provisions for financial instruments classified at amortized cost, the credit risks of the individual debtors are first segmented on the basis of common default risk characteristics. For this purpose, the respective debtors are classified according to the type of business relationship. A diversified analysis of the debtors is performed when determining risk provisions. The analysis includes information on past payment arrears, current market information such as credit default swaps and future assessments and, in particular, country risks and external rating assessments. In the simplified approach, this information is processed, and a risk matrix is derived from it. In the general approach, risk provisions for major borrowers are calculated on an individual basis. However, clusters are formed with less significant debtors in order to calculate risk provisions.

The quantification of expected credit losses essentially relates to three risk parameters: probability of default, loss rate in the event of default, and the actual utilization in the event of default. Credit risks and associated risk provisions are reviewed regularly and adjusted accordingly. During the reporting period, no adjustments were made to the estimation procedure for risk provisions.

Derivative financial instruments

Pursuant to IFRS 9, all derivative financial instruments must be recognized at fair value as of the balance sheet date, independently of the purpose or intention for concluding such arrangements. The fair value of derivative financial instruments can be positive or negative. The recognition of changes in fair values – recognition through profit or loss or income-neutral recognition under equity – depends on whether the derivative financial instruments are designated into an effective hedge in the meaning of IFRS 9 or not. In the absence of hedge accounting, the changes in the fair values of the derivative financial instruments are immediately recognized through profit or loss. By contrast, if an effective hedge relationship pursuant to IFRS 9 exists, the hedge arrangement is recognized.

At present, the Group only hedges underlying transactions through cash flow hedges. At the start of the hedge relationship, both the hedge relationship and the Group's risk management objectives and strategies with respect to the hedging are formally established and documented. The documentation includes information on the determination of the hedging instrument, the underlying transaction or the hedged transaction and the type of risks being hedged as well as a description of the manner in which the company determined the effectiveness of the hedging instrument with respect to the compensation of risks arising from changes in fair value or the cash flows from the hedged underlying transaction. Such hedging relationships are considered to be highly effective in offsetting the risks from changes in cash flows as all significant value-creating parameters of the hedged item and the hedging instrument match at the time of designation into a hedging relationship. In the case of cash flow hedges, the effective portion of the change in the market value from a hedging instrument is recognized directly in equity, net of deferred taxes, while the ineffective portion is recognized immediately in profit or loss. The amounts recognized in equity are reclassified to profit and loss in the period in which the hedged transaction affects the period result, in other words, at the point when the hedged financial income or financial expenses are recognized or when an expected sale is carried out. If a hedge leads to recognition as a non-financial asset or a non-financial liability, the amounts recognized in equity become part of the acquisition costs of the non-financial asset or non-financial liability as of the date of addition.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

If a highly probable forecast transaction or firm commitment is no longer expected to occur, the amounts previously recognized in equity are immediately reclassified to profit and loss. When the hedging instrument expires or is sold, terminated or exercised without replacement or rollover into another hedging instrument, the amounts previously recognized in equity remain as a separate component of equity until the highly probable forecast transaction or firm commitment occurs.

Contingencies (contingent liabilities and contingent claims)

Contingencies are potential obligations or assets arising from past events whose existence or occurrence (or non-occurrence) depends on one or more uncertain future events that do not lie within the Group's complete control. Contingent liabilities can also comprise current obligations arising from past events where the outflow of resources representing an economic benefit is improbable or the scope of the obligation cannot be estimated reliably. Contingent liabilities are recognized at fair value if they are acquired as part of a corporate acquisition. Contingent receivables are not recognized. To the extent the possibility of an outflow of an economic benefit is not unlikely, disclosures on contingent liabilities are provided in the notes to the consolidated financial statements. The same applies for contingent receivables to the extent their inflow is likely.

Income tax / deferred tax

The income tax expense is comprised of the sum total of current tax expenses and deferred tax. The current tax expense is determined on the basis of the taxable income for the year. The Group's liability for current tax expense is calculated on the basis of applicable tax rates. Deferred taxes are measured in accordance with the "liability method" stipulated in IAS 12 "Income Taxes". As a consequence, with the exception of goodwill arising from consolidation, deferred taxes are formed for all temporary and quasi-permanent differences between the values recognized for assets and liabilities on the IFRS and tax balance sheets, irrespective of the period, in which these differences balance out. Deferred tax assets and liabilities are calculated on the basis of tax rates which are valid or are expected to apply in the respective countries at the recognition dates. This is based on the tax rates (and tax regulations) that are valid or announced as of the balance sheet date. Income taxes relating to items that are recognized directly in equity are recognized under equity and not in profit or loss. Deferred tax assets are formed for losses carried forward to the extent it is probable that, in the future, sufficient taxable income will be available that can be offset against the loss carryforwards.

Leases

A lease is an agreement that transfers the right to use an asset (the leased asset) for an agreed period of time in return for payment.

In principle, the lessee's rights and obligations for all leases must be recognized on the balance sheet as rights of use and lease liabilities. Rights of use are reported under property, plant and equipment, as they are recorded under the same balance sheet items as own assets. The lease liability is measured at the present value of the future lease payments at the time the leased asset is ready for use. Leasing liabilities include the following leasing payments:

- fixed payments, less leasing incentives to be paid by the lessor,
- variable payments linked to an index or interest rate,
- expected residual value payments from residual value guarantees

The measurement of the lease liability also includes lease payments based on a sufficiently secure utilization of extension options. If determinable, the lease is discounted at the interest rate on which the lease is implicitly based. Otherwise, discounting is applied at the marginal borrowing rate. In determining the incremental borrowing rate, the Group applies the risk-free interest rate as a starting point and adjusts it to reflect the lessee's credit risk. Further adjustments are applied for the term of the lease and the currency.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The rights of use are valued at cost and include:

- the amount arising from the initial measurement of the lease liability,
- at or before the provision of lease payments made, less incentives received,
- initial direct costs, and
- dismantling obligations.

In subsequent measurement, discounting applied to the carrying amount of the lease liability is reversed at the interest rate applied and reduced by lease payments made. The right of use is amortized on a scheduled basis over the lease term.

With the exception of cleaning machines and Park&Guard sensors, the recognition and measurement requirements of IFRS 16 are not applied to leases where the underlying asset is of minor value. Leases whose term ends within 12 months after the date of first-time application are recognized as short-term leases under expenses. In the case of contracts that contain non-leasing components in addition to leasing components, the option of not separating these components is used.

Further disclosures on leases can be found in note (42) Information about leases.

Recognition and reporting of sales revenues

Sales revenues include all proceeds from the Group's normal business activities. Sales revenues are reported without value added tax. The five-step model in accordance with IFRS 15 was applied to sales revenues from contracts with customers. The Group earns sales revenues and income from the performance of services in the area of parking facility management, including the collection of monetary fines from Park&Guard in the event of corresponding violations. In accordance with IFRS 15, revenue is recognized when the customer determines the use of the transferred services and substantially benefits from them. When a contract is concluded, APCOA makes an assessment as to whether it is acting as principal or agent. The following criteria are particularly relevant:

- which of the parties has tariff autonomy,
- which party determines the hours of operation,
- which party determines frequencies of patrols, when violations are punishable by fines,
- which party determines the operational structure of the normal operating activities.

Sales revenues from short-term parkers comprise the short-term provision of parking space to customers. Sales revenues are realized while the parking space is used. As the use of the parking space usually takes place on one day and the end of the service provision coincides with the time of payment, the revenues from short-term parkers are recognized at this time.

Long-term parking relationships are rental relationships with customers that grant the customer the right to use the parking space for a certain period of time for a previously contractually agreed fee. Sales revenues from these leases are invoiced monthly, quarterly or annually, and recognized on a period-related basis.

Sales revenues from management agreements are generated with the provision of management services for a contracting party, such as maintenance, monitoring, fee collection etc. In return, the Group receives a management fee. This can have both fixed and variable components. Sales revenues from management contracts are also recognized on a period-related basis when the customer receives the benefit of the service and at the same time uses the service while it is being rendered.

In recognising sales revenues in the Park&Guard and On-Street area, the Group generates sales revenues from the issuance of penalties on leased spaces with the parker as customer and similar services for management contracts. Sales revenues are recognized in relation to a point in time and depending on whether it is probable that the fines will be paid. If Park&Guard



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

is performed on behalf of the landowner, revenue is recognized on a period-related basis, and only the management fee is reported as revenue.

Advertising, e.g., on tickets or in car parks, is also realized on a period-related basis, as the tickets are distributed over several months, or the advertising is displayed in the car parks over a specific period.

Income from parking space rentals agreed in connection with the concession agreement is recognized on an accrual basis as presented above.

Period-related sales revenues are recognized on an output basis, which conveys a true and fair view of the services transferred as the customer receives the services on a constant basis.

Recognition of other income and interest income

Other income is recognized on the basis both of a point in time and over a period. Interest income is recognized pro rata temporis.

Government grants

Government grants are recognized at fair value if reasonable assurance exists that the grant will be received, and the Group will comply with all attached conditions. Government grants are to be recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs which the government grants are intended to compensate. The grants received are deducted from the corresponding expenses. Where several income statement items are affected, an analysis has been made according to the ratio of subsidized costs. If no corresponding expenses exist to offset the grants received, they are reported under other income.

Expense recognition

Other expenses are recognized when the service is utilized or when the expense is incurred. Interest payments are expensed pro rata temporis.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

3. Notes to the consolidated income statement

(11) Segment information

The Group Steering Committee, consisting of the Chief Executive Officer and the Chief Financial Officer, is the Group's chief operating decision maker and reviews results from a geographical perspective. The Group aggregates its operating segments (countries) on the basis of the same economic characteristics (including similarity of markets, economic environment and financial parameters, and particularly growth expectations and margin levels) as follows:

- DACH: Consisting of Germany, Austria and Switzerland
- North-West: Consisting of the United Kingdom and Norway
- North-East: Consisting of Denmark and Sweden
- South-East: Consisting of Italy and Poland
- All other segments: All other non-reporting operating segments (Belgium, Ireland, Netherlands and Luxembourg) and the Group headquarters

The Group Steering Committee assesses the operating segments' performance on the basis of sales revenues and recurring EBITDA. Recurring EBITDA reflects the of operating profitability and consequently forms a key performance indicator for the Group's business performance. The APCOA PARKING Group defines recurring EBITDA as EBITDA according to the IFRS standards applicable as of 31 December 2018 after adjusting for exceptional items. As a consequence, IFRS 16 is not applied in the calculation.

a) Sales revenues

Sales revenues by segment are composed as follows:

	2021	2020
	T€	T€
Revenue by Segments		
DACH	188.960	167.351
Nord-West	184.586	158.307
Nord-East	143.977	125.440
South - East	61.504	49.098
Other Segments	37.331	31.740
Revenue Segments	616.358	531.937
Reconciliation	(20)	0
Revenue	616.338	531.937

The location of the customer with which the sales revenues are generated corresponds to the respective company location. The Group's sales revenues in Germany, the country of origin, amounted to T€ 160,948 (previous year: T€ 141,491). The Group's next highest revenues were in the UK (€ 97 m), Norway (€ 88 m), Sweden (€ 76 m) and Denmark (€ 68 m). In the financial year under review, as in the previous year, no single external customer accounted for 10% or more of sales revenues.

In principle, each segment generates the types of sales revenues that occur within the Group (see section 12 Sales revenues), albeit with differing distributions. Group-wide the highest share of sales revenues are recorded from short-term parkers, where the segment South-East (61% of segment sales revenues) recorded the highest share, followed by segment DACH (56%). The north-east and north-west regions have almost the same share of short-term parkers (35% and 34% of segment revenues). DACH segment recorded the highest share of sales revenues from long-term parkers (25% of segment sales revenues). The North-West segment is dominated by sales revenues from management contracts (43% of segment sales



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

revenues), while the North-East segment has the highest proportion of sales revenues from Park&Guard and on-street (32%).

As in the previous year, all sales revenues in 2021 were generated exclusively in the parking management segment.

b) Recurring EBITDA

Recurring EBITDA by segment and the reconciliation to earnings before taxes (EBT) are as follows:

	2021 T€	2020 T€
recurring EBITDA by Segments		
DACH	4.543	(11.626)
Nord-West	14.954	8.394
Nord-East	21.560	14.008
South-East	9.172	4.895
Other Segments	(10.208)	(15.271)
recurring EBITDA Segmente	40.023	401
Non recurring items	(9.800)	(22.210)
Application IFRS 16	155.364	164.492
Amortization / depreciation and impairment of intangible assets and of property, plant and equipment as well as right of use asset	(160.729)	(174.199)
Financial result	(103.111)	(85.899)
Earnings before income taxes (EBT)	(78.254)	(117.414)

The operating result for the financial year under review includes exceptional items amounting to T€ 9,800. These significant exceptional items include restructuring expenses (T€ 3,070), special bonus provisions (T€ 2,539) and contingent losses (T€ 1,760) as well as provisions for contingent losses in the UK (T€ 1,150).

c) Information about geographical areas

Non-current assets, excluding financial instruments and deferred tax assets, amounted to a total of T€ 1,414,517 (previous year: T€ 1,389,854) and reach a significant amount in Germany (T€ 648,164, previous year: T€ 616,096) and in Italy (T€ 179,002, previous year: T€ 172,233).

(12) Sales revenues

The Group generates sales revenues in the area of parking facilities management. The sales revenues are composed as follows:

	2021 T€	2020 T€
Sales revenues according to sales type		
Short-term parking	272.877	222.123
Management agreements	131.574	123.218
Contract parking	96.706	87.032
Parking facility monitoring and "On-Street"	74.575	65.894
Other services	45.863	38.159
Sales deduction	(5.258)	(4.489)
Total	616.338	531.937

Within the context of agency business and lease agreements, sales revenues from Park&Guard are generated by the issuance of parking tickets for parking offences on private properties, while "On-Street" revenues are generated by issuing parking tickets for parking offences on public properties.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Other services mainly include income from the charging-on of operating costs as part of management agreements in the amount of T€ 11,074 (previous year: T€ 10,602), reimbursements of other administration and operating costs, and construction services in the amount of T€ 3,495 (previous year: T€ 1,517), fees, paid to the company by taxi businesses for the use of parking space located on the business premises of the company in the amount of T€ 1,255 (previous year: T€ 770) and income from advertising activities in the amount of T€ 892 (previous year: T€ 784).

Sales revenues from Park&Guard and “On-Street” are recognized on the basis of a point in time, while sales revenues from management contracts and from long-term parking are recognized on a period-related basis. Sales revenues from other services are mainly recognized on a period-related basis.

(13) Other income

	2021	2020
Other income	T€	T€
Income from negative variable rent payments according to IFRS 16 38(b)	4.152	6.751
Income from disposal of property, plant and equipment	1.219	1.535
Own work capitalized	436	259
Rental income	225	214
Income from admonition	135	5
Out-of-period income from adjusted trade receivables and other liabilities	87	807
Foreign currency income	84	82
Income from release of other provisions	-	442
Income from release of valuation allowance on trade receivables	-	379
Miscellaneous other income	5.011	5.435
Total	11.348	15.909

As in the previous year, the income from negative variable rental payments under IFRS 16.38(b) is attributable to the amendments to IFRS 16: Covid-19-Related Rent Concessions. See also note 3 for further information.

In the year under review, as in the previous year, miscellaneous other income includes income from the reimbursement of insurance claims, income unrelated to the accounting period, and compensation payments. The year under review also includes government grants in the amount of T€ 811 (previous year: T€ 278).

(14) Lease expenses

The company's lease expenses in the 2021 financial year are composed as follows:

	2021	2020
Lease expenses	T€	T€
Variable	162.068	121.076
Fixed	8.257	5.685
Other lease expense	117	115
Incentive agreements	6	91
Government grants	(11.497)	(4.078)
Total	158.951	122.889

Based on mostly long-term lease agreements, the company is obligated to make fixed lease instalments as well as performance-based variable lease instalments. In this context, the variable component of the lease expense is generally calculated on a percentage basis in relation to the sales revenues generated. As in the previous year, the fixed lease expenses for 2021 relate to expenses for short-term leases or low-value leases. The other lease expense consists exclusively of lease instalments for advertising space.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

As in the previous year, the income from government grants received relates to compensation for lease expenses incurred in specific countries as a consequence of the coronavirus crisis.

(15) Cost of materials and purchased services

The cost of materials and of purchased services is composed as follows:

Costs of materials and of purchased services	2021 T€	2020 T€
Cost of maintenance and repair	22.982	21.479
Ancillary operating costs	18.603	16.491
External other services	14.978	12.892
Consumables	4.780	4.971
Other	751	1.795
Total	62.094	57.628

Maintenance repair costs rose year-on-year and include expenses for maintenance in an amount of T€ 15,185 (previous year: T€ 14,299) and expenses for the repair of technical equipment and buildings in an amount of T€ 7,798 (previous year: T€ 7,179). The higher maintenance expenses (T€ +885) relate primarily to car parks in the UK and Norway. The increase in expenses for maintenance and repairs (T€ +618) predominantly relates to garages in Germany, Italy and the Netherlands.

Ancillary operating costs primarily comprise energy costs of T€ 6,148 (previous year: T€ 5,433), other ancillary costs (e.g. gas, water etc.) of T€ 9,952 (previous year: T€ 8,193), and expenses for public charges in an amount of T€ 2,471 (previous year: T€ 2,865). The increase in energy costs of T€ 715 is primarily due to higher energy costs in car parks in Germany. The increase in other ancillary costs of T€ 1,758 arises mainly from the overall increase in operating costs in Germany.

External other services principally relate to fees from external service providers in connection with Park&Guard in the United Kingdom. Other significant external services include expenses for payment cards in the amount of T€ 4,198 (previous year: T€ 2,790), expenses for cleaning services in the amount of T€ 1,264 (previous year: T€ 1,522), expenses for snow removal in the amount of T€ 903 (previous year: T€ 614) and for cash management in connection with customer payments received in the amount of T€ 738 (previous year: T€ 884).

Expenses for supplies primarily include the costs of general operating supplies required for sustaining operating activities. The decrease of T€ -190 compared to the previous year is mainly attributable to the reversal of the provision for consumables in Germany.

(16) Personnel expenses

The personnel expenses are composed as follows:

Personnel expenses	2021 T€	2020 T€
Wages and salaries	140.127	139.667
Social security	21.491	19.500
Other short-term employee benefits	4.703	4.951
Total	166.322	164.119

Wages and salaries for the financial year 2021 include bonus payments to the management in the amount of T€ 10,842 (previous year: T€ 7,086). In addition, the total includes expenses for severance payments incurred during the reorganization in the amount of T€ 2,788 (previous year: T€ 3,925) made to employees.

Pension expenses predominantly comprise contributions to defined contribution pension plans in an amount of T€ 4,461 (previous year: T€ 4,621), as well as additions to pension provisions in an amount of T€ 242 (previous year: T€ 185).

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Further information about pension provisions can be found in note (37) Provisions for pensions and similar obligations.

In the financial year under review, government grants in the amount of T€ 9,670 (previous year: T€ 8,374) were recognized as a reduction in personnel expenses. These comprise different governmental aid programs that were set up in the context of the coronavirus crisis in various countries where APCOA is active.

The number of employees reports the following changes as of 31 December 2021:

Staff	31.12.2021	31.12.2020
Workers	4.174	4.237
Employees	516	404
Management	121	109
Total	4.711	4.750

(17) Other expenses

The company's other expenses related to the following items:

	2021	2020
Other expenses	T€	T€
Audit and consulting costs	8.631	11.725
IT expenses	8.459	7.313
Telecommunications	6.009	5.472
Car pool (leasing, gasoline, etc.)	5.985	5.913
Expenses for temporary workers	5.950	5.494
Marketing expenses	3.385	2.864
Insurance expenses	3.309	3.566
Expenses for office equipment	2.355	1.712
Expenses for business trips	1.446	1.554
Addition to value adjustments concerning trade receivables	586	2.183
Bank charges	528	511
Miscellaneous other expenses	8.092	12.220
Total	54.734	60.528

Other expenses decreased by T€ 5,793 in 2021; this reduction reflected the decrease in audit and consulting fees (T€ -3,094), as well as expenses for the value allowance for trade receivables (T€ -1,597).

The reduction in audit and consulting fees in the amount of T€ 3,094 is mainly due to higher expenses in the previous year for M&A, audit fees and consulting services due to the coronavirus pandemic. The T€ 1,146 rise in IT expenses, as well as expenses for office equipment (T€ 643) and telecommunications (T€ 536), derived from increased digitalization and flexibility to ensure the organizations' capacity to operate.

Miscellaneous other expenses mainly comprise other administrative expenses of T€ 6,630 (previous year: T€ 8,250) and expenses from public law charges of T€ 1,738 (previous year: T€ 1,689). In addition, government grants amounting to T€ 1,831 (previous year: T€ 2,077) were recognized under other expenses in the financial year under review.

(18) Write-downs/write-ups and impairments of intangible assets, property, plant and equipment and rights of use

Write-downs/write-ups of intangible assets, property, plant and equipment and rights of use comprise both amortization/depreciation and impairment losses, as well as reversals of impairment losses, and are comprised as follows as of 31 December 2021:

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

	2021	2020
	T€	T€
Amortisation / depreciation		
Scheduled amortisation / depreciation	155.398	157.413
Non-scheduled amortisation / depreciation	5.331	16.786
Total	160.729	174.199

Further details concerning amortisation, depreciation and impairment losses are provided in notes (22) Intangible assets, and (23) Property, plant and equipment and rights of use.

(19) Financial income

	2021	2020
	T€	T€
Financial income		
Currency gains	4.131	3.821
Financial income from third parties and banks	1.243	171
Book value adjustment	-	12.645
Other financial income	7	-
Total	5.381	16.638

Currency gains reported under financial income arise from the periodic measurement of loans denominated in foreign currencies and the cash pool accounts relating to the affiliated companies. The cash pool accounts are managed in the respective local currency. Further disclosures on foreign currency loans are provided in notes (35) Financial liabilities, and (44) Group risk management. Financial income from third parties and banks in 2021 includes T€ 838 of income from the valuation of the earn-out agreement for the Xpert acquisition in 2020.

(20) Financial expenses

	2021	2020
	T€	T€
Financial expenses		
Interest expenses leasing	53.296	52.079
Financial expenses with banks	48.031	28.790
Currency losses	6.445	4.941
Book value adjustment	-	16.383
Other financial expenses	688	480
Total	108.460	102.673

The higher financial expenses to banks and for debt instruments in 2021 reflect an increase in debt financing, which was mainly achieved by issuing a bond.

The currency losses relate to interest-bearing liabilities to both banks and associated companies denominated in a currency other than the functional currency, such as euros, pound sterling, Norwegian kroner and Swedish kroner, held as loan currency at the companies with other functional currencies. The currency losses are primarily due to the bank loan, which was denominated entirely in euros. This led to corresponding currency losses in the 2021 financial year, mainly at the subsidiaries in Norway and Sweden.

Please refer to the comments in the note (44) Group risk management, for more information about financial income and expenses.

(21) Income tax

Corporation tax in Germany stands at 15% plus a 5.5% solidarity surcharge on the assessed corporation tax. In Germany, fiscal units for income tax purposes exist between APCOA



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Parking Holdings GmbH as the controlling entity and APCOA Parking Deutschland GmbH and Park & Control PAC GmbH as controlled companies.

The average trade tax rate was 15% (previous year: 15%). The individual trade tax rate depends on the established municipal factors applied in the municipalities in which the company is active.

The total tax rate for the financial year 2021 amounted to 31% (previous year: 31%).

The inventory of deferred tax assets and deferred tax liabilities as of 31 December 2021 was allocable to the following balance sheet items and losses carried forward:

	Deferred tax assets		Deferred tax liabilities	
	2021	2020	2021	2020
	T€	T€	T€	T€
Allocation of deferred taxes				
Intangible assets	1.059	1.727	31.924	33.640
Property, plant and equipment	365	318	1.083	2.809
Assets in accordance with IFRS 16	-	-	221.258	195.946
Other financial assets	1.079	113	2.982	995
Financial liabilities	-	2.130	1.844	1.610
Other provisions	782	954	-	-
Provisions for pensions and similar obligations	416	482	-	-
Liabilities in accordance with IFRS 16	239.038	208.269	-	-
Other liabilities	291	44	107	107
Tax losses carried forward	7.721	7.717	-	-
Tax interests losses carried forward	-	6.050	-	-
Other	2.301	2.395	576	504
Sub-total	253.051	230.199	259.774	235.611
Netting *	(246.267)	(201.847)	(246.267)	(201.847)
Deferred taxes acc. to consolidated balance sheet	6.783	28.352	13.507	33.764
thereof from netting with equity	524	532	-	-

According to IAS 12, deferred tax assets and deferred tax liabilities recorded for the same taxation authority must be netted if they satisfy certain (among other things with regard to maturity) criteria.

Deferred taxes reported under equity derive from the revaluation of pension obligations.

The interest carryforward of APCOA Parking Holdings GmbH amounts to T€ 82,404 (previous year: T€ 51,106), of which T€ 0 (previous year: T€ 2,933) was recognized.

The deferred tax liabilities allocable to intangible assets in the amount of T€ 31,924 (previous year: T€ 33,640) are attributable mainly to intangible assets, contractual relationships and brand marks identified in connection with the corporate acquisitions realized in 2007. Deferred tax liabilities reflecting appreciations in value as well as the recognition of assets as part of purchase price allocations are reduced within the scope of the write-down of the assets over their useful lives. They will not be cash-effective in the future.

Deferred tax assets in an amount of T€ 3,607 (previous year: T€ 25,800) are non-current. Deferred tax liabilities in an amount of T€ 10,106 (previous year: T€ 32,158) are non-current.

The amounts of expenses and income relating to deferred taxes and taxes on income were composed as follows in the financial year:

	2021	2020
	T€	T€
Current and deferred taxes		
Current tax expense	2.020	(764)
Deferred tax income	1.551	(2.201)
Total tax expense / (income)	3.571	(2.965)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The current tax expense includes a tax expense from previous periods in the amount of €2,686 thousand (previous year: tax income €427 thousand).

The following table shows the tax reconciliation statement concerning the income tax expense (or income) expected in the respective financial year with the tax expense (or income) actually reported. The expected tax expense (or income) is determined by multiplying earnings before taxes by the corporate tax rate of 31% valid for the financial year (previous year: 31%).

	2021 T€	2020 T€
Tax reconciliation		
Earnings before taxes	(78.254)	(117.415)
Group tax rate (%)	31%	31%
Expected tax expense / (income)	(24.047)	(36.034)
Tax rate differences	458	585
Taxes relating to prior financial years	2.686	(427)
Non-recognition of deferred tax assets on losses carried forward	8.930	16.404
Use of losses carried forward without recognition of deferred taxes in prior years/ first time adoption	(287)	(25)
Write off of activated losses carried-forward	2.800	6.182
Tax-free gains	(330)	-
non-recognized deferred tax assets on temporary differences	-	1.864
Non-deductible expenses:	13.115	8.563
thereof		
tax effects from add-ons and reductions respecting local taxes	3.217	2.809
other non-deductible expenses	9.898	5.754
Other differences	248	(76)
Total tax expense / (income)	3.572	(2.965)

The reported tax rate differences derive from the difference between the Group tax rate and the individual companies' individual tax rates, as well as from changes to tax rates that affect the calculation of deferred tax.

In total, tax loss carryforwards exist in an amount of T€ 188,118 (previous year: T€ 165,207). The current assessment regarding the usability of tax losses carried forward may change in future years depending on the company's respective financial performance and, in such case, would require that the deferred taxes be adjusted to the losses carried forward.

In relation to tax loss carryforwards that existed in 2021, no deferred tax assets were formed for an amount of T€ 156,994 (previous year: T€ 132,245), as realization of the tax assets is not likely due to the positive tax results in the planning period under IAS 12. With the exception of the tax loss carryforward in Luxembourg (here: 17 years), the reported tax loss carryforwards can be carried forward indefinitely in accordance with IAS 12.81 (e).



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

	Unused tax loss carryforwards for the not active deferred taxes were formed		Expiration date within
	31.12.2021	31.12.2020	
	T€	T€	
APCOA Parking UK Ltd., United Kingdom	62.229	55.186	can be carried forward indefinitely
APCOA Parking Holdings GmbH, Germany	46.129	36.270	can be carried forward indefinitely
APCOA Parking Holdings UK Ltd., United Kingdom	22.518	18.972	can be carried forward indefinitely
APCOA Parking Services UK Ltd., United Kingdom	13.081	13.120	can be carried forward indefinitely
APCOA Parking Luxembourg S.à.r.l., Luxembourg	4.712	3.534	More than 5 years
APCOA Parking Austria GmbH, Austria	2.826	1.318	can be carried forward indefinitely
APCOA Scandinavia AS, Norway	1.682	-	can be carried forward indefinitely
APCOA Parking Switzerland AG, Switzerland	1.089	1.089	can be carried forward indefinitely
APCOA Parking Ireland Ltd.	873	1.420	can be carried forward indefinitely
APCOA Parking Services Switzerland AG, Switzerland	794	794	can be carried forward indefinitely
EuroPark Öst AB, Sweden	789	-	can be carried forward indefinitely
Rationell Parkeringservice RPS AB, Sweden	197	-	can be carried forward indefinitely
APCOA Parking Sverige AB, Sweden	53	-	can be carried forward indefinitely
APCOA Facilities Management (UK) Ltd., United Kingdom	22	22	can be carried forward indefinitely
APCOA PARKING Belgium N.V., Belgium	-	485	can be carried forward indefinitely
Nationwide Controlled Parking Systems Ltd.	-	35	can be carried forward indefinitely

As in the previous year, no deferred taxes were formed for differences arising in connection with interests in subsidiaries (so-called outside basis differences), as the foreign subsidiaries' profits are available to them for reinvestment purposes.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

4. Notes to the consolidated balance sheet

(22) Intangible assets

Acquisition costs	01.01.2021 T€	Addition to scope of consolidation T€	Additions T€	Disposals T€	Reclassifi- cations T€	Currency translation T€	31.12.2021 T€
Goodwill	748.661	691	-	-	-	11.986	761.338
Acquired concessions, industrial property rights and similar rights and assets	55.844	-	3.274	(1.196)	915	433	59.270
Trademarks	26.257	-	-	-	-	148	26.405
Contractual relations	224.425	(352)	-	-	-	3.478	227.551
Internally developed intangible assets	2.684	-	628	-	(581)	(10)	2.720
Prepayments	259	-	345	-	345	13	961
Total	1.058.129	338	4.246	(1.196)	679	16.047	1.078.243
Accumulated amortisation	01.01.2021 T€	Addition to scope of consolidation T€	Amortisation scheduled T€	Disposals Non-scheduled T€	Reclassifi- cations T€	Currency translation T€	31.12.2021 T€
Goodwill	392.730	-	-	-	-	11.781	404.511
Acquired concessions, industrial property rights and similar rights and assets	35.140	-	7.248	-	50	354	41.645
Contractual relations	127.186	-	6.879	-	-	2.486	136.551
Internally developed intangible assets	1.546	-	416	-	(277)	(5)	1.679
Total	556.601	-	14.543	(1.147)	(227)	14.616	584.386
Carrying amounts	01.01.2021 T€						31.12.2021 T€
Goodwill	355.931						356.826
Acquired concessions, industrial property rights and similar rights and assets	20.704						17.625
Trademarks	26.257						26.405
Contractual relations	97.239						91.000
Internally developed intangible assets	1.138						1.040
Prepayments	259						961
Total	501.528						493.858



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Acquisition costs	01.01.2020 T€	Addition to scope of consolidation T€	Additions		Disposals		Reclassifi- cations		Currency translation		31.12.2020 T€
			T€	T€	T€	T€	T€	T€	T€	T€	
Goodwill	745.003	14.137	-	-	-	-	-	-	(10.479)	-	748.661
Acquired concessions, industrial property rights and similar rights and assets	51.441	4	3.883	(1.727)	2.556	(313)	55.844				
Trademarks	26.445	-	-	-	-	(189)	26.257				
Contractual relations	226.379	1.009	-	-	-	(2.964)	224.425				
Internally developed intangible assets	1.883	437	315	-	-	49	2.684				
Prepayments	686	-	256	-	(683)	-	259				
Total	1.051.838	15.587	4.453	(1.727)	1.873	(13.895)	1.058.129				
Accumulated amortisation	01.01.2020 T€	Addition to scope of consolidation T€	Amortisation		Disposals		Reclassifi- cations		Currency translation		31.12.2020 T€
			scheduled T€	Non-scheduled T€	T€	T€	T€	T€	T€	T€	
Goodwill	404.937	-	-	-	-	-	-	-	(12.207)	-	392.730
Acquired concessions, industrial property rights and similar rights and assets	28.914	1	6.785	1.383	(1.687)	-	(255)	35.140			
Contractual relations	122.341	-	6.776	-	-	-	(1.932)	127.186			
Internally developed intangible assets	408	174	447	503	-	-	14	1.546			
Total	556.600	175	14.007	1.886	(1.687)	-	(14.379)	556.601			
Carrying amounts	01.01.2020 T€							31.12.2020 T€			
Goodwill	340.066							355.931			
Acquired concessions, industrial property rights and similar rights and assets	22.527							20.704			
Trademarks	26.445							26.257			
Contractual relations	104.038							97.239			
Internally developed intangible assets	1.475							1.138			
Prepayments	686							259			
Total	495.237							501.528			



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The useful life of the brand marks is unlimited, as APCOA may use them without any time limit, and no plans exist to relinquish the brand marks in the future. As in the previous year, as of 31 December 2021 no impairment related to goodwill, trademarks or contractual relationships. No impairment losses were applied in the financial year under review. Impairment losses of T€ 1,886 in the previous year mainly relate to software applications and concept applications of the German subsidiaries whose further use or development is no longer planned.

The additions for corporate acquisitions in the 2021 financial year derive from the finalization of the purchase price allocation from 2020.

The goodwill acquired by APCOA PARKING Group is allocated to the following groups of cash-generating units for impairment-testing purposes. The goodwill of the respective groups of cash-generating units is distributed as follows as of the reporting date:

Cash generating unit	Goodwill 31.12.2020 T€	Additions 2021 T€	FX effects 2021 T€	Goodwill 31.12.2021 T€	Impairment 2021 T€
Germany	137.294	-	-	137.294	-
United Kingdom	8.771	-	613	9.384	-
Norway	7.336	691	363	8.390	-
Italy	44.708	-	-	44.708	-
Belgium	10.978	-	-	10.978	-
Denmark	72.307	-	44	72.351	-
Sweden	48.917	-	(1.031)	47.886	-
Austria	5.617	-	-	5.617	-
Netherlands	11.166	-	-	11.166	-
Switzerland	4.715	-	215	4.930	-
Ireland	4.122	-	-	4.122	-
T total	355.931	691	204	356.827	-

As in the previous year, no impairment losses were recognized in relation to the goodwill acquired in the 2021 financial year.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Goodwill impairment test – sensitivity analysis

Given a $\pm 1\%$ change in weighted average cost of capital, the following sensitivities arise in relation to the excess of the recoverable amount over the carrying amount of the cash-generating units:

	Surplus / deficit of fair value net of selling costs					
	31.12.2021			31.12.2020		
	WACC	WACC	WACC	WACC	WACC	WACC
Surplus / deficit of fair value net of selling costs above / below carrying amount of cash generating unit given a change in the weighted average cost of capital (WACC)	+1%	-1%		+1%	-1%	
cash generating unit	T€	T€	T€	T€	T€	T€
Germany	810.580	580.708	1.173.103	496.098	296.250	823.774
United Kingdom	137.908	113.469	172.936	126.047	98.330	167.222
Norway	169.866	143.674	205.892	143.891	118.065	181.049
Italy	55.315	24.149	98.742	78.129	41.358	131.255
Belgium	63	(4.329)	6.560	9.327	2.176	20.511
Denmark	370.767	282.903	508.103	142.491	92.359	223.653
Sweden	151.458	115.485	205.929	77.969	52.717	116.883
Austria	49.017	37.952	65.543	60.562	41.348	91.280
Netherlands	18.034	5.993	36.579	5.254	(6.434)	24.003
Switzerland	84.639	64.921	115.521	28.557	19.302	43.339
Ireland	65.305	51.121	86.283	74.779	56.505	103.657

The overall increased in the surplus compared to the previous year, especially in Germany, Denmark and Sweden, is due to the increased expectations from the urban hubs area.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Given a $\pm 1\%$ change in the growth assumptions in the long-term planning period, the following sensitivities arise in relation to the excess of the recoverable amount over the carrying amount of the cash-generating unit:

	Surplus / deficit of fair value net of selling costs					
	31.12.2021			31.12.2020		
	Growth +/-0%	Growth +1%	Growth -1%	Growth +1%	Growth -1%	Growth -1%
Surplus / deficit of fair value net of selling costs above / below carrying amount of cash generating unit given a change in the weighted average cost of capital (WACC) cash generating unit	T€	T€	T€	T€	T€	T€
Germany	810.580	1.128.504	610.453	496.098	788.893	318.453
United Kingdom	137.908	167.191	117.536	126.047	160.574	102.841
Norway	169.866	200.046	148.101	143.891	175.840	121.741
Italy	55.315	92.027	29.084	78.129	123.569	46.707
Belgium	63	5.672	(3.694)	9.327	19.103	3.082
Denmark	370.767	488.966	295.194	142.491	214.413	98.113
Sweden	151.458	198.716	120.199	77.969	111.974	55.792
Austria	49.017	63.512	39.459	60.562	88.200	43.175
Netherlands	18.034	34.266	7.640	5.254	21.929	(5.008)
Switzerland	84.639	111.981	67.305	28.557	42.559	20.022
Ireland	65.305	83.137	53.294	74.779	99.926	58.910

The "APCOA" brand mark as well as the "EuroPark" brand mark were acquired as part of the acquisition of APCOA PARKING Group. The carrying amount of the "APCOA" brand mark stands at T€ 23,185 as of the reporting date (previous year: T€ 23,185). The carrying amount of the "EuroPark" brand mark stands at T€ 3,210 as of the reporting date (previous year: T€ 3,071). The brand marks have an indefinite useful life. The brands are being utilised to further expand the Group. The "APCOA" and "EuroPark" brand marks were tested for impairment in the financial year under review. This entailed calculating the recoverable amount as the capital value of the future licensing fee that is saved that would be incurred if a fee were to be paid to a third party to utilise the brand marks. The underlying data are based on the management's past empirical data and expectations of future market trends. In the financial year under review, as in the previous year, no impairment losses or need to make up for impairment losses were identified.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(23) Property, plant and equipment and rights of use

Acquisition costs	01.01.2021	Addition to scope of consolidation	Additions	Disposals	Reclassifi- cations	Currency translation		31.12.2021	
	T€					T€	T€		T€
Land, land rights and buildings and buildings on third party land	16.791	-	771	(9)	462	794	18.809		
Technical equipment and machines	103.224	-	8.866	(3.684)	352	1.510	110.287		
Other equipment, operating and office equipment	38.742	-	3.811	(2.333)	1.029	566	42.816		
Right of use assets IFRS 16	1.053.490	-	156.868	(18.037)	(176)	8.810	1.200.975		
Advance payments and assets under construction	5.034	-	5.977	(164)	(2.151)	205	8.901		
Total	1.218.881	-	176.314	(24.206)	(484)	11.884	1.381.789		
Accumulated amortization	01.01.2021	Addition to scope of consolidation	Depreciation		Appreciat- ions	Disposals	Reclassifi- cations	Currency translation	31.12.2021
	T€		T€	scheduled					
Land, land rights and buildings and building on third party land	6.496	-	1.097	10	-	-	-	503	8.106
Technical equipment and machines	59.106	-	11.361	645	-	(3.315)	(24)	1.256	69.028
Other equipment, operating and office equipment	26.383	-	5.051	21	-	(2.045)	445	517	30.372
Right of use assets IFRS 16	240.357	-	123.347	4.654	-	(16.975)	-	2.996	354.379
Advance payments and assets under construction	-	-	-	-	-	-	-	-	-
Total	332.342	-	140.856	5.331	-	(22.335)	421	5.271	461.886
Carrying amounts	01.01.2021								31.12.2021
Land, land rights and buildings and buildings on third party land	10.295								10.703
Technical equipment and machines	44.118								41.259
Other equipment, operating and office equipment	13.359								12.443
Right of use assets IFRS 16	813.133								846.597
Advance payments and assets under construction	5.034								8.901
Total	885.939								919.903



APCOA Parking Holdings GmbH, Leifelden-Echterdingen – Consolidated financial statements as of 31 December 2021

	01.01.2020 T€	Addition to scope of consolidation T€	Additions T€	Disposals T€	Reclassifi- cations T€	Currency translation T€	31.12.2020 T€
Acquisition costs							
Land, land rights and buildings and buildings on third party land	16.606	-	368	(7)	378	(563)	16.791
Technical equipment and machines	91.698	801	10.543	(2.566)	3.755	(1.007)	103.224
Other equipment, operating and office equipment	37.825	58	3.431	(2.388)	1.261	(444)	38.742
Right of use assets IFRS 16	970.902	578	104.631	(15.688)	(484)	(6.446)	1.053.490
Advance payments and assets under construction	6.619	-	5.065	-	(6.342)	(309)	5.034
Total	1.123.650	1.437	124.068	(20.653)	(1.432)	(8.789)	1.218.281
		Addition to scope of consolidation	Depreciation scheduled	Appreciat- ions	Reclassifi- cations	Currency translation	
	01.01.2020	T€	T€	T€	T€	T€	31.12.2020
Accumulated amortization			Non-scheduled				
Land, land rights and buildings and building on third party land	5.842	-	1.038	8	(7)	-	6.496
Technical equipment and machines	48.840	338	10.113	2.938	-	(843)	59.106
Other equipment, operating and office equipment	23.818	30	5.100	-	(2.394)	159	26.963
Right of use assets IFRS 16	115.851	-	127.154	11.955	-	(533)	240.357
Advance payments and assets under construction	-	-	-	-	-	-	-
Total	194.351	368	143.405	14.901	(18.971)	(2.151)	332.342
	01.01.2020						31.12.2020
	T€						T€
Carrying amounts							
Land, land rights and buildings and buildings on third party land	10.764						10.295
Technical equipment and machines	42.856						44.118
Other equipment, operating and office equipment	14.007						13.359
Right of use assets IFRS 16	855.051						813.133
Advance payments and assets under construction	6.619						5.034
Total	929.300						885.939

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The property, plant and equipment are subject to reservations of ownership and restraints on disposal in the amount of T€ 3,986 as of 31 December 2021 (previous year: T€ 1,037). Moreover, debts were collateralized through assigning property, plant and equipment in an amount of T€ 6,690 (previous year: T€ 6,156). As of the balance sheet date, contractual obligations concerning purchases of property, plant and equipment were reported in the amount of T€ 928 (previous year: T€ 843). This mainly relates to contractual obligations in Italy for the purchase of technical equipment.

The impairment losses of T€ 4,654 (previous year: T€ 11,955) on rights of use in the financial year under review relate to rights of use from leased parking spaces and originate mainly from subsidiaries in the United Kingdom and to a lesser extent from Germany and reflect their expected negative future business trend. The recoverable amount of the 21 rights of use from leased parking spaces impaired in 2021 (previous year: 17) stands at T€ 45,344 as of the end of the financial year under review (previous year: T€ 33,623). The recoverable amounts are based on the value in use; the discount rates used correspond to those of the regular impairment test (note 10, Accounting and measurement principles). An amount of T€ 645 (previous year: T€ 2,938) relates to impairment losses on technical equipment at the German subsidiaries, most of which was used for Park&Guard and whose costs are no longer expected to be recoverable due to the expected negative future business trend.

(24) Investments in equity accounted companies

APCOA holds a 10.44% interest (previous year: 13.33%) in the associated company AGILE PARKING SOLUTIONS PRIVATE LIMITED and, as in the previous year, a 50% interest in the ParcBrux BVBA joint venture. The income of T€ 326 in 2021 from AGILE mainly relates to the valuation effect of the diluted investment arising from a capital increase in which APCOA did not participate. Both equity accounted investments are non-significant associates or joint ventures in the meaning of IFRS 12.

The following table contains summarized financial information on individual immaterial associates and joint ventures.

	2021	2020
Not material investment in associates accounted for by at equity method	T€	T€
Book value of investment	1.751	1.425
APCOA share of result	326	(10)
Other result	-	-
	2021	2020
Not material investment in joint ventures accounted for by at equity method	T€	T€
Book value of investment	-	358
APCOA share of result	(358)	147
Other result	-	-

The loss attributable to APCOA from equity accounted joint ventures, which was no longer recognized, amounted to T€ 187 as of 31 December 2021.

(25) Equity investments

The equity investments belong to the category of financial instruments measured at fair value with no effect on income and consist of interests in unlisted companies with a shareholding of less than 20%. Assets are measured at fair value. The change in fair value is recognized directly in other comprehensive income as these investments are not part of the core business but are held for strategic purposes.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

	Fair Value	Dividends received
	31.12.2021	
Designated equity instruments at present value - not affecting net income	T€	T€
Airport Parking Graz GmbH, Austria	15	-

(26) Other financial assets

Other long-term liabilities are composed as follows:

	31.12.2021	31.12.2020
	T€	T€
Other (long-term) financial assets		
Receivables against associated companies accounted for by at equity method	10.333	9.533
Long-term trade receivables third parties	932	932
Collateral provided	545	855
Other financial assets	347	-
Total	12.157	11.320

Non-current receivables relate to loan receivables from the joint venture in Belgium (T€ 10,333, equivalent to the gross carrying amount) and the receivables of APCOA Parking Italia S.p.A. from the City of Palermo (T€ 932) in connection with legal disputes arising from notices of charges for the waste tax (Tarsu).

The collateral provided mainly consists of deposits for contractual partners in connection with rented parking spaces.

(27) Other assets

The non-current other assets are composed as follows as of the reporting date:

	31.12.2021	31.12.2020
	T€	T€
Other non-current assets		
Accrued amounts and prepayments	757	2.388
Total	757	2.388

The current other assets are composed as follows as of the reporting date:

	31.12.2021	31.12.2020
	T€	T€
Other current assets		
Accrued amounts and prepayments	12.992	18.040
VAT receivables	1.849	2.328
Remaining other assets	1.690	2.544
Total	16.531	22.912

The prepayments and accrued income relate mainly to prepayments to partners in connection with leases, and other prepayments.

(28) Inventories

Inventories amounted to T€ 1,124 as of the balance sheet date (previous year: T€ 1,417). The inventories in the Group relate primarily to spare parts for car park ticketing machines, parking tickets, attire and other consumables.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(29) Trade receivables and other financial assets

Trade receivables and other financial assets are composed as follows:

	31.12.2021	31.12.2020
Trade receivables and other (current) financial assets	T€	T€
Trade receivables from third parties	44.790	35.089
Other financial assets	2.213	2.588
Total	47.003	37.677

Other financial assets consist predominantly of creditor accounts with debit balances in the amount of T€ 1,409 (previous year: T€ 1,837) and security deposits in the amount of T€ 402 (previous year: T€ 421).

The value adjustments relate to individual value write-downs and a risk provision.

Analysis of value-adjusted trade receivables and other financial assets	not overdue		thereof overdue				
	Carrying amount		1 - 30 days	31 - 90 days	91 - 180 days	181 - 360 days	> 360 days
	31.12.2021	31.12.2021				31.12.2021	
	T€	T€	T€	T€	T€	T€	T€
Trade receivables from third parties	50.294	24.179	13.323	4.796	2.264	1.572	4.140
Value adjustments	(5.504)	(961)	(289)	(921)	(586)	(509)	(2.238)
Other financial assets	2.213	2.213					
Total	47.003	25.431	13.034	3.875	1.698	1.063	1.902

Analysis of value-adjusted trade receivables and other financial assets	not overdue		thereof overdue				
	Carrying amount		1 - 30 days	31 - 90 days	91 - 180 days	181 - 360 days	> 360 days
	31.12.2020	31.12.2020				31.12.2020	
	T€	T€	T€	T€	T€	T€	T€
Trade receivables from third parties	40.668	24.589	5.072	3.131	1.889	1.921	4.067
Value adjustments	(5.580)	(705)	(476)	(865)	(571)	(763)	(2.199)
Other financial assets	2.589	2.589	-	-	-	-	-
Total	37.677	26.472	4.596	2.266	1.317	1.158	1.868

Provisions for losses on loans and advances are grouped on the basis of similar default risk characteristics arising from the various services and jointly tested for impairment and, if necessary, written down. Historical default data are taken into consideration in this context. Furthermore, macroeconomic inputs such as country ratings are included to take future developments into consideration. These are utilized in order to create devaluation matrices that adequately reflect the receivables' risk structure. Specific defaults lead to the derecognition of the relevant receivables. An indication of a potential default event is defined as an overdue event of 360 days, as no further settlement is expected at this point in time. Receivables are adjusted to reflect the expected realizable payments at values based on past experience. Derecognition occurs at the latest after two years, or in the fines business concurrently with the default event.

A slight year-on-year decrease in impairment adjustments of T€ 75 was reported in the year under review.

Of the receivables for leased parking spaces, T€ 1,032 (previous year: T€ 1,452) have been deposited as collateral, which are not part of the risk provision.

The impairments of trade receivables report the following changes:

Development of value adjustments on Trade receivables	2021	2020
As of 31.12.2020	T€	T€
As of 31.12.2020	5.580	5.207
Additions (expenses for value adjustments)	3.266	4.019
Utilisation	(654)	(636)
Reversal	(2.680)	(3.015)
Currency translation	(8)	4
As of 31.12.2021	5.504	5.580

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Trade receivables in the amount of T€ 690 (previous year: T€ 890) are subject to enforcement measures.

(30) Cash and cash equivalents

	31.12.2021	31.12.2020
Cash and cash equivalents	T€	T€
Bank	137.564	60.383
Bank balances subject to restraint on disposal	6.418	1.976
Cash in parking facilities	2.000	1.303
Cash on hand	1.365	786
Cash in transit	1.075	583
Total	148.421	65.030

Cash and cash equivalents comprised bank balances with a maximum term of three months, cash in hand, cash in parking facilities and cash in transit. As of the balance sheet date accounts with a total balance of T€ 90,996 (previous year: T€ 55,467) were pledged as security for the credit agreement. However, these accounts are freely available for the APCOA PARKING Group's financial arrangements. The bank balances that are subject to disposal restrictions include bank credit balances in the amount of T€ 6,418 (previous year: T€ 1,976), which the Group may only use for specific purposes owing to statutory provisions or contractual obligations.

The impairment loss of T€ 94 on cash and cash equivalents was reversed through profit or loss in the 2021 financial year.

The following table shows the credit risk of cash and cash equivalents in accordance with the requirements of IFRS 9.

Credit risk of cash and cash equivalents					
Internal credit risk	External credit risk	Estimated loan default rating	Basis for estimated credit risk provision	Estimated bookvalue gross in case of default 31.12.2021	Book value less allowance 31.12.2021
			%	T€	T€
A	AAA - BBB-	0 - 0,4	expected defaults till 12 month	137.564	137.564
B	BB+ - B-	n/a	expected defaults till 12 month	-	-
C	CCC - D	n/a	expected defaults over whole maturity	-	-
Other				10.857	10.857
Total				148.421	148.421

The classification into the individual risk classes was based on the rating of the individual banks. The calculation of the credit default probability was based on marketable parameters that already include forward-looking information, such as CDS spreads.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(31) Subscribed capital

The subscribed capital amounted to € 103,896 as of 31 December 2021 (previous year: € 103,896).

The subscribed capital is divided into eight company shares: one Class A company share with a nominal value of € 25,000, one Class A company share with a nominal value of € 4,250, one Class B company share (non-voting) with a nominal value of € 65,000, one Class B company share (non-voting) with a nominal value of € 5,692, two Class B company shares (non-voting) each with a nominal value of € 1,186, one Class B company share (non-voting) with a nominal value of € 949 and one Class B company share (non-voting) with a nominal value of € 633. As of the balance sheet date all shares were fully paid in.

(32) Capital reserve

The capital reserve amounted to T€ 768,058 as of 31 December 2021 (previous year: T€ 768,058). In the previous year, by shareholder resolution on 31 January 2020, € 90,000,000 of the capital reserve was released and distributed to the shareholder in cash. By shareholder resolution dated 19 May 2020, the shareholder contributed € 40,000,000 in cash capital to the company's capital reserve.

(33) Other reserves

The hedging reserve includes the portion of profit or loss arising from a hedging instrument used as a cash flow hedge, and determined as an effective hedge instrument.

The revaluation from defined benefit pension obligations includes the revaluation of defined benefit plans and similar obligations which are reported with neutral effect on profit or loss in the period in which they occur.

The currency translation reserve serves to recognize differences from the currency translation of the foreign subsidiaries' financial statements.

(34) Revenue reserves

The revenue reserves comprise the profit of the financial year under review and the accumulated losses of previous years, which are carried forward to the new accounting periods.

(35) Financial liabilities

The financial liabilities are composed as follows as of the balance sheet date:

	Dec 31, 2021	Residual term T€	Residual term < 1 year	Residual term 1-5 years	Residual term > 5 years
Financial liabilities					
Liabilities to banks and from bonds	686.328		12.334	10.456	663.538
Lease liabilities	942.059		162.697	457.783	321.579
Liabilities from purchase prices	57		57	-	-
Collateral received	1.944		1.580	364	-
Other financial liabilities	3.593		3.593	-	-
Derivative financial instruments	988		-	-	988
Total	1.634.968		180.260	468.603	986.105
Original financial instruments	1.633.980		180.260	468.603	985.117
Derivative financial instruments	988		-	-	988

Financial liabilities reported the following year-on-year changes:

	Dec 31, 2020	Residual term T€	Residual term < 1 year	Residual term 1-5 years	Residual term > 5 years
Financial liabilities					
Liabilities to banks	587.828		271	587.557	-
Lease liabilities	884.917		146.140	447.059	291.718
Liabilities from purchase prices	2.661		2.661	-	-
Collateral received	2.422		2.044	378	-
Other financial liabilities	3.175		2.658	517	-
Derivative financial instruments	1.322		-	-	1.322
Total	1.482.325		153.774	1.035.511	293.040
Original financial instruments	1.481.003		153.774	1.035.511	291.718
Derivative financial instruments	1.322		-	-	1.322



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The derivative financial instruments comprise exclusively interest rate swaps denominated in DKK which are included in a cash flow hedge relationship with a view to hedging the interest risks from floating-rate lease liabilities.

The Group is predominantly financed by a bond. The bond has 5.5-year term maturing in January 2027. It comprises a bullet tranche of T€ 320,000 (senior secured fixed rate notes), a bullet tranche of T€ 365,000 (senior secured floating rate notes) and a credit line of T€ 80,000 for overdrafts and bank guarantees (revolving credit facility). As of 31 December 2021, an amount of T€ 20,233 was drawn on the credit line through bank guarantees.

Covenants based on the consolidated figures of the APCOA PARKING Group before IFRS 16 were agreed for the bond. The management of the APCOA PARKING Group and the lenders regularly review compliance with these covenants.

The following table shows the contractually agreed (undiscounted) interest and redemption payments for the Group's primary financial liabilities and the derivative financial instruments. The values presented in the table do not reflect discounted cash flows. The interest payments of variable-interest financial instruments are determined on the basis of the current reference interest rate applicable at the balance sheet date. The contractually agreed interest and redemption payments for primary financial liabilities as of 31 December 2021 were composed as follows:



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The contractually agreed interest and redemption payments for primary and derivative financial liabilities as of 31 December 2021 were composed as follows:

Contractually agreed interest and redemption payments of original financial liabilities		Carrying amount 31.12.2021				Cash flows 2022				Cash flows 2023 - 2026				Cash flows > 2026			
	T€	Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption	
Liabilities to banks and from bonds	686.328	14.471	18.343	12.334													
Liabilities from finance leases	942.059	47.349	355	119.137													
Liabilities from purchase prices	57	-	-	57													
Collateral received	1.944	-	-	1.580													
Original financial liabilities	3.593	19	-	3.593													
Total	1.633.940	61.839	18.698	136.700													

Contractually agreed interest and redemption payments of derivative financial liabilities		Carrying amount 31.12.2021				Cash flows 2022				Cash flows 2023 - 2026				Cash flows > 2026			
	T€	Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption	
Derivative financial instruments	988	-	163	-													

Primary financial liabilities reported the following year-on-year changes:

Contractually agreed interest and redemption payments of original financial liabilities		Carrying amount 31.12.2020				Cash flows 2021				Cash flows 2022 - 2025				Cash flows > 2025			
	T€	Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption	
Liabilities to banks	587.878	24.974	271														
Liabilities from finance leases	884.917	48.286	416	109.708													
Liabilities from purchase prices	2.651	-	-	2.651													
Collateral received	2.422	-	-	2.651													
Original financial liabilities	3.175	-	-	2.658													
Total	1.481.003	48.286	25.391	116.432													

Analogously, the derivative financial liabilities in the previous year were as follows:

Contractually agreed interest and redemption payments of derivative financial liabilities		Carrying amount 31.12.2020				Cash flows 2021				Cash flows 2022 - 2025				Cash flows > 2025			
	T€	Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption		Interest fixed	Interest variable	Redemption	
Derivative financial instruments	1.322	-	225	-													



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

This includes all instruments held on 31 December 2021 and for which payments have already been contractually agreed. Budgeted figures for future new liabilities are not included. All foreign currency amounts are translated applying the spot rate on the reporting date. The variable interest payments from financial instruments were calculated on the basis of interest rates last fixed before 31 December 2021. Financial liabilities due on demand are always allocated to the earliest timeslot.

Collateral for the credit lines was delivered through assigning company shares according to the respective national law at the following Group companies:

Subsidiary	31.12.2021 Pledged shareholding	31.12.2020 Pledged shareholding
APCOA Parking Holding Danmark ApS	100%	100%
APCOA Scandinavia AS	100%	100%
APCOA PARKING Belgium N.V.	100%	100%
APCOA PARKING Deutschland GmbH	100%	100%
APCOA Parking Italia S.p.A.	100%	100%
APCOA Parking Norway AS	100%	100%
APCOA PARKING Danmark A/S	100%	100%
APCOA Parking Austria GmbH	100%	100%
APCOA PARKING Sverige AB	100%	100%
APCOA Parking Nederland B.V.	100%	100%
APCOA Parking Holdings UK Ltd.	100%	100%
APCOA Parking UK Ltd.	100%	100%
APCOA Facilities Management (UK) Ltd.	100%	100%
APCOA Parking Services UK Ltd.	100%	100%
Park & Control S.r.l.	100%	100%
Park & Control PAC GmbH	100%	100%
Park & Control PAC Austria GmbH	100%	100%

In addition, receivables from consolidated subsidiaries have been assigned under the respective national law (such as collateral assignments or liens). Such receivables due from consolidated companies as well as the assigned shares in consolidated subsidiaries are eliminated as part of consolidation. For this reason, these items were not included in the net carrying amounts of the leased assets. The carrying amount of the assigned bank deposits stands at T€ 90,996 as of the balance sheet date (previous year: T€ 55,467). No receivables from third parties were pledged under the credit agreement (previous year: T€ 26,651).

	31.12.2021 T€	31.12.2020 T€
Secured financial liabilities to banks and from bonds	707.790	602.293
Net carrying amounts of loaned assets	90.996	82.119

A cross-guarantee system exists between the debtor and other significant Group companies that have provided guarantees as personal securities. The lender is entitled to realization if the credit lines are cancelled, which for example is possible if the debtor fails to satisfy its obligations arising from the interest and redemption payments of the financial liabilities. In addition, global surety agreements are in place for the entire assets of the companies in the UK.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(36) Other provisions

Other provisions report the following changes:

	Anticipated losses	Rents	Personnel	Other	Total
Other provisions	T€	T€	T€	T€	T€
As of 01.01.2021	838	2.683	5.967	4.067	13.555
Change in the scope of consolidation	-	-	-	-	-
Additions	115	681	2.014	584	3.394
Utilisation	(366)	(493)	(2.318)	(671)	(3.848)
Reversal	-	(14)	(327)	(35)	(376)
Interest expense from compounding and int. rate changes	-	-	-	4	4
Reclassification	7	(302)	(2)	(6)	(303)
Currency differences	(11)	(1)	-	1	(11)
As of 31.12.2021	583	2.554	5.334	3.944	12.415
thereof current	581	2.555	4.788	1.379	9.303
thereof non-current	-	-	548	2.564	3.112

	Anticipated losses	Rents	Personnel	Other	Total
Other provisions	T€	T€	T€	T€	T€
As of 01.01.2020	-	1.756	1.960	8.323	12.039
Change in the scope of consolidation	-	-	26	7	33
Additions	808	1.601	4.385	953	7.747
Utilisation	(6)	(575)	(459)	(4.440)	(5.480)
Reversal	-	(91)	-	(352)	(443)
Interest expense from compounding and int. rate changes	-	-	-	1	1
Reclassification	-	-	-	(383)	(383)
Currency differences	36	(8)	55	(42)	41
As of 31.12.2020	838	2.683	5.967	4.067	13.555
thereof current	838	2.683	5.084	1.474	10.079
thereof non-current	-	-	883	2.592	3.475

The provisions for contingent losses contain the future results for loss-making contracts that do not fall within the scope of IFRS 16.

The rental provisions contain the estimated expenses for parts of rental payments, where the amount and point in time are uncertain.

Provisions for personnel mainly include provisions for personnel costs in connection with the reorganization of the APCOA PARKING Group for severance and redundancy payments of T€ 2,935 and for restructuring of T€ 231 (previous year: T€ 1,442).

Furthermore, miscellaneous other provisions mainly relate to the Italian company APCOA Parking Italia S.p.A. in an amount of T€ 2,263 (previous year: T€ 2,391).

The Italian subsidiary has received tax assessments from the municipal authorities in Palermo for waste collection fees (Tarsu) for the years 2006 through to 2013. In the 2019 financial year, the company concluded an agreement with the landlord under which the latter undertakes to assume all claims of the City of Palermo arising from waste tax. In total, the Italian company has formed provisions of T€ 581 for possible payment obligations as of 31 December 2021 and capitalized a recourse claim in the same amount. We refer to Chapter 41 "Contingent Liabilities"

(37) Provisions for pensions and similar obligations

Staff of the APCOA PARKING Group are granted pension entitlements according to different programs. These concern both defined contribution and defined benefit plans.

Page 52 of 73

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Defined contribution plans

In the case of defined contribution plans, the company pays contributions to an independent, external entity (fund). Defined contribution plans exist in Austria, Ireland, the UK, Norway, Denmark, Sweden and Switzerland. Once the contributions have been paid, the company incurs no further performance obligations or risks. The current contribution payments are recognized as expenses for the current year in the operating result, and amounted to a total of T€ 4,461 in the 2021 financial year (previous year: T€ 4,605).

Defined benefit plans

All other pension plans are defined benefit plans and are subject to different pension arrangements.

Joint pension plan of several employers in Norway: This plan is based on participation in a joint pension plan in Norway in the form of legally specified employer's contributions to pensions (AFP). The pension plan includes also benefits for employees taking early retirement. Employer's contributions are salary-based and are paid for all employees through to their 62nd birthdays.

Defined benefit plan in Germany: A defined benefit plan exists in Germany that arises exclusively from pension entitlements acquired in the past. The pension benefits include old-age retirement benefits as well as disability benefits and benefits for surviving dependants in line with the pension regulations. The benefit is contingent on the length of service and the salary of the beneficiary.

Defined benefit plan in Austria: The pension scheme in Austria includes severance payments required to be paid by the Group to employees engaged prior to 1 January 2003. Employees engaged after 1 January 2004 are entitled to severance payments from the employee pension fund (Mitarbeiterversorgungskasse). The severance payments for these employees represent a defined contribution plan according to IAS 19.

Defined benefit plan in Belgium: Defined benefit plans exist in Belgium. The pension obligations consist of four different plans (open and closed plans) and take into account future salary increases, and the results include Belgian payroll taxes due on pension plans. Due to the minimum guarantees, such plans are allocated to defined benefit plans according to IAS 19. In the previous year, pension obligations in Belgium were included for the first time in the presentation of defined benefit plans. They were not included in previous years, as they were immaterial for the Group overall.

Defined benefit plan in the UK: The United Kingdom pension scheme includes post-employment retirement benefits and benefits for surviving dependants according to beneficiary, and benefits in the event of the beneficiary's death as the consequence of an occupational accident. The benefit is contingent on the beneficiaries' professional status, years of company service and the salary.

Other defined benefit plans: According to the Swiss Occupational Pension Act (BVG), all employers are required to provide employees with post-employment retirement benefits. The pension benefits are financed through pension funds, so-called collective foundations, which manage the pensions. Both employer and employee contributions are rendered to the pension fund, whereby the company's total contributions must correspond at least to the employee contributions as set out in the plan terms. Given insufficient cover, either the employer or employee contributions are increased, and a minimum rate of interest can be decided upon, or other measures permitted by law. Due to the minimum guarantees, such plans are allocated to defined benefit plans according to IAS 19. The following presentation includes the defined benefit scheme of APCOA Parking Service Switzerland AG and of Park & Control PAC GmbH.

The defined benefit plan of APCOA Parking Switzerland AG is not material for the Group. For this reason, the company has refrained from presenting them in greater detail.

Page 53 of 73



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Change in the present value of the defined benefit obligation and the fair value of the plan assets:

	Cash value of defined contribution plans	Fair value of plan assets	Recognised net value of pension obligation
	T€	T€	T€
Reconciliation of pension obligation			
As of January 1, 2021*	8.787	(5.034)	3.753
Current service expense	242	-	242
Interest expense / income	28	(19)	9
Pension payments	(149)	-	(149)
Contributions of plan participants (employer)	-	(100)	(100)
Contributions of plan participants	98	(100)	(2)
Pension scheme contribution as planned	-	-	-
Remeasurement of defined benefit plans	(169)	-	(169)
thereof due to changes in financial parameters	(177)	-	(177)
thereof due to changes in demographic assumptions	1	-	1
thereof for experience adjustments	7	-	7
Transfer of pension asset	-	-	-
Actual income / expenses of plan assets (without amounts already included in interests)	-	6	6
Services paid	(1)	1	-
Foreign currency changes	86	(47)	39
Deficit / (surplus)	8.923	(5.293)	3.630
Effect of asset ceiling / minimum funding requirement	-	-	410
As of December 31, 2021	8.923	(5.293)	4.040

	Cash value of defined contribution plans	Fair value of plan assets	Recognised net value of pension obligation
	T€	T€	T€
Reconciliation of pension obligation			
As of December 31, 2019*	6.357	(2.628)	3.729
Initial approach APCOA Belgium	2.520	(2.285)	235
As of January 1, 2020	8.877	(4.913)	3.964
Current service expense	185	-	185
Interest expense / income	38	(24)	14
Pension payments	(363)	-	(363)
Contributions of plan participants (employer)	-	(89)	(89)
Contributions of plan participants	89	(89)	-
Remeasurement of defined benefit plans	98	-	98
thereof due to changes in financial parameters	145	-	145
thereof due to changes in demographic assumptions	(20)	-	(20)
thereof for experience adjustments	(27)	-	(27)
Actual income / expenses of plan assets (without amounts already included in interests)	-	-	-
Services paid	-	2	2
Foreign currency changes	(137)	16	(121)
Deficit / (surplus)	8.787	(5.033)	3.754
Effect of asset ceiling / minimum funding requirement	-	-	652
As of December 31, 2020	8.787	(5.033)	4.406

The main benefit obligations exist in Switzerland in the amount of T€ 2,297 (previous year T€ 2,254), in Germany in the amount of T€ 2,073 (previous year T€ 2,274), in Austria in the amount of T€ 1,029 (previous year T€ 1,074) and in Belgium in the amount of T€ 2,573 (previous year € 2,520).



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The obligations connected with the defined benefit pension commitments are partly covered by plan assets, comprising both reinsurance and separate pension vehicles. Plan assets are currently deployed in the UK, Belgium and Switzerland. Assets in the UK are invested as follows:

	2021	2020
	T€	T€
United Kingdom		
Equities	414	403
Corporate bonds	269	261
Gilts	176	185
Property	-	-
Cash	176	240
Total	1.036	1.089

In Switzerland, the plan assets are invested up to an amount of T€ 1,932 (previous year: T€ 1,750) according to the strategy of the collective foundation (VZ BVG). A detailed analysis of the asset allocation is not possible, and the assets are to be classified as "other investments" as a consequence. A total of 100% of the assets are listed on an active market.

In Belgium, the obligations associated with defined benefit pension commitments are covered by insurance contracts.

For the 2022 financial year, the Group anticipates contributions to defined benefit pension plans amounting to a total of T€ 147 (previous year: T€ 160), and outgoing payments of T€ 99 (previous year: T€ 155).

In connection with the defined benefit pension plans, the company is exposed to various risks such as general actuarial risks (longevity risk etc) and financial risk (interest-rate risk, capital market risk, investment risks etc).

Factors used in the calculation of pension obligations	2021	2020
Discounting factor		
Germany	0,82%	0,40%
Austria	0,90%	0,50%
Switzerland	0,35%	0,20%
Belgium	1,10%	0,90%
Italy	0,90%	0,35%
United Kingdom	1,10%	1,90%
Long-term salary increases		
Germany	0,00%	0,00%
Austria	2,00%	2,00%
Switzerland	1,00%	1,00%
Belgium	0,00%	0,00%
Italy	0,00%	0,00%
United Kingdom	0,00%	0,00%
Pension dynamics		
Germany	1,00%	1,00%
Austria	0,00%	0,00%
Switzerland	0,00%	0,00%
Belgium	1,80%	1,80%
Italy	1,50%	1,50%
United Kingdom	3,00%	3,00%

Page 55 of 73



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

The weighted average term of the benefit obligation amounts to 19 years (previous year: 19) for APCOA Parking Service Switzerland AG, 21 years (previous year: 23) for Park & Control PAC Switzerland GmbH in Switzerland, 13 years (previous year: 14) in Germany, 13 years (previous year: 13) in Belgium, 12 years (previous year: 13) in the United Kingdom, 10 years (previous year: 11) in Austria, and 10 years (previous year: 10) in Italy.

An increase or decrease in the discounting factor by one half percentage point would reduce the present value of the obligations from the Group's internal pension schemes by T€ 379 or lead to an increase of T€ 242, respectively. An increase or decrease in the pension trend by one half percentage point would increase the present value of the obligations from the Group's internal pension schemes by T€ 139 or lead to a decrease of T€ 127, respectively.

The sensitivity analyses are based on a change in an individual assumption with all other assumptions remaining unchanged. In actual fact, deviations are quite likely. The methods for calculating the above sensitivities and calculation of the pension provisions are consistent. The impact of other actuarial assumptions is insignificant. For this reason, the company has refrained from making a related presentation.

The revaluation losses in the financial year under review of T€ -169 (previous year: revaluation gains of T€ 98) are offset with the other reserves. The total gains from revaluation of pensions reported under consolidated equity amount to T€ 2,952 (previous year: T€ 3,121). Deferred taxes recognized directly in the consolidated equity amounted to T€ 524 (previous year: T€ 532).

(38) Other liabilities and contract liabilities

The other non-current liabilities are composed as follows:

	31.12.2021	31.12.2020
	T€	T€
Other non-current liabilities		
Amounts accrued and prepayments received	37	26

The other current liabilities and contract liabilities are composed as follows:

	31.12.2021	31.12.2020
	T€	T€
Other short-term liabilities		
Personnel liabilities	23.725	16.186
Contract liabilities	12.390	13.224
Amounts accrued and prepayments received	3.200	3.814
Liabilities relating to social security	3.356	6.660
VAT liabilities	6.242	3.046
Other liabilities	4.642	5.927
Total	53.555	48.857

Personnel liabilities mainly include expenses related to bonus payments in an amount of T€ 11,825 (previous year: T€ 8,396), vacation not taken in an amount of T€ 6,537 (previous year: T€ 6,513), wage and salary obligations and wage taxes.

Development of contract liabilities

T€	01.01.2021	Transfer in revenues	Addition	31.12.2021
Contract liabilities	13.224	(13.224)	12.390	12.390

As in the previous year, contractual liabilities consist exclusively of customer prepayments, and relate to periods of one year or less. As permitted by IFRS 15, the transaction price allocated to these unfulfilled performance obligations is not disclosed.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(39) Trade payables and other financial liabilities

Trade payables and other financial liabilities are composed as follows:

	31.12.2021	31.12.2020
	T€	T€
Trade payables and other liabilities		
Trade payables to third parties	130.623	94.577
Other liabilities	1.366	969
Total	131.989	95.546



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

5. Notes to the consolidated statement of cash flows

(40) Consolidated statement of cash flows

The cash flow statement shows the changes in the Group's cash and cash equivalents deriving from cash inflows and cash outflows during the reporting year. In accordance with IAS 7 "Statements of Cash Flows", the presentation of the cash flow statement is differentiated according to cash flows from operating, investing and financing activities. The effects of currency fluctuation on cash and cash equivalents that are held in foreign currencies or are due in foreign currencies are presented separately from the cash flows from operating, investing and financing activities.

The funds in the cash flow statement comprise exclusively the cash and cash equivalents as reported on the balance sheet (see note 30). This includes bank credit balances in the amount of T€ 6,418 (previous year: T€ 1,976), which the Group may only use for specific purposes owing to statutory provisions or contractual obligations. The impairment loss on cash and cash equivalents in the amount of T€ 94 was reversed in 2021.

The changes in liabilities from financing activities are subdivided in the following table according to cash and non-cash components:



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

	01.01.2021	Cash effective changes of book value	Non-cash changes of book value	31.12.2021
Change in liabilities from financing activities	T€	Currency translation	Fair value changes	Other changes
Liabilities to banks and from bonds	587.827	50.125	736	-
Liabilities from leases	884.917	(152.808)	-	-
Other financial liabilities	518	227	34	-
Derivative financial instruments	1.322	-	1	-
Total	1.474.584	(102.456)	(335)	250.054
				1.630.153
	01.01.2020	Cash effective changes of book value	Non-cash changes of book value	31.12.2020
Change in liabilities from financing activities	T€	Currency translation	Fair value changes	Other changes
Liabilities to banks	412.256	141.887	(122)	1.108
Liabilities from leases	892.836	(158.119)	(6.707)	-
Other financial liabilities	515	-	3	-
Derivative financial instruments	1.502	-	6	-
Total	1.307.108	(16.232)	(185)	1.886
				189.028
				1.474.584

The change in bank borrowings and in bonds derives from a cash change of T€ 50,125 and a non-cash change of T€ 48,376. The cash change derives from interest and bank fees paid in the amount of T€ -21,177 and transaction costs paid in the amount of T€ -16,702, as well as net proceeds from borrowings of T€ 88,005. The non-cash change arises from the deferring of interest and bank fees as well as transaction fees in the amount of T€ 47,640 and from a change in foreign currency in the amount of T€ 736.

The changes in liabilities from leases are commented on in note (42). The other changes in lease liabilities arise mainly from modifications (T€ 85,443), new borrowings (T€ 67,826) and discounting (T€ 53,296).

Only liabilities from the loan in Switzerland are reported under other financial liabilities in this overview. The change in cash collateral deposited is not shown in this overview as it is not related to financing activities.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

6. Other disclosures

(41) Contingent liabilities

Contingent liabilities are potential liabilities that could arise from past events, whose existence will only be confirmed by the occurrence of one or more uncertain future events that lie, however, beyond the Group's scope of influence. Furthermore, current obligations also represent contingent liabilities when the related utilization is not probable and/or the amount of the obligation cannot be estimated with reasonable certainty. In the course of its ordinary business activity, the company can become involved in litigation disputes, claims for damages, investigative and court proceedings, including issues involving product liability and economic disputes.

In the view of the Management Board and its legal advisers, as of 31 December 2021 no other significant occurrences existed that could have a material effect on the company's business, financial position and financial performance, except for those listed below.

APCOA Parking Italia S.p.A. received a tax assessment notice from the City of Avellino regarding charges and fees for occupying public land (TOSAP) for a total amount of € 11.5 million for the 2013 to 2017 period (including interest and penalty surcharges). These assessments from 2013 until April 2015 were successfully contested at the first and second instance. The municipality lodged a related appeal. The appeal against the notices from May 2015 was rejected at the second instance. The company has appealed this decision.

The management currently assumes that the risk of utilization is unlikely. Moreover, the possibility exists that the resultant risk can be transferred to the garage's owner. For this reason, the provision has not been formed in this set of consolidated financial statements as of 31 December 2021.

(42) Information about leases

The Group leases parking space, parking buildings, office buildings, plant, machinery and vehicles, among other assets. Rental agreements are usually concluded for fixed periods of 6 months to 30 years, but may include extension and/or termination options. Such contractual conditions are utilized in order to ensure maximum operational flexibility for the Group. The Group's assessment of whether options are included in the lease liability is set out in note (10). A change in the assessment of the exercise of options previously considered by the Group to be not sufficiently certain could significantly increase the lease liability and the corresponding rights of use. Options whose renewal the Group does not consider to be sufficiently certain as of 31 December 2021 may result in significant future cash outflows. No significant renewal options on the part of the lessors exist. Rental terms and conditions are negotiated individually and include a large number of different terms and conditions. This includes, in particular, variable payments depending on one and/or several different factors such as sales revenues and the frequencies of the respective rental space. For some leased spaces, up to 100% of the lease payments are contingent on the sales revenues generated. Variable payment terms are used for a variety of reasons, including to minimize the fixed cost base to which the Group is exposed, and to establish a link with the economic development of the leased area. Depending on the level of the relevant factors, the Group is exposed to higher or lower expenses from variable lease payments. In the 2021 financial year, the ratio of fixed lease payments to variable lease expenses amounted to 92% (previous year: 133%), with the volume-based variable lease payments thereby outweighing the fixed components. Given the expected decrease in the coronavirus epidemic (see notes 44 and 47) and associated increase in frequency, the Management Board expects the trend of a shift in favour of variable rents, which was already clearly evident in 2021, to continue in 2022. In the 2019 financial year, prior to the coronavirus pandemic, the expense for variable rents amounted to T€ 200,482. The average remaining term of the leases based on the existing planning is approximately 9 years as of the 31 December 2021 balance sheet date.

In order to optimize leasing costs during the term of the contract, the Group grants residual value guarantees in some cases, primarily for vehicles and machinery. As of 31 December 2021, it was

Page 60 of 73

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

assumed that an amount of T€ 208 (previous year: T€ 59) will have to be paid, which is recognized accordingly in the lease liabilities.

In the 2021 financial year, financial liabilities from leases amounting to T€ 99,512 (previous year: T€ 106,040) were repaid, and T€ 53,296 (previous year: T€ 52,079) was paid in interest in connection with leases.

The rights of use under leases are recognized in property, plant and equipment at carrying amounts of T€ 846,597 (previous year: T€ 813,133), which are analysed by class as follows:

	2021 T€	2020 T€
Right-of-use assets by class		
Land, land rights and buildings and buildings on third party land	834.783	802.420
thereof within the reporting period recognised expenses for scheduled depreciation	118.611	122.980
Technical equipment and machines	11.814	10.713
thereof within the reporting period recognised expenses for scheduled depreciation	4.736	4.172
Other equipment, operating and office equipment	-	-
thereof within the reporting period recognised expenses for scheduled depreciation	-	1

The income statement includes the following amounts relating to leases:

	2021 T€	2020 T€
Expenses related to short-term lease agreements	8.223	6.624
Expenses related to lease agreements regarding assets with low value	1.618	1.230
Expenses related to lease agreements with variable lease payments	162.068	121.076
Expenses/income related to extraordinary allowances/value recoveries on right of use assets	4.654	11.955

Further information concerning interest expenses for leases is provided in note (20) Financial expenses, and concerning rights of use in note (23) Property, plant and equipment and rights of use.

(43) Additional disclosures on financial instruments

According to IAS 32, financial instruments are contracts that give rise to a financial asset at one entity and a financial liability or equity instrument at another entity. The additional disclosures required by IFRS are provided in the corresponding sections of the consolidated financial statements. Please refer, in particular, to the comments under notes (35) and (44).

(44) Group risk management

Risk management forms an integral part of the Group's business practice. The Group's risk management covers different levels and risk types. At the Group level, risk management forms a significant element of business planning and controlling processes. Material risks are monitored and discussed periodically with the Advisory Board. The tasks of risk identification and risk controlling within the Group are performed by the Group Treasury function. The Group Treasury reports to the Management Board on a regular basis and is supported by local risk assistants. Certain transactions require prior authorization by the Management Board.

Financial risk management

The Group is exposed to various financial risks that arise from the Group's operating and financial activities. The most important financial risks for the Group derive from changes in the exchange rates, interest rates, credit standing and solvency of counterparties of the Group. The periodic reporting of risks is performed by the corresponding controlling functions within the Group. A stringent and stable financing structure is stipulated for the Group aimed at compliance with the agreements for external financing concluded within the framework of the bond agreement (covenants). Compliance with the covenants is monitored on a regular basis.

Page 61 of 73



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Derivative financial instruments may only be used for hedging purposes. Depending on the risk assessment, selective derivative financial instruments and non-derivative hedging instruments are deployed. Hedging transactions for hedging of the default risk are generally concluded only with leading financial institutions.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Carrying amount, recognition and fair values according to measurement categories	Measurement category IFRS 9	Carrying amount	Recognized pursuant to IFRS 9		Not within the scope of application of IFRS 9		Fair value		Fair value level 1 ¹⁾		Fair value level 2 ²⁾		Fair value level 3 ³⁾	
			Amortized acquisition costs	Fair value rec. in profit/loss	Fair value neutral effect on profit/loss	T€	31.12.2021	T€	31.12.2021	T€	31.12.2021	T€	31.12.2021	T€
Available-for-sale financial assets	FVOCI	139				139								139
Other financial assets	FAAC/n.a.	12.157	10.333							1.824				
Trade receivables and other receivables	FAAC	47.003	47.003											
Cash and cash equivalents	FAAC	148.421	148.421											
Financial liabilities	FLAC/n.a.	1.634.988	1.634.988											
Financial liabilities to banks and from bonds	FLAC	886.328	886.328											
thereof other financial liabilities	FLAC	3.593	3.593											
thereof lease liabilities	FVPL	57		57					57					57
thereof derivative financial instruments	n.a.	942.059							942.059					
in hedge relationship (hedge accounting)	n.a.	988							988					988
thereof collateral received	FLAC	1.944	1.944											
Trade payables and other financial liabilities	FLAC	131.989	131.989											
thereof aggregated according to measurement categories														
IFRS 9														
Financial Assets measured at Amortised Costs (FAAC)		205.756	205.756											
Financial Assets Measured at Fair Value through OCI (FVOCI)		139									139			
Financial Liabilities Measured at Amortised Cost (FLAC)		823.854	823.854											
Financial Liabilities Measured at Fair Value through Profit and Loss (FVPL)		57		57										



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Carrying amount, recognition and fair values according to measurement categories	Measurement category IFRS 9	Carrying amount	Recognized pursuant to IFRS 9		Fair value neutral effect on profit/loss		Not within the scope of application of IFRS 9		Fair value		Fair value level 1 ¹⁾		Fair value level 2 ²⁾		Fair value level 3 ³⁾	
			Amortized acquisition costs		Fair value rec. in profit/loss		Fair value neutral effect on profit/loss		Fair value		Fair value level 1 ¹⁾		Fair value level 2 ²⁾		Fair value level 3 ³⁾	
			T€	31.12.2020	T€	31.12.2020	T€	31.12.2020	T€	31.12.2020	T€	31.12.2020	T€	31.12.2020	T€	31.12.2020
Available-for-sale financial assets	FVOCI	215														
Other financial assets	FAAC/n.a.	11,320		9,533				1,787								
Trade receivables and other receivables	FAAC	37,677		37,677												
Cash and cash equivalents	FAAC	65,030		65,030												
Financial liabilities	FLAC/n.a.	1,482,325		1,482,325												
Financial liabilities to banks	FLAC	587,828		587,828					587,782							587,782
thereof other financial liabilities	FLAC	3,175		2,175												
thereof liabilities from purchase prices	FVPL	2,661		2,661					2,661							2,661
thereof lease liabilities	n.a.	884,917						884,917								
thereof derivative financial instruments	n.a.	1,322														
in hedge relationship (hedge accounting)	FLAC	2,422		2,422					1,322							1,322
thereof collateral received	FLAC	95,964		95,964												
Trade payables and other financial liabilities																
thereof aggregated according to measurement categories																
IFRS 9																
Financial Assets measured at Amortised Costs (FAAC)		112,240		112,240												
Financial Assets Measured at Fair Value through OCI (FVOCI)		215						215								
Financial Liabilities Measured at Amortised Cost (FLAC)		689,388		689,388												
Financial Liabilities Measured at Fair Value through Profit and Loss (FVPL)		2,661						2,661								

1) Their value is calculated on the basis of quoted, unadjusted prices on active markets.

2) Fair value calculation is based on parameters for which directly or indirectly derived quoted prices are available on an active market.

3) Fair value is calculated on the basis of parameters for which no observable market data are available.

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Cash and cash equivalents, trade receivables and other financial assets predominantly have short remaining terms. For this reason, their carrying amounts approximate fair value on the reporting date.

Cash and cash equivalents, trade receivables and other financial assets are short-term. As a consequence, the respective carrying amounts as of the balance sheet date approximate their respective fair values.

The fair values of financial instruments that do not approximate their fair value were calculated on the basis of the present values of payments connected with the assets and liabilities, taking into consideration the respective current interest parameters that reflect market- and partner-related changes in terms and expectations. This assumes that the margin agreed for APCOA in this year's refinancing continues to be in line with the market. This spread, which is specific to APCOA, was used to adjust the current yield curve for companies with comparable credit risk. As this adjusted yield curve is not observable on the market, the fair value of these financial instruments is assigned to Level 3 of the fair value hierarchy.

The fair values of derivative financing instruments are calculated on the basis of valuation models based on inputs observable on the market.

The fair values of interest rate swap contracts are calculated applying methods discounted cash flow (DCF) methods.

	2021 T€	At fair value valued financial instrument			Total
		Step 1	Step 2	Step 3	
Derivative financial instruments in hedge relationship	-	-	(988)	-	(988)

	2020 T€	At fair value valued financial instrument			Total
		Step 1	Step 2	Step 3	
Derivative financial instruments in hedge relationship	-	-	(1.322)	-	(1.322)

The fair value of investments categorized at fair value with no effect on income is determined utilising recognized valuation models with the aid of market multiples.

Credit risk

Credit risks arise from the possibility that counterparties to a transaction are not in a position to fulfil their obligations, and that this will lead to financial loss for the Group. The maximum credit risk, without consideration of any additional collateral or other credit enhancements, corresponds to the carrying amount of the financial assets of the Group. The Group accounts for the credit risk by forming corresponding value adjustments.

Trade receivables: for historical reasons, the company does not identify any high risks of bad debt losses. Any and all doubtful accounts receivable are value-adjusted. Uncollectible receivables are written off in full. Trade receivables are subjected to active risk management with a focus on the monitoring of current receivables. Reference is also made to the remarks in note (29) Trade receivables and other financial assets. Receivables management has the goal of improving the Group's liquidity through the optimized use of assets while at the same time maintaining an acceptable risk level. The danger of risk concentration is viewed as low within the Group since the majority of trade receivables are due from long-term tenants. These receivables are characterized by broad-based geographic distribution and a large number of different debtors. The risks are monitored according to country and type of counterparty on a regular basis. No risk concentration per country exists within the Group.

Receivables due from customers in an amount of T€ 1,944 (previous year: T€ 2,422) are covered by collateral (mainly deposits).

Liquidity risk

Liquidity risks arise when financial obligations exceed financial assets at any point in time. The Group manages liquidity risks by maintaining an adequate, readily available reserve for ensuring the required level of liquidity at all times. The Group's liquidity is monitored on an ongoing basis. An additional T€ 59,767 can be drawn from the credit line on demand for overdrafts and for guarantees. In the 2020 financial year, the Group had free lines of

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

T€ 33,997 available from the Revolving Credit Facility and T€ 10,569 from the Guarantee Facility. For further details, please see note (35) Financial liabilities.

The APCOA PARKING Group's liquidity risk had increased due to the Covid-19 pandemic and the pandemic's impact on sales revenues. As a consequence, APCOA PARKING Group agreed a new financing facility on 23 July 2021. The company thereby has at its disposal a bullet tranche of T€ 320,000 (senior secured fixed rate notes), a bullet tranche of T€ 365,000 (senior secured floating rate notes) and a credit and guarantee line of T€ 80,000 (revolving credit facility). The previous financing facilities of Term Loan Facility B for T€ 592,000 and Term Loan Facility B2 for T€ 78,000 were replaced by the new financing facilities. In the 2021 financial year, the interest rate on the senior secured fixed rate notes amounted to 4.625%, and to 5.00% on the senior secured floating rate notes. The floating rate bond bears interest at 3-month Euribor (with a 0% floor) plus a 5.00% margin. The Management Board has taken additional measures to ensure sufficient liquidity within the Group. These measures include reductions in rental payments through contract renegotiations, changes in fixed to variable rental components, operating expense and overhead reductions, investment reductions, and the use of government measures such as short-time working allowances.

Going concern

The Group's debt financing is ensured mainly by the senior secured fixed rate notes issued on 23 July 2021 (T€ 320,000), a senior secured floating rate note (T€ 365,000) and a credit and guarantee line of T€ 80,000. As of 31 December 2021, the credit and guarantee line was utilized in the amount of T€ 20,233. Cash and cash equivalents amounted to T€ 148,421 as of 31 December 2021.

The Group met the liquidity ratios currently required by the bond agreement.

Due to the Covid-19 pandemic in 2020, the APCOA PARKING Group has also been significantly impacted in economic terms. In the budget prepared for 2022, the management has reflected the ongoing impact of Covid-19 on operations, particularly for parking at airports and events. Furthermore, it assumes a broad lifting of preventive measures in the first quarter 2022 of the year, and considers a renewed wave of infection and lockdown measures unlikely from the fourth quarter 2022 onwards. In the Management Board's opinion, the package of measures described under liquidity risk, together with the existing liquidity reserves, is sufficient to secure the company as a going concern and is also sufficient to safeguard against further negative developments from the Covid-19 pandemic. Solvency and compliance with the amended credit terms, and thereby a positive going concern forecast, are secured according to the Management Board's expectation. For this reason, the financial statements have been prepared under the going concern assumption. However, the further course of the pandemic cannot be assessed definitively.

Market risks

A market risk arises from changes in the market prices of the Group's financial assets and liabilities. A market risk can affect the Group's operating result, financial result and equity. With respect to the presentation of market risks, IFRS 7 requires sensitivity analyses showing the effects of hypothetical changes in the relevant risk variables on income and equity. In addition to currency risks, the Group is also subject to an interest rate risk. The periodic effects are determined by relating the hypothetical changes in the risk variables to the portfolio of financial instruments as of the balance sheet date. It is assumed that the portfolio as of the balance sheet date is representative for the year as a whole.

Currency risk

The Group is active across Europe and is consequently exposed to currency fluctuation risks that may affect the Group's financial results and equity. A currency risk arises when amounts paid or received for transactions in local currencies fluctuate as a consequence of changes

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

in the currency exchange rates (transaction risk). In addition, currency risk may arise through the translation into euros of financial statements of consolidated subsidiaries whose functional currency is not the euro, when preparing consolidated financial statements (translation risk). The Group's objectives in managing foreign currency risks are to maintain the economic value of its current and future assets and to minimize the volatility of the Group's financial results. Foreign currency risks pursuant to IFRS 7 arise from financial instruments that are denominated in a currency other than the functional currency and are monetary in nature; exchange-rate-based differences deriving from the translation of financial statements into the Group currency are not taken into consideration. In general, all non-functional currencies in which the Group maintains financial instruments are considered as relevant risk variables.

The currency sensitivity analyses are based on the following assumptions:

Significant primary monetary financial instruments (liquid assets, receivables, liabilities from leases and non-interest-bearing liabilities) are denominated directly in the functional currency, with a few exceptions. Exchange rate fluctuations do not have any material effect on the results or equity of the Group at this time. Non-interest-bearing securities and equity instruments held are not monetary and are consequently not associated with any currency risk pursuant to IFRS 7.

Interest income and interest expenses arising from financial instruments are largely recognized directly in the functional currency. As in the previous year, in the 2021 financial year no effects arose from the currency sensitivity analysis relating to bank borrowings and bonds. As already under the syndicated loan agreement, the bond tranches are denominated exclusively in euros.

Interest-bearing liabilities not denominated in the functional currency also related to receivables and liabilities to Group companies denominated in euros, Norwegian kroner, Swedish kroner, Danish kroner, Polish zloty and Swiss francs. The sensitivity analysis is presented in the following table.

Interest-bearing debt not denominated in the functional currency	Effects on the result of an appreciation or depreciation of the			
	31.12.2021		31.12.2020	
	+10% T€	-10% T€	+10% T€	-10% T€
NOK	(4.651)	5.685	(1.528)	1.868
SEK	(5.014)	6.128	(580)	709
DKK	(2.224)	2.718	(1.228)	1.500
PLN	(136)	167	(153)	187
CHF	(108)	136	(75)	101

Interest rate risk

Interest rate risks arise from changes in interest rates, which can impact negatively on the Group's financial result and equity. Interest rate fluctuations can lead to changes in interest income and interest expense. In addition, they can affect the market value of certain financial assets, liabilities and hedging instruments. The main objective in managing interest rate risks within the Group is to keep the net interest result stable. The interest rate and foreign currency development is monitored at weekly intervals and reported to the Management Board and the shareholders. Further hedging measures are taken when and if required.

Interest rate risks are presented by means of sensitivity analyses as required by IFRS 7, which present the effects of changes in the market interest rates on interest payments, interest income and interest expenses, other components of income and possibly the effects on equity. Sensitivity analyses are based on the following assumptions:

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

- Changes in the market interest rate of primary financial instruments carrying fixed interest rates only affect the result if they are measured at fair value. Accordingly, all fixed-interest financial instruments that are measured at amortized cost are not associated with any interest risks pursuant to IFRS 7.
- Changes in the market interest rate of financial instruments that are deployed as hedging instruments as part of a cash flow hedge for hedging interest-based payment fluctuations have effects on the hedging reserve under equity and are consequently taken into consideration in the equity capital-based sensitivity calculations.
- Changes in the market interest rate affect the interest result from primary variable-interest bearing financial instruments, whose interest payments are not designated as underlying transactions in the framework of cash flow hedges against interest risks, and are consequently included in the calculation of earnings-based sensitivity factors.

If the level of market interest rates had been 100 basis points higher in the 2021 financial year, other comprehensive income would have been T€ 226 lower (previous year: T€ 238) and the result for the year would have been T€ 1,892 lower (previous year: T€ 2,576). Had the level of market interest rates been 100 basis points lower, other comprehensive income would have been T€ 246 higher (previous year: T€ 260) and the result for the year would have been T€ 0 higher (previous year: T€ 0).

Hedging measures – cash flow hedges

In the financial year under review, the Group had two DKK interest rate swaps (amortizing; previous year: 2) to hedge variable interest from lease liabilities. A variable-interest financial lease liability was designated as the hedged item for the amortizing swaps denominated in DKK. Changes in the cash flow from the hedged items arising from the change in the 3-month CIBOR rate are compensated for (on a quarterly basis) by the cash flow changes in the interest rate swaps. The hedging measure is aimed at transforming a part of the variable-interest lease liabilities into fixed-interest lease liabilities and consequently to hedge the cash flow from the financial liabilities. The amortizing interest rate swaps denominated in DKK with a nominal value of T€ 3,681 (previous year: T€ 4,527) have a residual term until June 2032.

The effectiveness of the hedging relationship is assessed prospectively applying the critical terms match method. As all input parameters that determine the value match, the hedging relationship is effective. Reasons for ineffectiveness may derive from a different credit risk between the hedged item and the hedging instrument. A regular check is performed to ensure that credit risk does not dominate in the case of hedged items and hedges. Retrospectively, a possible ineffectiveness is measured applying the dollar offset method.

Maturity	Interest hedge	
	Average net investment	Fixed interest rate of hedge instrument
	T€	
Due within one year	3.124	6,2%
Due between one and five years	2.510	6,2%
Due after five years	1.036	6,2%

As of the balance sheet date all hedge relationships of this type were considered as highly effective. The fair value of interest-rate derivatives deployed as hedging instruments amounted to T€ -988 within the Group as of 31 December 2021 (previously: T€ -1,322). The fair value is reported under non-current financial liabilities. In the 2021 financial year, the realization with neutral effect on profit/loss led to a value change of the hedging transactions in the amount of T€ +334 (previous year: T€ +180). Under Danish tax law, the negative market value of the DKK swaps is tax deductible. Due to this, no deferred taxes are to be recognized in connection with the DKK interest rate swaps, and the recognition in equity is at

APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

the net value. The change in value from the underlying transaction amounted to T€ -334.

In connection with the DKK interest rate swaps, other comprehensive income increased by T€ 37 in 2021 (previous year: T€ 124) and a reclassification of T€ 224 (previous year: T€ 269) was made to net interest income, resulting in a change in equity of T€ 261 (previous year: T€ 145). No ineffectiveness arose in the reporting period.

Capital management

The Group defines its managed capital as the consolidated equity including minority interests. The goals of capital management include:

- the possibility to secure the Group's continuation as a going concern with a view to being able to continue offering top quality parking space management to customers, and earnings to investors.
- the ability to offer investors appropriate income based on the risks that are entered into.
- having the financial resources that enable the Group to invest in areas that will generate further earnings for investors.

The APCOA PARKING Group's capital management strategy aims to ensure that the Group companies have an equity base that meets local requirements. Furthermore, financial covenants were agreed on 23 July 2021, when the bond was arranged, which are calculated on the basis of the consolidated figures of the APCOA PARKING Group without taking into account the effects of IFRS 16. For this purpose, a minimum liquidity level for the APCOA PARKING Group is calculated, which must not amount to less than T€ 10,000. From September 2022, the bond also requires compliance with the Drawn Super Senior Leverage Ratio as a financial covenant based on pro forma EBITDA as defined in the credit agreement. The management of the APCOA PARKING Group and the lenders regularly review compliance with these covenants. In the 2021 financial year, all externally imposed capital requirements were met.

Net result from financial instruments by measurement category

The following tables show the net result from financial instruments classified according to measurement categories pursuant to IFRS 9:

	from interest	Fair value (rec. in profit/loss)		from subsequent measurement			
	2021	2021	Currency translation	Value adjustment	2021	from disposals	Net result
according to measurement category	T€	T€	T€	T€	T€	T€	T€
Financial Assets measured at Amortised Costs (FAAC)	-	-	41	(458)	(186)	-	(603)
Financial Liabilities Measured at Amortised Cost (FLAC)	(48,039)	-	(2,314)	-	-	-	(50,353)
Total	(48,039)	-	(2,273)	(458)	(186)	-	(50,955)

	from interest	Fair value (rec. in profit/loss)		from subsequent measurement			
	2020	2020	2020	2020	2020	2020	Net result
Net result according to measurement category	T€	T€	T€	T€	T€	T€	T€
Financial Assets measured at Amortised Costs (FAAC)		n.a.	(24)	(1.004)	(140)		(1.168)
Financial Liabilities Measured at Amortised Cost (FLAC)	(28.612)	n.a.	(1.119)	n.a.			(29.732)
Total	(28.612)		(1.143)	(1.004)	(140)		(30.900)

(45) Transactions with related parties

Related parties in the meaning of IAS 24 are natural persons or entities that are related to the entity that is preparing the financial statements, e.g. where one of the parties is able to exercise direct or indirect control over the other party or significant influence over the other party. PARK Luxco 3 S.C.A. with its registered head office in Luxembourg and its direct and indirect shareholders PARK Luxco 2 S.à.r.l. and PARK Luxco S.C.A. with registered head offices in Luxembourg were identified as parties related to the Group.

The associated company AGILE PARKING SOLUTIONS PRIVATE LIMITED, Delhi (Agile), and from 2019 the joint venture ParcBrux, Ghent, were also identified as related parties.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Other identified companies with controlling influences over the company were Centerbridge Partners Holding LLC, New York and Centerbridge Partners Europe, LLP, London, which act as managers or advisors to funds that have an indirect interest in the company, are identified as other related companies.

Transactions with related companies

In the previous year, for the background to the incoming and outgoing payments with the shareholder Park LuxCo 3 S.C.A., see note (32) Capital reserves.

Receivables from ParcBrux consist mainly of loans receivable in addition to trade receivables from services provided by the Belgian subsidiary; see note (26).

Expenses in relation to Agile arise predominantly from software development services, while expenses in relation to Centerbridge Partners Europe, LLP, London, are based on the reimbursement of consulting costs in connection with travel expenses and out-of-pocket expenses.

The following table shows the total amounts from transactions between related persons and companies for the respective financial year:

	Income 2021 T€	Expense 2021 T€	Disbursements 2021 T€	Deposits 2021 T€	Receivables 2021 T€	Liabilities 2021 T€
Transactions with related parties 2021						
ParcBrux	1.857	-	-	-	10.975	-
AGILE PARKING SOLUTIONS PRIVATE LIMITED	72	854	-	-	72	247
Centerbridge Partners Europe, LLP	-	-	-	-	-	-
Total	1.929	854	-	-	11.046	247
	Income 2020 T€	Expense 2020 T€	Disbursements 2020 T€	Deposits 2020 T€	Receivables 2020 T€	Liabilities 2020 T€
Transactions with related parties 2020						
Park Luxco 3 S.C.A.	-	-	90.000	40.000	-	-
ParcBrux	1.250	-	-	-	10.147	-
AGILE PARKING SOLUTIONS PRIVATE LIMITED	80	679	-	-	78	97
Centerbridge Partners Europe, LLP	-	19	-	-	-	-
Total	1.330	698	90.000	40.000	10.226	97



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Disclosures concerning key management personnel

The members of the Management Board and the Advisory Board were identified as key management personnel.

Management members in key positions

Management

Philippe Op de Beeck (CEO)	
Samuel Groves (CFO)	appointed September 23, 2021
Steffen Bätjer (CFO)	resigned August 31, 2021

Advisory board

Robert Orr (Chairman)	
Nick Buckles	resigned June 30, 2021
John Brantl	resigned March 28, 2021
Erik Brenneis	
Gregory Marsh	
Alex Stirling	resigned November 30, 2021
Oliver Stork	
Julian von Martius	appointed March 28, 2021
Steven Skaar	appointed December 01, 2021

The following table shows the compensation of the members of the Management Board:

	2021	2020
	T€	T€
Short-term employee benefits	3.930	1.551
Benefits after termination of employment relationship	100	78
Other long-term employee benefits	1.350	-
Benefits resulting from termination of employment relationship	200	-

The existing co-investment program as an additional remuneration component and the management remuneration program set up in the 2021 financial year are presented in Chapter 2. Short-term employee benefits include not only salaries but also the variable management compensation granted on an annual basis.

As of 31 December 2021, provisions in an amount of T€ 2,640 were formed for the compensation of management members arising from short-term payments (previous year: T€ 663). The provision for the pension obligations for the management members amounted to T€ 331 as of the end of the reporting year (previous year: T€ 479).

The termination benefits relate to the addition to the retirement provision contributions for Mr. Op de Beeck.

Furthermore, pension payments to former management members and the surviving dependants amounted to T€ 88 (previous year: T€ 88). Provisions of T€ 2,072 were formed for this group of individuals as of 31 December 2021 (previous year: T€ 2,274).

Expenses of T€ 439 were recognized for the Advisory Board members for the financial year under review (previous year: T€ 492). All salaries and reimbursements of expenses are due short-term.

(46) Auditor's fee

On 20 May 2021, the Audit Committee of APCOA Parking Holdings GmbH elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to be the auditor of the financial statements. The fees of PricewaterhouseCoopers GmbH



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

Wirtschaftsprüfungsgesellschaft and the companies of the worldwide PricewaterhouseCoopers Group for services rendered to the APCOA PARKING Group and its consolidated subsidiaries in the respective financial year are composed as follows:

	2021	2020
Auditor's fee	T€	T€
Audit of the financial statements	1.273	1.325
thereof pertaining to Germany	753	728
Other assurance services	782	94
thereof pertaining to Germany	774	32
Tax advisory services	46	34
thereof pertaining to Germany	-	-
Other services	49	55
thereof pertaining to Germany	-	-
Total	2.151	1.507

*** All the figures are from the Notes-Auditor. Only the fees to the major auditor (PwC this year) are listed here.



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2021

(47) Events after the balance sheet date

APCOA continues to be affected by pandemic coronavirus containment measures in early 2022, particularly in areas such as airports, trade shows and events. The further course of the spread of the coronavirus and the consequences for the Group's business performance are being monitored on an ongoing basis. Based on recent developments, especially the lifting of mobility restrictions in the first quarter of 2022, the Management Board assumes that the impact on the Group's net assets, financial position and results of operations will be significantly less than in the previous year. For further information, please see note (10) Accounting and measurement principles, note (44) Group risk management, as well as the Group management report.

The APCOA PARKING Group has no business operations in Russia and Ukraine. No direct effects of the sanctions have been identified to date. Rising petrol, kerosene and energy prices, or potential government restrictions on mobility, could exert a negative effect on the company's financial position and performance. The management currently assumes no significant influence. No further events of particular significance occurred after the end of the financial year under review.

The consolidated financial statements as of 31 December 2021 were approved by the Management Board on 8 April 2022.

The Shareholders' General Meeting approved the consolidated financial statements. In the event of significant errors, the consolidated financial statements can be revised after completion.

Leinfelden-Echterdingen, 8 April 2022

Philippe Op de Beeck

Samuel Groves

Managing Director

Managing Director





INDEPENDENT AUDITOR'S REPORT

To APCOA Parking Holdings GmbH, Leinfelden-Echterdingen

Audit Opinions

We have audited the consolidated financial statements of APCOA Parking Holdings GmbH, Leinfelden-Echterdingen, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated statement of comprehensive income, consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of APCOA Parking Holdings GmbH for the financial year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f HGB [Handelsgesetzbuch: German Commercial Code] and § 315d HGB.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2021, and of its financial performance for the financial year from 1 January to 31 December 2021, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial

DEE00041577.1.2

Statements and of the Group Management Report“ section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Other Information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f HGB and § 315d HGB as an unaudited part of the group management report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

DEE00041577.1.2

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, 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 audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group

DEE00041577.1.2

management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

DEE00041577.1.2



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.

Frankfurt am Main, April 8, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Dr. Ralf Worster
Wirtschaftsprüfer
(German Public Auditor)

sgd. ppa. Malte Oertel
Wirtschaftsprüfer
(German Public Auditor)

DEE00041577.1.2





[Translator's notes are in square brackets]

General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as “German Public Auditors” – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: The German term “Textform” means in written form, but without requiring a signature] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of *Wirtschaftsprüfer*: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

All rights reserved. This form may not be reprinted, either in whole or in part, or copied in any manner, without the express written consent of the publisher.
© IDW Verlag GmbH · Tersteegenstraße 14 · 40474 Düsseldorf
50262



(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

