



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Mørselskap 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: Per Olav Kolberg
Dato for fastsettelse av årsregnskapet: 20.05.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 15.09.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Lønnskostnad	8		
Annen driftskostnad	8, 9	102 900	123 593
Sum kostnader		102 900	123 593
Driftsresultat		-102 900	-123 593
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	9	36 713 211	24 911 020
Annen finansinntekt	2, 10		28 938 000
Sum finansinntekter		36 713 211	53 849 020
Nedskrivning av finansielle eiendeler	1		-100 000 000
Rentekostnad til foretak i samme konsern		5 959 237	6 354 164
Annen rentekostnad		15 077 711	14 481 637
Annen finanskostnad	2, 10	24 105 597	26 142 330
Sum finanskostnader		45 142 545	-53 021 869
Netto finans		-8 429 334	106 870 889
Ordinært resultat før skattekostnad		-8 532 234	106 747 296
Skattekostnad på ordinært resultat	7	-1 877 091	1 484 405
Ordinært resultat etter skattekostnad		-6 655 143	105 262 891
Årsresultat		-6 655 143	105 262 891
Årsresultat etter minoritetsinteresser		-6 655 143	105 262 891
Totalresultat		-6 655 143	105 262 891
Overføringer og disponeringer			
Overført til/fra annen egenkapital		-6 655 143	105 262 891
Sum overføringer og disponeringer	5	-6 655 143	105 262 891



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	31 906 541	30 029 450
Goodwill	11		
Sum immaterielle eiendeler		31 906 541	30 029 450
Finansielle anleggsmidler			
Investering i datterselskap	1, 2, 9	686 009 811	594 238 431
Sum finansielle anleggsmidler		686 009 811	594 238 431
Sum anleggsmidler		717 916 353	624 267 882
Omløpsmidler			
Varer			
Fordringer			
Andre kortsiktige fordringer	2, 3, 9	36 724 808	24 911 017
Sum fordringer		36 724 808	24 911 017
Bankinnskudd, kontanter o.l.	4		
Sum omløpsmidler		36 724 808	24 911 017
SUM EIENDELER		754 641 161	649 178 899
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	6	11 200 000	11 000 000
Overkurs		35 571 380	
Sum innskutt egenkapital		46 771 380	11 000 000
Opptjent egenkapital			
Annen egenkapital		58 166 237	64 821 380



Balanse

Beløp i: NOK	Note	2020	2019
Sum opptjent egenkapital		58 166 237	64 821 380
Sum egenkapital	5	104 937 617	75 821 380
Gjeld			
Langsiktig gjeld			
Utsatt skatt	7		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2	408 341 700	384 688 200
Øvrig langsiktig gjeld	3	56 000 000	
Sum annen langsiktig gjeld		464 341 700	384 688 200
Sum langsiktig gjeld		464 341 700	384 688 200
Kortsiktig gjeld			
Betalbar skatt	7		
Annen kortsiktig gjeld	2, 3	185 361 844	188 669 319
Sum kortsiktig gjeld		185 361 844	188 669 319
Sum gjeld		649 703 544	573 357 519
SUM EGENKAPITAL OG GJELD		754 641 161	649 178 899



Til generalforsamlingen i APCOA Scandinavia AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert APCOA Scandinavia AS' årsregnskap som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømpoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2020, 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 lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder 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.

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



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 med revisjonen 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 lov, forskrift og god revisjonsskikk i Norge, herunder 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>

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Oslo, 7. mai 2021
PricewaterhouseCoopers AS

Hallvard Helgetun
Statsautorisert revisor
(elektronisk signert)

(2)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Helgetun, Hallvard	BANKID_MOBILE	2021-06-27 20:08

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Årsregnskap 2020

APCOA
Scandinavia AS

Org.nr.:881 459 442



APCOA Scandinavia AS
Resultatregnskap

Driftsinntekter og driftskostnader	Note	2020	2019
Annen driftskostnad	8, 9	102 900	123 593
Sum driftskostnader		102 900	123 593
Driftsresultat		-102 900	-123 593
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	9	36 713 211	24 911 020
Annen finansinntekt	2, 10	0	28 938 000
Nedskrivning av finansielle eiendeler	1	0	-100 000 000
Rentekostnad til foretak i samme konsern		5 959 237	6 354 164
Annen rentekostnad		15 077 711	14 481 637
Annen finanskostnad	2, 10	24 105 597	26 142 330
Resultat av finansposter		-8 429 334	106 870 889
Ordinært resultat før skattekostnad		-8 532 234	106 747 296
Skattekostnad på ordinært resultat	7	-1 877 091	1 484 405
Ordinært resultat		-6 655 143	105 262 891
Årsresultat		-6 655 143	105 262 891
Overføringer			
Overført til/fra annen egenkapital		-6 655 143	105 262 891
Sum overføringer	5	-6 655 143	105 262 891



APCOA Scandinavia AS
Balanse

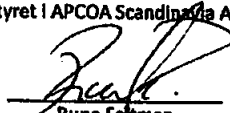
Eiendeler	Note	2020	2019
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	<u>31 906 541</u>	<u>30 029 450</u>
Sum immaterielle eiendeler		31 906 541	30 029 450
Finansielle anleggsmidler			
Investeringer i datterselskap	1, 2, 9	<u>686 009 811</u>	<u>594 238 431</u>
Sum finansielle anleggsmidler		686 009 811	594 238 431
Sum anleggsmidler		717 916 353	624 267 882
Omløpsmidler			
Fordringer			
Andre kortsiktige fordringer	2, 3, 9	<u>36 724 808</u>	<u>24 911 017</u>
Sum fordringer		36 724 808	24 911 017
Sum omløpsmidler		36 724 808	24 911 017
Sum eiendeler		754 641 161	649 178 899



APCOA Scandinavia AS

Balanse

Egenkapital og gjeld	Note	2020	2019
Innskutt egenkapital			
Aksjekapital	6	11 200 000	11 000 000
Overkurs		<u>35 571 380</u>	<u>0</u>
Sum Innskutt egenkapital		46 771 380	11 000 000
Opptjent egenkapital			
Annen egenkapital		<u>58 166 237</u>	<u>64 821 380</u>
Sum opptjent egenkapital		58 166 237	64 821 380
Sum egenkapital	5	104 937 617	75 821 380
Gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2	408 341 700	384 688 200
Øvrig langsiktig gjeld	3	<u>56 000 000</u>	<u>0</u>
Sum annen langsiktig gjeld		464 341 700	384 688 200
Kortsiktig gjeld			
Betalbar skatt	7	0	0
Annen kortsiktig gjeld	2, 3	<u>185 361 844</u>	<u>188 669 319</u>
Sum kortsiktig gjeld		185 361 844	188 669 319
Sum gjeld		649 703 544	573 357 519
Sum egenkapital og gjeld		754 641 161	649 178 899

Oslo, 07.05.2021
Styret i APCOA Scandinavia AS
Philippe A M A Op De Beeck
Styreleder
Rune Feltman
Daglig leder
Christiane Julia Hennig
Styremedlem
Frank Van Der Sant
Styremedlem
Steffen Bätjer
Styremedlem



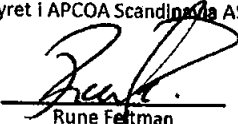
APCOA Scandinavia AS

Balanse

Egenkapital og gjeld	Note	2020	2019
Innskutt egenkapital			
Aksjekapital	6	11 200 000	11 000 000
Overkurs		35 571 380	0
Sum innskutt egenkapital		46 771 380	11 000 000
Opptjent egenkapital			
Annen egenkapital		58 166 237	64 821 380
Sum opptjent egenkapital		58 166 237	64 821 380
Sum egenkapital	5	104 937 617	75 821 380
Gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2	408 341 700	384 688 200
Øvrig langsiktig gjeld	3	56 000 000	0
Sum annen langsiktig gjeld		464 341 700	384 688 200
Kortsiktig gjeld			
Betalbar skatt	7	0	0
Annen kortsiktig gjeld	2, 3	185 361 844	188 669 319
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Oslo, 07.05.2021
Styret i APCOA Scandinavia AS

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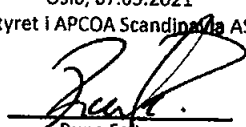
APCOA Scandinavia AS

Balanse

Egenkapital og gjeld	Note	2020	2019
Innskutt egenkapital			
Aksjekapital	6	11 200 000	11 000 000
Overkurs		35 571 380	0
Sum innskutt egenkapital		46 771 380	11 000 000
Opptjent egenkapital			
Annen egenkapital		58 166 237	64 821 380
Sum opptjent egenkapital		58 166 237	64 821 380
Sum egenkapital	5	104 937 617	75 821 380
Gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	2	408 341 700	384 688 200
Øvrig langsiktig gjeld	3	56 000 000	0
Sum annen langsiktig gjeld		464 341 700	384 688 200
Kortsiktig gjeld			
Betalbar skatt	7	0	0
Annen kortsiktig gjeld	2, 3	185 361 844	188 669 319
Sum kortsiktig gjeld		185 361 844	188 669 319
Sum gjeld		649 703 544	573 357 519
Sum egenkapital og gjeld		754 641 161	649 178 899

Oslo, 07.05.2021
Styret i APCOA Scandinavia AS

Philippe A M A Op De Beeck
Styreleder


Rune Feltman
Daglig leder


Christiane Julia Hennig
Styremedlem

Frank Van Der Sant
Styremedlem

Steffen Bätjer
Styremedlem



Noteopplysninger til årsregnskapet

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapskikk. 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 fratrukket 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, fratrukket 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 anleggfordringer, 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

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.

**Kontantstrømoppstilling****APCOA Scandinavia AS**

(alle beløp i hele NOK)

	Note	2020	2019
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		-8 532 234	106 747 296
Periodens betalte skatt	7	0	0
Nedskrivninger		0	-100 000 000
Endring i leverandørgjeld		0	0
Endring i andre tidsavgrensingsposter		11 668 329	-19 976 872
Netto kontantstrøm fra operasjonelle aktiviteter		3 136 095	-13 229 676
Kontantstrømmer fra investeringsaktiviteter			
Innbetaling av utbytte		0	13 229 676
Utbetalinger ved kjøp av aksjer		-8 000 000	0
Netto kontantstrøm fra investeringsaktiviteter		-8 000 000	13 229 676
Kontantstrømmer fra finansieringsaktiviteter			
Innbetalinger ved opptak av ny langsiktig gjeld		83 771 380	0
Innbetaling av kapital	3	8 000 000	0
Inn/utbetalinger til selskap i samme konsern		-86 907 475	0
Netto kontantstrøm fra finansieringsaktiviteter		4 863 905	0
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



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2020

Note 1 Datterselskap

Investeringene i datterselskap regnskapsføres etter kostmetoden.

Datterselskap	Forretnings- kontor	Eier-/ stemme- andel	Egenkap. siste år (100 %)	Resultat siste år (100 %)	Balansført verdi
APCOA PARKING Norway AS*	Oslo	100 %	125 323 612	23 994 544	583 120 502
APCOA PARKING Sverige AB	Stockholm	100 %	175 075 300	34 336 863	102 889 309
Balansført verdi 31.12.					686 009 811

* Det er mottatt konsernbidrag på kr. 36 713 211 fra APCOA PARKING Norway AS. Konsernbidrag er ført som finansinntekt. Økningen i investeringen i APCOA Parking Norway AS skyldes kapitalforhøyelse gjennom kontantinnskudd og gjeldskonvertering, videre har selskapet tatt opp et lån på kr. 56 000 000 fra APCOA Parking Holdings GmbH i den forbindelse. Det henvises til note 3 om informasjon om konserngjeld.

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:	2020	2019
Gjeld til kreditinstitusjoner	408 341 700	384 688 200
Sum	408 341 700	384 688 200

Konsernet har i slutten av mars 2017 gjennomført en ny refinansiering med et internasjonalt konsortium bestående av investorer og banker, og optimalisert strukturen i gruppen for å sikre en langsiktig fremtidig finansiering i konsernet. Låneavtalen omfatter et lån på EUR 380 000 000 (fasilitet B) med en løpetid på 7 år, en garanti på EUR 50 000 000 og en løpende kreditt på EUR 35 000 000 med en løpetid på 5 år. Lånene er sikret ved pant i aksjene i datterselskaper i konsernet og alle fordringer i disse. Konsernselskapene hefter solidarisk for den totale gjelden. Solidaransvaret er dog begrenset av aksjelovens regler om denne typen sikkerhet som tilsier at en slik sikkerhet må være innenfor rammen av de midler som kan deles ut som utbytte.

Det tyske morselskapet har to renteswap-avtaler for å sikre renterisiko på gjelden til kreditinstitusjoner. Avtalene dekker hele konsernet.

	2020	2019
Gjeld sikret ved pant	408 341 700	384 688 200
Balansført verdi av pantsatte eiendeler	722 734 620	619 149 448



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2020

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

	Andre fordringer	
	2020	2019
Foretak i samme konsern	36 724 808	24 911 017
Sum	36 724 808	24 911 017

I 2019 utgjør mottatt konsernbidrag kr. 24 911 017 av andre fordringer.

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

	Langsiktig gjeld		Kortsiktig gjeld	
	2020	2019	2020	2019
Foretak i samme konsern	56 000 000	0	185 361 844	188 669 319
Sum	56 000 000	0	185 361 844	188 669 319

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

Arets endring i egenkapital	Aksjekapital	Overkurs	Annen egenkapital	Sum
Egenkapital 01.01.	11 000 000	0	64 821 380	75 821 380
Årets resultat	0	0	-6 655 143	-6 655 143
Emisjon	100 000	7 900 000	0	8 000 000
Gjeldskonvertering	100 000	27 671 380	0	27 771 380
Egenkapital 31.12.	11 200 000	35 571 380	58 166 237	104 937 617

Note 6 Aksjekapital og aksjonærinformasjon

Aksjekapitalen på kr. 11 200 000 består av 100 000 aksjer å kr. 112.

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 2020

Note 7 Skatt

Beregning av utsatt skatt/utsatt skattefordel	Endring	2020	2019
Midlertidige forskjeller			
Anleggsmidler	0	0	0
Langsiktig gjeld i utenlandsk valuta	0	0	0
Netto midlertidige forskjeller	0	0	0
Underskudd til fremføring	-8 532 234	-145 029 733	-136 497 499
Avskåret rentefradrag til fremføring	0	-150 572 106	-150 572 106
Grunnlag for utsatt skattefordel	-8 532 234	-295 601 839	-287 069 606
	0		
Utsatt skatt (skattefordel) 22 %	-1 877 091	-65 032 405	-63 155 313
Herav ikke balanseført utsatt skattefordel	0	33 125 863	33 125 863
Utsatt skatt / skattefordel (-) i balansen	-1 877 091	-31 906 541	-30 029 450

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	2020	2019
Resultat før skattekostnad	-8 532 234	6 747 296
Endring i forskjeller som ikke skal inngå i grunnlag for utsatt skatt/skattefordel	0	0
Permanente forskjeller	0	0
Grunnlag for årets skattekostnad	-8 532 234	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	8 532 234	-6 747 296
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	2020	2019
Betalbar skatt på årets resultat	0	0
Sum betalbar skatt	0	0
Endring i utsatt skatt/skattefordel	-1 877 091	1 484 405
Endring i utsatt skatt/skattefordel som følge av endret skattesats	0	0
Skattekostnad	-1 877 091	1 484 405



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2020

Avstemming av årets skattekostnad		
Regnskapsmessig resultat før skattekostnad	-8 532 234	6 747 296
Beregnet skatt 22% (22%)	-1 877 091	1 484 405
Skattekostnad i resultatregnskapet	-1 877 091	1 484 405
Differanse	0	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	0	0
Endring i utsatt skatt/skattefordel som følge av endret skattesats	0	0
Effekt av endring fremførbart underskudd tidligere år	0	0
Sum forklart differanse	0	0

Betalbar skatt i balansen	2020	2019
Betalbar skatt i skattekostnaden	0	0
Skattevirkning av konsemdrag	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 2019 eller 2020.

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 tjenestepensjonsordning etter Lov om obligatorisk tjenestepensjon da det ikke har ansatte.

Kostnadsført godtgjørelse til revisor (ekskl. mva)	2020	2019
Lovpålagt revisjon (inkl. teknisk bistand med årsregnskap)	54 878	40 000
Andre attestasjonsjenester	0	0
Skatterådgivning (inkl. teknisk bistand med ligningspapirer)	14 475	25 000
Annen bistand	12 580	8 000
Sum godtgjørelse til revisor	81 933	73 000



APCOA Scandinavia AS

Noteopplysninger til årsregnskapet 2020

Note 9 Transaksjoner med nærstående parter

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

Selskapets transaksjoner med nærstående parter:	2020	2019
a) Salg av varer og tjenester		
Ingen transaksjoner med nærstående parter		
b) Kjøp av varer og tjenester		
Kjøp av tjenester:		
- Datterselskap (administrative tjenester)	53 100	53 493
Mottatt konsernbidrag fra konsernselskap er inntektsført som finansinntekt.	36 713 211	24 911 020
Mottatt utbytte fra datterselskap er inntektsført	0	0

Note 10 Spesifikasjon av annen finansinntekt og -kostnad

Annen finansinntekt	2020	2019
Valutagevinst	0	28 938 000
Annen finansinntekt	0	0
Sum annen finansinntekt	0	28 938 000

Annen finanskostnad	2020	2019
Valutatap	24 105 596	26 142 330
Annen finanskostnad	1	0
Sum annen finanskostnad	24 105 597	26 142 330



APCOA SCANDINAVIA AS
ÅRSREGNSKAP OG
ÅRSBERETNING 2020



ÅRSBERETNING 2020

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.

Arbetsmiljø

Bedriften har ingen ansatte.

Likestilling

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

Ytre miljø

Bedriften forurensrer ikke det ytre miljø.

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 2021. Utenlandsk datter er pålagt utbyttebegrensninger i 2021. Underliggende drift i alle døtre forventes uansett 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. Selskapene har sammenfallende fremtidsplaner og vekstambisjoner og styret har god tro på at datterselskapene sammen skal vokse videre.

Resultat, investeringer, finansiering og likviditet

Langsiktig gjeld til kredittinstitusjoner pr. 31.12.2020 er kr 408 mill. mot kr 385 mill. i 2019.

Gjelden er knyttet til en refinansiering i konsernet mot et internasjonalt konsortium bestående av investorer og banker. Låneavtalen omfatter et lån på EUR 380 mill. (Facility B) med en løpetid på 7 år, en garantiinje på EUR 50 mill. (Guarantee Facility) og en Revolving Credit Facility på EUR 35 mill. med en løpetid på 6 år. Lånene er sikret ved pant i aksjene i datterselskaper og kundefordringer i datterselskapene. Konsernselskapene hefter solidarisk for den totale gjelden. Solidaransvaret er dog begrenset av aksjelovens regler om denne type sikkerhet.



Årets negative resultat er på kr 6,65 mill.

Selskapet har mottatt konsernbidrag fra sin norske datter. Årsaken til underskuddet er knyttet til endringer i valutakurs på lån i utenlandsk valuta. Skattekostnaden er knyttet til økt utsatt skattefordel siden underskudd til fremføring øker.

Selskapet har pr 31.12.2020 en egenkapital på kr 104,9 mill., som er en forbedring fra fjorårets egenkapital på kr 75,8 mill. Det er gjennomført en kapitaløkning i selskapet som er hovedårsaken til forbedret egenkapital

Selskapets likviditetsbeholdning var pr. 31.12.2020 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 kjønt 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 EUR. Selskapet har både ekstern lånegjeld og interne fordringer.

Kreditrisiko

Selskapet har bare fordringer på konsernselskap. Det er ikke inngått avtaler om motregning eller andre finansielle instrumenter som minimerer kreditrisikoen 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 senariovurderinger våren 2020 som påviste en likviditetsrisiko. Som konsekvens av dette ble det i mai 2020 sikret ny finansiering, som konsernet anser som tilstrekkelig til å sikre videre drift inkludert en betydelig buffer for uforutsette hendelser. Erfaringene gjennom 2020 og starten av 2021 tilsier at tilbakevendingen av parkerende kommer raskt ved lettelse av tiltak. Det er i alle døtre et godt tilsig av nye kontrakter og lite frafall av kontrakter, som bør gjøre selskapene i stand til å levere overskudd også i 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 2020 på kr 104,9 mill. Likviditeten er sikret via konsernet. Lån er konserninternt eller sikret via konsernet



Årsresultat og disponeringer

Selskapets resultat etter skatt viser negativt kr 6 655 143

Styret foreslår følgende disponering

Reduksjon av annen egenkapital - kr 6 655 143

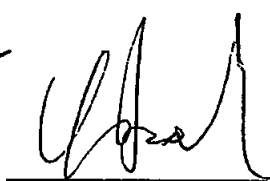
Sum overføringer - kr 6 655 143

Styret / Board APCOA Scandinavia AS

Oslo, 7. Mai / 7 May 2021



Philippe Op De Beeck
Styreformann / Chairman of
the Board



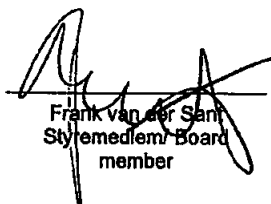
Steffen Bätjer
Styremedlem / Board
member



Julia Hennig
Styremedlem /
Board member



Rune Feltman
Administrerende Direktør /
Managing Director



Frank van der Sant
Styremedlem / Board
member



AUDITOR'S REPORT

APCOA Parking Holdings GmbH
Leinfelden-Echterdingen

Consolidated Financial Statements as of 31 December 2020 and the
Group Management Report for the Financial Year 2020

INDEPENDENT AUDITOR'S REPORT

(Translation -the German text is authoritative)







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APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2020

**APCOA Parking Holdings GmbH
Leinfelden-Echterdingen**

Group Management Report 2020



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2020

APCOA at a glance

	2020	adjusted
	T€	2019
		T€
Financial Performance Indicators		
Recurring EBITDA*	401	83,667
Recurring EBITDA-Marge %	0.1%	11.6%
CAPEX*	27,711	37,073
Free Cash Flow*	(56,711)	38,205
thereof payments for the acquisition of subsidiaries net of cash acquired	(18,310)	(40,190)
Consolidated Revenues	531,937	720,620
Net Loss	(114,450)	(3,819)
Total Balance Sheet	1,560,831	1,585,794
Equity and Minority Shares	(121,414)	41,991
Equity Ratio %	-7.8%	2.6%
Closing Balance of Cash and Cash Equivalents	65,030	53,803
Average Number of Employees	4,750	5,467

* Key performance indicator



APCOA PARKING Holdings GmbH, Leinfelden-Echterdingen – Group management report 2020

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1 General information

1.1 Business activity

APCOA PARKING Holdings GmbH Group (APCOA PARKING Group) is a pan-European provider 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 territories across Europe, APCOA PARKING Group manages around 1.5 million car parking spaces at approximately 11,500 locations. The company's revenue and earnings base is highly diversified in several respects, Geographically - the company is present in 13 countries, operates parking facilities in different sectors and by way of different types of contracts, namely both leases and management contracts. In addition, revenues are generated not only through short-term parking fees but also through long-term rental agreements of several months with long-term parkers, as well as through fees from monitoring and supervising the proper use of private parking spaces. The company has identified further opportunities to expand the revenue base in the future by developing alternative usage scenarios for unutilised parking spaces.

The management of car parks and multi-storey car parks is conducted across the core sectors of city locations, airports, hospitals, shopping centres, hotels, trade fairs and event locations. 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 parking, traffic and taxi management as well as reservation systems at airports and trade fairs).

The company is currently expanding its core business under the brand "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. Within the context of the trends of urbanisation, new mobility and increasing e-commerce, APCOA's pan-European network, comprising more than 11,500 locations in over 1,000 cities, offers great development potential for the company and its partners.

1.2 Ownership structure

APCOA PARKING Group is wholly owned by Park Luxco 3 S.C.A., a holding company with its headquarters in Luxembourg. Park Luxco 3 S.C.A. is owned by a number of other 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 Organisational structure

APCOA PARKING Holdings GmbH, Stuttgart, is the Group parent company. Besides APCOA Parking Holdings GmbH, the Group comprises 37 subsidiary companies (previous year: 34). In January 2020, all shares in XPERT Parkering Sweden AB in Sweden were acquired, and in December 2020, Security Park AS and its subsidiaries and associated company in Norway were acquired.

The Group is led by Philippe Op de Beeck, CEO, and Steffen Bätjer, CFO. Both represent APCOA PARKING Holdings GmbH as Managing Directors. As the Group's managing body, the Management Board bears, holds operational and strategic responsibility for the Group.

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.



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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 2020

APCOA PARKING Group's 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 centralised legal, IT, personnel, marketing, budget, financial controlling, Group accounting, internal audit and operational excellence support.



1.4 Products and services

APCOA PARKING Group offers a wide range of services within its Parking and Park&Guard activities. Alongside the management and marketing of car parks and parking spaces, such services include: traffic management, taxi management, shuttle management, valet parking, trolley services, parking space monitoring, 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 as well as the planning, financing, construction and operation of multi-storey car parks and parking spaces.

With the digitalisation 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 the end customer.

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 covering 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 over 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 undergoing consistent further development. In October 2020, FLOW exceeded the level of 1,000,000 registered users across all markets. In total, more than four million customers already use APCOA Group digital parking services.

APCOA FLOW is based on an open, digital and scalable platform which 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 realise new B2B partnerships with companies from the mobility, logistics, electrification and technology sectors. The first 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 branding of “APCOA Urban Hubs”.

The following are 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, a Stuttgart parking garage is used by a logistics service provider as a temporary warehouse 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. At Stuttgart Airport, the first parking garage for automated valet parking was equipped in October in partnership with Bosch and Daimler. Vehicles with Level 4 autonomous driving capabilities navigate the parking garage without a driver. The electric charging infrastructure of currently over 2,000 charging stations is also being further expanded throughout the Group. This is realised partly through concessions with industrial partners such as E.ON in Germany, and partly through the Group’s own investments, such as in Denmark, where APCOA purchases electricity and sells it on to customers. The Group’s parking areas



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are to be successively transformed into urban hubs. Further partnerships are already 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 utilised 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. At the end of 2020, a total of 10 of the 13 national companies already had corresponding platforms available for end customers to book seasonal and long-term parking spaces. The websites of the 13 national companies are constantly being optimised 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, 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 optimisation, orderly and targeted traffic flows, increased security and safety, and efficient and fair treatment of all passengers and drivers. In addition, the system contributes to high CO2 emission savings.

1.5 Business-relevant and market trends

APCOA PARKING Group's business is influenced by various external factors. These include, in particular, the long-term megatrends of urbanisation, new forms of mobility and digitalisation, as well as e-commerce. In the short term, the occurrence of the Covid-19 pandemic will also have a bearing on market trends.

The Covid-19 pandemic, which emerged in Europe from February 2020, caused very volatile frequency levels up until the end of the year. 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 in the number of transactions within a matter of a few weeks.

In the long term, however, fundamental trends such as urbanisation will shape market development and growth. Across the globe, an ever-increasing number of people are opting to live in cities, which as cultural and economic centres offer a high standard of living. 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 aspect of 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. In many cities, this has resulted in high urban traffic volumes, also due to 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. This means that 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 EUR 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. The 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 evident 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 of goods ordered online to end customers.

These developments open up new potentials for APCOA PARKING Group. In the context of the discussion surrounding the "smart city", APCOA PARKING Group sees 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 CO2 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 from which electrical energy can be generated. As a consequence, car parks hold the potential to contribute to the sustainable development of the city of the future as hubs in urban areas.

Increased digitalisation – in other words, the use of smartphones for navigation, reservation and payment – will also 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 centralised 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 utilised 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 one to three times per year.



1.7 Key performance indicators

The most important financial performance indicators of relevance for the management of APCOA PARKING Group include recurring EBITDA (earnings before interest, tax, depreciation and amortisation, 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 yet taken into account. At present, 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 utilisation. 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. 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 outflows attributable to M&A activities. Since this financial year, this indicator has been adjusted for M&A activities and financial assets. The previous year's figures have been adjusted accordingly. Here, too, IFRS 16 is not applied.

2 Economic and business report

2.1 Macroeconomic and industry parameters

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

The basis for this business is the high and growing vehicle fleet in the European Union, which currently stands at over 270 million. Over the six years up until 2019, the number of passenger car registrations in Europe rose to more than 15.3 million per year. Only in 2020 was this trend interrupted temporarily by the Covid-19 pandemic. According to the European Automobile Manufacturers Association (ACEA), registration figures in the EU decreased by 23.7% to 9.9 million. However, the number of vehicles in the EU remains at around 270 million.

In terms of the aforementioned trends of urbanisation, digitalisation including e-commerce, as well as the electrification of individualised transportation, new opportunities are arising for the use of space in parking infrastructure through proprietary services as well as services from partners. As part of the Urban Hub Initiative, new revenue channels with partners from the logistics, mobility, e-shop and proximity services sectors can be increasingly developed in this context in the future.

The strongest sector in terms of revenue within the APCOA PARKING Group portfolio is the City & Shopping Centres business unit. Here, the company is benefiting from the urbanisation megatrend, which is attracting even more 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 utilisation of local public transport as well as booming e-commerce represent a risk to the attractiveness of inner cities, as well as the greater emphasis on working from home offices.

The second-largest business unit, Travel, is 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 continued to grow, reporting an increase of 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, with passenger numbers in the European Union down by 70.2%, according to the Airports Council International Europe (ACI EUROPE). Despite the negative trend this year, 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 sector-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, APCOA PARKING Group is able to adjust parking fees where it has been specifically authorised by landlords in individual leasehold contracts. The leases for multi-storey car parks 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 optimise 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 multi-storey car parks. The top five parking managers at European level in terms of the number of parking spaces are 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

APCOA continues to be heavily impacted by measures geared to contain the coronavirus pandemic in early 2021, 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 the latest developments (continuation of lockdown and mobility restrictions in the first quarter of 2021), the management assumes that the spread of the coronavirus and the necessary containment measures, as well as associated reductions in frequency will have a significant negative bearing on business activities and the Group's financial position and performance in 2021 (see also 3 Forecast).

2.3 Business performance

The 2020 financial year was marked by unprecedented government-imposed lockdowns and mobility restrictions in Europe, which affected revenue and earnings in all APCOA PARKING Group markets from March, and then again from October. Revenue for the 2020 financial year decreased by T€ 188,683 or 26.2% year-on-year, and operating profit adjusted for non-recurring items (recurring EBITDA) was down by T€ 83,266 to T€ 401. In order to secure liquidity, investments were reduced by T€ 9,362 to T€ 27,711. A cash outflow occurred in the 2020 financial year, with free cash flow of T€ -56,711 being reported, compared with free cash flow of T€ 38,205 in the previous year. Cash outflows for business acquisitions and loans in the 2020 financial year amounted to T€ 18,310, and in the 2019 financial year to T€ 40,190.



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2.3.1 Results of operations

Income statement

	2020	adjusted 2019
	T€	T€
Sales revenues	531,937	720,620
Other income	15,909	15,108
Lease expense	(122,889)	(207,624)
Cost of material and of purchased services	(57,628)	(63,428)
Personnel expenses	(164,119)	(181,997)
Other expenses	(60,528)	(66,628)
Special effects	22,211	9,157
Application of IFRS 16	(164,492)	(141,541)
Recurring EBITDA	401	83,667
Application of IFRS 16 and special effects	142,281	132,384
Operating earnings before interest, taxes, depreciation and amortization (EBITDA)	142,682	216,051
Amortization / depreciation and impairment of intangible assets and of property, plant and equipment as well as right of use asset	(174,199)	(145,006)
Operating earnings before interest and taxes (EBIT)	(31,517)	71,045
Financial income	16,638	2,183
Financial expenses	(102,673)	(74,526)
Result in associated companies accounted for by at equity method	137	2
Earnings before income taxes (EBT)	(117,415)	(1,296)
Income taxes	2,965	(2,523)
Net gain / (Net loss) for the year	(114,450)	(3,819)
thereof attributable to		
Shareholders of the parent company	(113,948)	(3,594)
Minority shares	(502)	(225)

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

In the 2020 financial year, APCOA PARKING Group recorded total revenue down by 26.2% compared with the previous year (T€ 188,683).

The decrease in revenue was only partly offset. Recurring EBITDA amounted to T€ 401 in the 2020 financial year, which represents a decrease of T€ 83,266 compared to the previous year.

The net loss amounted to T€ 114,450 in the 2020 financial year, reflecting an increase of T€ 110,631 compared to the previous year. In addition to the deterioration in the operating result due to the lower revenue level, this was also due to higher impairment charges as well as financing expenses.

The following table shows the revenue for the 2020 financial year and the previous 2019 year from the respective regions of APCOA PARKING Group:

Revenue by region	2020		2019	
	T€	in %	T€	in %
North region	191,483	36.0%	249,446	34.6%
Central region	188,045	35.4%	277,796	38.5%
West region	103,310	19.4%	118,174	16.4%
South / East region	49,098	9.2%	75,203	10.4%
APCOA PARKING Group	531,937	100.0%	720,620	100.0%



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In the North Region comprising Norway, Sweden and Denmark, APCOA PARKING Group recorded a decrease in sales revenue of 23.2% compared with the previous year (T€ 249,446 to T€ 191,483). This is mainly due to reductions in frequencies caused by movement restrictions in the wake of the coronavirus crisis. Park&Guard and Parking Services were less affected by this and even reported revenue growth. The Swedish and Norwegian companies acquired in January and in December 2020 respectively, contributed a total of T€ 6,663 to consolidated revenue. OnePark A/S (North Region – Denmark), acquired in May 2019, contributed to revenue for a full year for the first time in 2020.

The Central Region was also hit very hard by the restrictions caused by the coronavirus crisis, with revenue down 32.3%. Germany reported the most significant decrease in revenue, with a reduction of 35.9%.

Compared to the other regions, the West Region recorded the smallest reduction in revenue of 12.6% (T€ 14,864). At 18.6%, the decrease in revenue from the Travel business unit, which is important for the Western Region, was significantly lower than in other regions. Revenue from Park&Guard and Parking Services, the largest segment in the West Region, even achieved growth of 5.0%. NCPS Group, acquired in August 2019, contributed to full-year consolidated revenue for the first time in 2020.

The South / East Region, as the smallest of all regions, recorded the highest percentage decrease in 2020, with a year-on-year reduction in revenue of 34.7%. While Poland registered a very moderate decrease of 4.3% compared to the previous year, the reduction in revenue in Italy was the largest within the APCOA Group with a decrease of 39.2% due to the early and long-lasting lockdown and mobility restrictions.

The following table shows a reconciliation of the operating result (EBITDA) with the key-performance indicator recurring EBITDA:

	2020	adjusted 2019
	T€	T€
Operating earnings before interest, taxes, depreciation and amortization (EBITDA)	142,682	216,052
Effect from the application of IFRS 16	(164,492)	(141,541)
Exit Readiness	492	2,648
M&A Opportunities	1,685	5,974
Restructuring	5,402	(61)
Advisory board costs	572	616
COVID19	2,382	-
Creation of accrual for pending losses	11,513	-
Other	165	(20)
Operating earnings before interest, taxes, depreciation and special effects (recurring EBITDA)	401	83,667

The operating result for the financial year under review includes special effects in the amount of T€ 22,211. The formation of provisions for onerous contracts (T€ 11,513), primarily in the United Kingdom, and restructuring expenses (T€ 5,402) contributed to this. Other significant special effects in 2020 relate to costs for M&A consulting (T€ 1,685) and for the Advisory Board (T€ 572).

Recurring EBITDA in the 2020 financial year was heavily affected by the reductions in revenue levels during the coronavirus crisis. Compared to the previous year, recurring EBITDA reported a significant decrease to T€ 401 in all regions. In 2020, recurring EBITDA was 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 income payments, leases with predominantly variable rents, or Park&Guard revenues, were in a better position than those with a high proportion of leases with fixed rental payments. Furthermore, various



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government assistance programs in response to the coronavirus crisis also contributed to earnings variability.



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2.3.2 Financial position

Capital structure and collateral

APCOA PARKING Group's equity ratio stood at -7.8% as of 31 December 2020.

The Group is mainly financed by a syndicated loan. The term of the loan amounts to seven years and ends in March 2024. This comprises a bullet loan of T€ 514,000 (Facility B), a bullet loan of T€ 78,000 (Facility B2) and a guarantee facility of T€ 30,000 (Guarantee Facility). The bullet loan (Facility B) was adjusted in February 2020 from originally T€ 420,000 to T€ 514,000. In May 2020, the new bullet loan (Facility B2) was raised in the amount of T€ 68,000 and increased to T€ 78,000 in June 2020. In 2020 financial year, the interest rate on the Term Loan (Facility B) was 3.75% and 7.25% on the Term Loan (Facility B2).

The lending agreement includes covenants, whereby compliance is checked regularly. These were adhered to as of 31 December 2020.

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 2020, APCOA PARKING Group had cash and cash equivalents of T€ 65,030. The following table shows the various credit facilities available to APCOA PARKING Group:

Credit Facility conditions				
		31.12.2020	Variable rate	Margin
		Actual		
Facility B	T€	514,000	EURIBOR	3.75%
Facility B2	T€	78,000	EURIBOR	7.25%
Revolving Credit Facility	T€	35,000	EURIBOR	3.50%
Guarantee Facility	T€	30,000	-	2.75%

The commitment fees for undrawn credit facilities are as follows: 1.225% for the Revolving Guarantee Facility and 0.9625% for the Guarantee Facility.

Credit lines	Line	31.12.2020		Uncalled
		Called-up		
	T€	T€	T€	
Revolving Credit Facility	35,000	1,003	33,997	
Local credit lines	350	-	350	
Total (Cash)	35,350	1,003	34,347	
Guarantee Facility	30,000	19,431	10,569	
Total (Guarantee)	30,000	19,431	10,569	

The local credit facilities are made available to APCOA PARKING Group in order to enable the Group to meet its short-term credit requirements. The Guarantee Facility also serves as a guarantee for APCOA PARKING Group's operating business. A guarantee in the amount of T€ 1,003 was issued under the revolving credit facility.



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The local lines comprised lines in Italy.

Investment

The following table shows the investments made in the 2020 and 2019 financial years:

	2020	2019
	T€	T€
Existing business	11,899	12,747
New business	8,728	13,462
Infrastructure	7,084	10,865
APCOA PARKING Group	27,711	37,073

In the 2020 financial year, investments of T€ 27,711 were made. Compared to the previous year, investments decreased by 25.3% (T€ 9,362), as the management of available liquidity was one of the main priorities of management in addressing the challenges of the coronavirus crisis.

The investments in the existing business of T€ 11,899 were primarily for the renewal and technological improvement of existing equipment in the course of contract extensions. Despite strong new business, investments (T€ 8,728) were kept within limits, as was the case in the area of digital infrastructure (T€ 7,084).

The following table shows the investments made in the regions in the 2020 and 2019 financial years:

	2020		2019	
	T€	in %	T€	in %
North region	5,359	19.3%	6,551	17.7%
Central region	14,779	53.3%	19,574	52.8%
West region	2,663	9.6%	2,124	5.7%
South / East region	3,315	12.0%	6,192	16.7%
Holding	1,595	5.8%	2,633	7.1%
APCOA PARKING Group	27,711	100.0%	37,073	100.0%

A total of 53.3% of all investments were realised in the Central Region, of which T€ 11,045 (39.9%) of the total investments were attributable to Germany.

Liquidity

Consolidated Cash flow statement	2020	adjusted
	T€	T€
Cash Flow from operating activities	127,970	218,998
Cash Flow from reorganisational cost	(6,731)	(9,863)
Cash Flow from operating activities	121,239	209,136
Cash Flow from investing activities	(43,255)	(65,982)
<i>thereof payment for acquisition of subsidiaries net of acquired cash and cash equivalents</i>	(10,805)	(38,190)
Free Cash Flow	77,984	143,154
Cash Flow from financing activities	(66,290)	(127,193)
Cash changes in cash and cash equivalents	11,694	15,961
Opening balance of cash and cash equivalents	53,803	37,794
Noncash changes in cash and cash equivalents	(373)	141
Closing balance of cash and cash equivalents before general allowance IFRS 9	65,124	53,896
General allowance on the value of cash and cash equivalents IFRS 9	(94)	(94)
Closing balance of cash and cash equivalents	65,030	53,803

The liquidity position grew by T€ 11,227 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 reorganisation, amounted to T€ 127,970 in the 2020 financial year, compared with T€ 218,998 in the previous year, representing a reduction of T€ 91,028. This change is mainly due to the sharp decrease in operating profit caused by the coronavirus crisis in 2020. Earnings before interest, tax, depreciation and amortisation (EBITDA) decreased by T€ 73,369 to T€ 142,682 in 2020.

Cash flow from operating activities was less affected by a negative cash flow from reorganisation and special effects of T€ -6,731 than in the previous year (T€ -9,863).

Cash flow from investing activities reduced by T€ 22,726, from T€ -65,982 to T€ -43,255, in the financial year under review, mainly due to the lower level of capital expenditure in the 2020 financial year. In addition, cash in the amount of T€ 10,805 was deployed for corporate acquisitions in the 2020 financial year (less cash and cash equivalents acquired).

Compared to the previous year, free cash flow decreased by T€ 65,170 to T€ 77,984, largely due to the reduced operating result, which was not fully offset by the reduced cash flow from investing activities.

The cash outflow from financing activities decreased by T€ 60,903 in 2020. In the 2020 financial year, loans increased by a total of T€ 205,082, while repayments of lease liabilities and financial liabilities of T€ 140,777 (2019: T€ 101,179), interest paid, bank charges and transaction costs of T€ 80,538 (2019: T€ 68,094), including interest on lease liabilities of T€ 50,079 (2019: T€ 50,270), had the opposite effect. The transactions with the shareholder led to a further cash outflow amounting to T€ 50,000 in 2020.

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):



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	2020	adjusted 2019
	T€	T€
Free Cash Flow (after application of IFRS 16)	77,984	143,154
EBITDA effect from application of IFRS 16	(164,492)	(141,541)
Changes in Working Capital, other assets and liabilities due to application of IFRS 16	12,367	(535)
Other changes due to IFRS 16	(880)	(3,061)
Free Cash Flow (excl. IFRS 16)	(75,022)	(1,984)
<i>thereof payment for acquisition of subsidiaries net of acquired cash and cash equivalents</i>	(10,805)	(38,190)
<i>thereof payment for granted loans</i>	(7,506)	(2,000)
Free Cash Flow (excl. IFRS 16) w/o acquisition of subsidiaries and loans granted*	(56,711)	38,205

*key performance indicator

2.3.3 Net assets

In the financial year under review, total assets decreased by T€ 24,963 to T€ 1,560,831.

	31.12.2020	adjusted 31.12.2019
	T€	T€
Consolidated Balance Sheet		
Intangible assets, property and right of use assets	1,387,467	1,424,537
Financial assets and other long-term assets	44,058	37,347
Short-term assets	64,276	70,107
Cash and cash equivalents	65,030	53,803
Total assets	1,560,831	1,585,794
Equity and non-controlling interests	(121,414)	41,991
Non-current liabilities	1,370,392	1,193,625
Current liabilities	311,853	350,178
Total liabilities	1,560,831	1,585,794

Intangible assets consist mainly of goodwill of T€ 355,931 (previous year: T€ 340,066), customer relationships capitalised of T€ 97,239 (previous year: T€ 104,038) and trademarks of T€ 26,257 (previous year: T€ 26,445). The acquisition of the Swedish company XPERT Parkering Sweden AB and the Norwegian-based Security Park Group (Security Park AS, Profectum AS and Automaten AS), and the resulting goodwill and capitalised customer relationships, exceed foreign currency effects and amortisation of customer relationships in the financial year under review.

Property, plant and equipment as well as rights of use assets were decreased by T€ 43,361 to T€ 885,939 in the reporting year. In the amount of T€ 41,918 this reduction is mainly attributable to rights of use assets for leased parking garages and office space, leased parking garage equipment and leased vehicles. The most significant drivers of the decrease were depreciation and impairment charges amounting to T€ 158,306, which significantly offset the additions to property, plant and equipment and rights of use assets amounting to T€ 125,137.

Financial assets and other non-current assets mainly include deferred tax assets of T€ 28,352 (previous year: T€ 30,189) and other financial assets of T€ 11,320 (previous year: T€ 4,400), the increase in which is attributable to the loan to the ParcBrux joint venture in Belgium, which will also be continued in 2020.



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Current assets decreased by T€ 5,831 year-on-year to T€ 64,276. The change is mainly due to a lower level of trade receivables and other financial assets, which decreased by T€ 12,167 to T€ 37,677 as a consequence of revenue reductions and a greater level of working capital management. This is offset by an increase in other assets of T€ 5,396 to T€ 22,913, mainly due to higher prepayments.

Cash and cash equivalents amounted to T€ 65,030, compared to T€ 53,803 in the previous year, reflecting a rise of T€ 11,227.

As of 31 December 2020, shareholders' equity including minority interests amounted to T€ -121,414, thereby decreasing by T€ -163,405 compared to the previous year. The equity ratio reduced overall from 2.6% to -7.8%. The decrease in the equity ratio is largely due to the net loss incurred for the year, and the net payment to the shareholder of T€ 50,000.

The increase in non-current liabilities by T€ 176,767 to T€ 1,370,392 is mainly due to the Group's higher level of debt, which is reflected in the increase of T€ 180,774 in the balance sheet item financial liabilities (non-current) to T€ 1,328,551 in the financial year under review. Deferred tax liabilities decreased by T€ 3,762 to T€ 33,764.

Current liabilities stood at T€ 311,853 as of 31 December 2020 (previous year: T€ 350,178). The reduction is mainly due to the decrease of T€ 28,642 in trade payables and other financial liabilities. Current financial liabilities reduced by T€ 10,832 to T€ 153,774, which is mainly due to a lower level of current leasing liabilities.

2.4 Overall assessment of the business and financial position

At the time of the preparation of the Group management report, the management considers 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 having a significant impact on the Group's business activities, despite gradual easing.

Since February (Italy) and March (rest of the Group) 2020, frequencies in the Group's car parks have reduced drastically owing to the increasing restrictions on public life and freedom of movement imposed by governments in Europe. From mid-April to October, the situation improved gradually, but without reaching the previous year's comparable level. From November onwards, frequencies decreased again due to the renewed restrictions.

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.

The lockdown had a significant negative effect on revenue, and thereby also on the company's profitability and liquidity position. As a consequence, the management launched a comprehensive package of measures in order to secure liquidity. The company has reduced or postponed investments and expenses, introduced short-time working and reduced or deferred lease and rental payments in agreement with landlords and partners. On 30 March 2020, the Swiss companies APCOA Parking Switzerland AG and APCOA Parking Service Switzerland AG took out government-guaranteed loans totalling TCHF 800 with a term of five years. In negotiations with the capital providers on the equity and debt side, the company achieved an amendment to its capital structure in order to secure the liquidity situation. On 27 May 2020, the owner made a cash contribution of T€ 40,000 to the capital reserves, and a further financing facility (Facility B2) of T€ 78,000 was drawn by the company. This bullet facility has the same seniority and maturity as the existing bullet facility of T€ 514,000 (Term Loan Facility B). The interest rate on this new facility amounts to 7.25% p.a. The interest rate of Term Loan B was adjusted by



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0.5% points and currently stands at 3.75%. The loan covenants were adjusted and rights arising from the delay in the transmission of the financial statements in 2020 were waived. In particular, the existing financial covenant was suspended until 31 March 2022 and replaced by a minimum liquidity requirement, which significantly reduces the risk of a covenant breach.

In the management'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.

Until the onset of the economic crisis caused by the Covid-19 pandemic at the start of the year, the management was concentrating 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 high levels 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 based on the new APCOA FLOW digital platform.

These measures were resumed and continued from the second quarter of 2020, following initial crisis management for the Covid-19 pandemic. Related consequences included a further increase in the contract portfolio thanks to new business.

Despite the significant decrease in frequency, the loss of revenue was limited, and the year 2020 was closed with a positive result and margin. At T€ 531,878, revenue amounted to just under 75% of the previous year's figure, and a positive recurring EBITDA of T€ 401 was achieved. The recurring EBITDA margin thereby amounted to 0.1%.

Operating cash flow stood at T€ 121,239 as of the end of 2020. At T€ 8,728, capital expenditure on new business – especially acquisitions, the existing infrastructure and digitalisation – was maintained at a significant level despite the testing situation, in order to create a good starting position for the period after the Covid-19 pandemic. The financing measures and the activities to protect working capital led to a net cash flow of T€ 11,227.

The contribution to earnings from new business amounted to T€ 7,398 in the financial year under review. In relation to the contribution to earnings in 2020, the customer retention rate – for 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 97.7%. With the extension of existing contracts and arrangement of new contracts as well as organic growth, APCOA PARKING Group has further strengthened its position as a European parking management company in a year marked by crisis.

Numerous new sites were added in the City & Shopping Centres business unit in 2020. These include the Im Klapperhof property in a city centre location in Cologne, a location in Amsterdam and two large shopping centres in Norway.

In the Travel business unit, APCOA started operations at the new BER airport in Berlin, and in Denmark, construction of a new 1,180-space car park at Billund airport was completed in February 2021. In the United Kingdom, APCOA extended the contract for London Heathrow Airport by a further eight years. A continuation of the partnership with Bari Airport in Italy was also agreed on terms that have been adjusted significantly in our favour.

In addition to the Elbphilharmonie Hamburg and the Allianz Arena Munich in Germany, the best-known portfolio properties in the events sector include Wembley Park in the United Kingdom. The company also has contracts with hotels such as the Adlon in Berlin and various properties of the Mövenpick chain. In 2020, a contract was signed for the operation of the car park of the future SportsDome in Hamburg's HafenCity. In Poland, APCOA will operate the parking areas of the zoo in Gdansk in the future.

Moreover, the company has further expanded its market position in the Healthcare & Education business unit. In Denmark, agreements were concluded for the operation of the car parks at the University Hospital in Aalborg. In Germany, the company will operate parking spaces for the municipal hospital in Braunschweig in the future. In the UK, the car park at the University



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Hospital in Hull and East Yorkshire was won, and the contract for the NHS Northwick Park hospital was awarded, as well as a further property in the healthcare sector in Norway.

In the Park&Guard and Services business unit, numerous contracts were concluded in the 2020 financial year. The biggest success was the addition of 229 locations with the Rewe Group in Austria. In Italy, the tender for the municipality of Monte Argentario was won, and in Belgium, the tender for Park&Guard for the city of Diest. In Ireland, the parking area of the Metro Hotel in Dublin was contracted, and in Switzerland, a contract was concluded with Lidl for the first time.

With the outbreak of the Covid-19 pandemic and repeated lockdowns in all 13 markets, the company had to face some challenges. The very positive business trend of recent years has thereby been interrupted – at least as far as 2020 is concerned – and the significantly negative performance in all key figures that was forecast in the management report has materialised. Despite the challenges and associated consequences, the company closes the 2020 financial year with both a positive result and positive net cash flow. This was only made possible thanks to the early and rigorous response on the part of the management. This response included not only a far-reaching reduction in expenditure but also making full use of available financial resources. Moreover, despite the difficult market environment, a new record result was achieved in the addition of new business. Successes were also recorded in the acquisition of further companies. For example, the Security Park Group and XPERT Parkering were acquired in Norway and Sweden. As a consequence, the company has continued to invest in new business for the future.



3 Forecast

The outbreak of the Covid-19 pandemic, and the government measures introduced to restrict mobility as a consequence, have led to a significant downturn in economic activity in Europe since the beginning of 2020, which will continue at least through the first quarter of 2021. APCOA PARKING Group has reflected the economic consequences in its financial forecasts.

For the current financial year, the Management Board expects a positive trend in all key figures, a significant increase in recurring EBITDA, a moderate expansion of capital expenditure as well as a significant rise in free cash flow compared to the previous year.

This estimate is based on the lifting of the mobility restrictions during the second quarter, and is supported by the progress of the Europe-wide vaccination programs, as well as the already confirmed findings on the effectiveness of the vaccines and the experience from the previous year that the lifting of the mobility restrictions leads to a rapid and significant increase in frequencies and revenues.

At present, the management is focusing on maintaining the company's liquidity. To this end, all measures required in order to maintain business operations in the short, medium and long term are being taken.

4 Report on opportunities and risks

4.1 Operational opportunities and risks

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

The centralisation 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.

APCOA PARKING Group has identified significant opportunities in the online marketing of its service portfolio, such as from short-term parking spaces, long-term parking contracts, season tickets or 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 Denmark, Germany, Italy, Norway, Austria, Poland and Sweden through which mobile, contactless parking services can be used 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 introduction of APCOA FLOW in further markets within APCOA PARKING Group is currently in preparation.

The ongoing development of existing digital services and the introduction of new solutions enable the further development and retention of end consumers, who can be reached for the first time in a personalised manner via these channels. Moreover, the parking areas are used for logistics, mobility, e-charging and technology services by partner companies. APCOA PARKING Group is leveraging these opportunities with further investment in central IT systems, the digitalisation of parking management systems and intensive partner management.

The Group's Park&Guard as well as traffic and taxi management product lines also present further opportunities. Furthermore, positive potential opportunities arise 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 site newly added to the portfolio. Rental increases can also lead to reduced profitability



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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 represent 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 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 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 materialise, a subsequent impact on EBITDA would arise.

The current Covid-19 pandemic confirms the risks described. The effects of this event exerted the expected negative impact on all key business figures. The management has taken measures to minimise 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 taking out further credit facilities in the 2020 financial year, 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 extend into 2021.

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.

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 minimise both asset and reputation risks in such cases. Important steps in this context include the systematic analysis of the Internal Control systems 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 local 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.



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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.

APCOA PARKING Group manages its insurance policies at Group level and insures itself, its management and its employees against risks that may result 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. APCOA PARKING Group implements a stringent strategy in order to optimise 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 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 2021, which was updated and extended to 2022 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, once a week all units prepare a rolling 17-week liquidity forecast by planning category.

Besides liquid assets of T€ 65,030, APCOA PARKING Group has at its disposal free credit lines of T€ 33,997 as of 31 December 2020.

APCOA PARKING Group's liquidity risk has increased due to the Covid-19 pandemic arising from March 2020, and its impact on revenue. As a consequence, on 27 May 2020, the owner made a T€ 40,000 cash capital contribution to the capital reserves, and the company drew down a financing facility (Facility B2) for T€ 78,000 (T€ 68,000 on 27 May 2020 and T€ 10,000 on 18 June 2020). Management has taken additional measures to ensure sufficient liquidity within the Group. These include reductions in rental payments through contract renegotiations, changes from 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 the rolling weekly 17-week forecast model in order to monitor the liquidity situation. 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 present, vaccination programs have started with varying degrees of progress. For this reason, restrictions and limitations are expected to continue until the pandemic recedes due to vaccination progress or weather conditions. In this respect, a slightly higher level of liquidity risk exists compared to 2019.

Refinancing risks

With the increase of the financing facility on 27 May 2020, a decision was taken that during an interim period until 31 March 2022, compliance with a minimum liquidity requirement would be monitored as the sole financial covenant. Satisfying this covenant forms a key element of the Group's planning, and compliance is monitored and reported to lenders at monthly intervals.



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Thanks to these adjustments made in relation the covenant in the interim period, the Group does not anticipate any increased refinancing risk until 31 March 2022.

As of the end of the interim period, the credit facility again requires compliance with the leverage ratio as a financial covenant based on 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 assumes that the leverage ratio can be maintained in 2022, or that the financing banks will continue to provide financing – including in the context of renegotiations.

Tax risks

Tax risks can arise for APCOA PARKING Group if local tax authorities fail to agree with 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 resulting tax risks could have a moderate short-term bearing on 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 APCOA PARKING Group. Receivables default risks are low as a result of APCOA PARKING Group's business model. This risk is further minimised by the wide geographical distribution of such receivables, and their spread across a large number of individual debtors. The elevated default risk in the parking facility management business unit arising from non-payers is reflected through value adjustments to individual accounts receivables.

Currency risks

Currency risks for APCOA PARKING Group arise primarily from investments, financing measures and operative activities. 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. 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 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 the 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. In the medium term, APCOA PARKING Group expects interest rates to remain low and assesses the risk of substantial rate increases to be minor. The relevant reference interest rate of APCOA PARKING Group is Euribor, and due to the agreed floor of 0%, a slight increase does not affect interest payments. Based on this assessment and to avoid additional financial costs (especially front-end fees), APCOA PARKING Group has currently deliberately decided against interest rate hedging of its variable rate liabilities. The company monitors and assess interest rate risks on a monthly basis so it can react quickly to changes in the market.



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5 Overall statement

The current management team took over the business of APCOA PARKING Group in the spring of 2016 and successfully concentrated its activities until the end of the 2019 financial year on the company's continued growth and 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 exploited opportunities in the area of Europe-wide parking space management until the end of the 2019 financial year. These major opportunities include increasing urbanisation, the growing need for mobility in metropolitan areas and the digitalisation 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, APCOA PARKING Group has expanded its market position as one of the leading European companies in parking management as well as its profitability in recent years.

The Covid-19 pandemic, which has also been active in Europe since March 2020, has presented management with a new situation. As a consequence, the focus was on protecting the workforce, securing liquidity and maintaining long-term business viability. Subsequently, the company also prepared for the fact that the exceptional situation may extend beyond 2020.

The management currently expects the economic situation to begin to recover substantially in the course of the second quarter of 2021, and then to a more pronounced extent in the second half of 2021. In 2020, in preparation for this, the company's strategy was further developed, and the APCOA Urban Hubs initiative was prepared, with the aim of establishing a new business segment for the marketing of parking spaces to B2B partners, especially in the medium term.

The company plans to return to its original growth path and further expand its strong position in the parking management market as from the second half of 2021. The company assumes that numerous opportunities will arise as a consequence of the current distortions in the market.

This expectation refers both to possible takeovers of competitors that have been weakened by the crisis as well as to the addition of further contracts with property owners that seek a service provider with a stable positioning. Last but not least, the partnerships with companies from the logistics, mobility, electrification as well as from the technology and proximity services sectors as part of the Urban Hubs are expected to make a substantial contribution in the future.

Leinfelden-Echterdingen, 26 March 2021

Philippe Op de Beeck

Steffen Bätjer

Managing Director

Managing Director



**APCOA Parking Holdings GmbH
Leinfelden-Echterdingen**

Consolidated financial statements
as of
31 December 2020



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements
as of 31 December 2020

APCOA Parking Holdings GmbH Leinfelden-Echterdingen Consolidated financial statements as of 31 December 2020

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APCOA Parking Holdings GmbH Leinfelden-Echterdingen
Consolidated income statement for the 2020 financial year

		2020	adjusted 2019
	Notes	T€	T€
Sales revenues	(11)	531,937	720,620
Other income	(12)	15,909	15,108
Lease expense	(9) (13)	(122,889)	(207,652)
Cost of material and of purchased services	(9) (14)	(57,628)	(63,428)
Personnel expenses	(15)	(164,119)	(181,997)
Other expenses	(9) (16)	(60,528)	(66,599)
Earnings before interest, taxes and depreciation / amortization (EBITDA)		142,682	216,052
Amortization / depreciation and impairment of intangible assets and of property, plant and equipment as well as right of use asset	(9) (17)	(174,199)	(145,006)
Earnings before interest and taxes (EBIT)		(31,517)	71,046
Financial income	(18)	16,638	2,183
Financial expenses	(9) (19)	(102,673)	(74,526)
Result in associated companies accounted for by at equity method	(23)	137	2
Earnings before income taxes (EBT)		(117,415)	(1,296)
Income taxes	(9) (20)	2,965	(2,523)
Net gain / (Net loss) for the year		(114,450)	(3,819)
thereof attributable to			
Shareholders of the parent company		(113,948)	(3,594)
Minority shares		(502)	(225)



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APCOA Parking Holdings GmbH Leinfelden-Echterdingen Consolidated statement of comprehensive income for the 2020 financial year

		2020	adjusted 2019
	Notes	T€	T€
Net gain / (Net loss) for the year		(114,450)	(3,819)
Other comprehensive income			
Currency effect of foreign subsidiaries		1,042	902
Gains / (losses) from the hedging of cash flows		145	39
Items that may be reclassified to profit or loss in the future		1,187	941
Remeasurement of defined contribution plans	(36)	(98)	(550)
Income tax effects		13	141
Items that are not to be reclassified to profit or loss in the future		(85)	(409)
Other comprehensive income after taxes		1,101	532
Total comprehensive income after taxes		(113,348)	(3,287)
thereof attributable to			
Shareholders of the parent company		(112,852)	(3,076)
Minority shares		(496)	(211)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements as of 31 December 2020

APCOA Parking Holdings GmbH Leinfelden-Echterdingen Consolidated statement of changes in equity for the 2020 financial year

Notes	Equity capital attributable to shareholders of the parent company									
	Subscribed capital (30) T€	Capital Reserve (31) T€	Revenue reserves (9) (33) T€	Remeasurement of defined benefit plans (32) T€	Reserve for cash flow hedges (32) T€	Reserve for currency differences (9) (32) T€	Other reserves (32) T€	Total T€	Minority shares T€	Total equity T€
As of 01.01.2019	104	818,058	(762,618)	(2,095)	(1,145)	(8,518)	1,273	45,060	292	45,352
Period result	-	-	(3,594)	-	-	-	-	(3,594)	(225)	(3,819)
Other comprehensive income	-	-	-	(409)	39	888	-	518	14	532
Total compreh. income for the period	-	-	(3,594)	(409)	39	888	-	(3,076)	(211)	(3,287)
Dividends paid to minority shares	-	-	-	-	-	-	-	-	(74)	(74)
As of 31.12.2019 adjusted	104	818,058	(766,213)	(2,504)	(1,106)	(7,630)	1,273	41,983	8	41,991
As of 01.01.2020	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)
Payments from shareholders	-	40,000	-	-	-	-	-	40,000	-	40,000
Dividends paid to minority shares	-	-	-	-	-	-	-	-	(57)	(57)
As of 31.12.2020	104	768,058	(880,162)	(2,589)	(980)	(6,593)	1,273	(120,869)	(545)	(121,414)



APCOA Parking Holdings GmbH, Leinfelden-Echterdingen – Consolidated financial statements
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APCOA Parking Holdings GmbH Leinfelden-Echterdingen
Consolidated statement of cash flows for the 2020 financial year

	Notes	2020 T€	adjusted 2019 T€
Group result before income taxes		(117,415)	(1,296)
Amortization / depreciation, impairment and value adjustments	(9) (17)	174,199	146,451
Appreciation in value	(17)	-	(1,445)
Financial result	(9) (18) (19)	85,898	72,341
Change in other assets		(6,394)	(627)
Change in trade receivables and other financial assets		11,968	(7,719)
Change in inventories		(24)	137
Change in provisions		1,513	(2,987)
Change in trade payables and other liabilities		(33,197)	15,712
Non-cash income and expenses		9,787	(3,185)
Income taxes paid		(5,097)	(8,247)
Cash flow from operating activity		121,239	209,136
Proceeds from the sale of property, plant and equipment and intangible assets		194	5,611
Investments in property, plant and equipment and intangible assets	(21) (22)	(25,139)	(31,303)
Payments for acquisition of companies valued at-equity		-	(100)
Payments for granted loans		(7,506)	(2,000)
Payments for acquisition of affiliated companies, excl. acquired cash and cash equivalents	(8)	(10,805)	(38,190)
Cash flow from investing activity		(43,255)	(65,982)
Payments-in from voluntary deposits in capital reserves		40,000	-
Dividends paid to non-controlling interest		(57)	(74)
Dividends paid to shareholders		(90,000)	-
Payments received from long-term financial debt	(34)	205,082	42,154
Repayment of financial debt		(34,736)	-
Redemption of liabilities from finance lease	(9) (34) (41)	(106,040)	(101,179)
Interest, bank charges and transaction cost paid	(19) (34) (41)	(80,538)	(68,094)
Cash flow from financing activity	(39)	(66,290)	(127,193)
Change in cash and cash equivalents		11,694	15,961
Opening balance of cash and cash equivalents		53,803	37,794
Currency-related changes in the value of cash and cash equivalents		(373)	141
General allowance on the value of cash and cash equivalents IFRS 9		(94)	(94)
Closing balance of cash and cash equivalents	(29)	65,030	53,803
Net change in cash and cash equivalents		11,227	16,009



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APCOA Parking Holdings GmbH Leinfelden-Echterdingen

Notes to the consolidated financial statements for the 2020 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 (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 result in 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 indirect shareholder in APCOA Parking Holdings GmbH.

Management co-investment program

As the parent company of APCOA PARKING Group, Park Luxco 3 S.C.A., a company under Luxembourg law that holds 100% of the shares in APCOA Parking Holdings GmbH, persons of APCOA PARKING Group together with further external individuals (together referred to as the co-investors) hold an indirect 12.50% interest via a co-investment company, Park Investment S.C.S.p. As of the balance sheet date, this group of individuals held 89.9% of the shares available for this purpose. The shares were offered to the co-investors in 2016 and 2017 at the respective current fair values. The fair value was calculated by an external valuer based on recognised valuation methods, including applying peer group earnings multiples. The co-investment program plans for the co-investors 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 co-investment 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, co-investors in this instance are entitled to the repurchase of 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.

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



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(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 2020, 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 (34) 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 (43) 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 2020 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.

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

The amendment to IFRS 3 Business Combinations clarifies that an integrated group of activities and assets must include at least one input of resources and one substantive process that, taken together, contribute significantly to the production of goods or services in order to qualify as a business. It is also clarified that a combination may constitute a business even if it does not include all the resource inputs and processes necessary to generate the output. This clarification has no effect on the first-time consolidations that took place in the financial year under review. The first-time application of these amendments did not have any effect on the financial position and performance.

On 28 May 2020, the IASB issued 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 as a consequence of the coronavirus pandemic. As a practical expedient, a lessee may 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. The amendments are to be applied for financial years commencing on or after 1 June 2020. However, early application is permitted, which APCOA has exercised for all qualifying leases. The amendments were applied to all Covid-19 rent concessions within the scope of the amendment, including those prior to 1 June 2020. 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 (12).

The amendments to IAS 1 and IAS 8 provide a new definition of “material”, stating that information is material “if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity”. The amendments specify that materiality depends on the nature or extent of the information, either in isolation or in combination with other information, against the



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background of the financial statements as a whole. Incorrect information is material if, under normal circumstances, it is likely to influence the decisions taken by the principal addressees. These amendments had no effect on the consolidated financial statements and are not expected to have any effect on the Group in the future.

In September 2019, the IASB published amendments to IFRS 9, IAS 39 and IFRS 7 in relation to the Interest Rate Benchmark Reform. The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide for various facilitation rules that apply to all hedging relationships directly affected by the reform of the benchmark rates. Such hedging relationships can be identified by the fact that the reform gives rise to uncertainty about the timing and/or amount of the benchmark rate-based cash flows from the hedged item or hedging instrument. As no cases of application exist at present within APCOA PARKING Group, the first-time application of these amendments did not have any effect on the financial position and performance.

The Conceptual Framework for Financial Reporting issued on 29 March 2018 is not a standard, and none of the concepts it contains take precedence over the concepts or requirements contained in the standards. In particular, the Conceptual Framework is intended to assist the IASB in developing standards, preparers of financial statements in developing consistent accounting policies when the accounting treatment of a transaction is not governed by a standard, and all parties in understanding and interpreting standards. This will affect those entities that have developed their accounting policies on the basis of the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities, and clarifications of some important concepts. These changes had no effect on the consolidated financial statements.

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

In January 2020, the IASB published amendments to IAS 1 on the 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 entity'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, 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.

In May 2020, the IASB published amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use. Accordingly, entities 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 recognised 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, 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 consider 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



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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, APCOA PARKING Group does not expect the first-time application of the amendments to have any effect on the consolidated financial statements.

In August 2020, the IASB adopted amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 in relation to the Interest Rate Benchmark Reform (IBOR Reform) – Phase 2. The amendments provide temporary relief when a reference interest rate (IBOR – Inter-bank Offered Rate) is replaced by an alternative near risk-free rate (RFR), and this has a bearing on financial reporting. The reliefs provide that contractual changes or changes in cash flows directly required by the reform are treated as changes in a floating rate, which is equivalent to a movement in the market rate. The amendments are to be applied for financial years commencing on or after 1 January 2021 and are to be applied retrospectively. Early application is permitted. APCOA PARKING Group is currently assessing the effect of the amendments on the consolidated financial statements.

In addition to the amendments described in detail above, the IASB has issued further pronouncements, the application of which is also not yet mandatory at the present time and whose applicability in some cases still requires adoption into EU law. 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 that are not mandatory until later financial years, APCOA PARKING Group does not currently plan any early adoption, except for the expressly stated early adoption of IASB amendments to IFRS 16: Covid-19-Related Rent Concessions.

(4) Consolidated Group

In addition to APCOA Parking Holdings GmbH, these consolidated financial statements include 37 (previous year: 34) companies that were fully consolidated as of 31 December 2020.

APCOA PARKING Sverige AB acquired all shares in XPERT Parkering Sweden AB (Xpert) as of 2 January 2020.

On 2 December 2020, APCOA Parking Norway AS acquired all shares in Security Park AS (Security Park) and 96.15% in Profectum AS (Profectum). Security Park in turn holds a direct 3.85% interest in Profectum and a 100% interest in Automaten AS (Automaten).

Alpina Parking Deutschland GmbH, Munich, was merged with APCOA PARKING Deutschland GmbH, Filderstadt, in 2020.

Subsidiaries

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



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Fully consolidated subsidiaries		31.12.2020	31.12.2019
Name	Head office	Capital share	Capital share
		parent company	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%
Alpina Parking Deutschland GmbH	München	-	100%
APCOA Parking Austria GmbH	Wien	100%	100%
Park & Control PAC Austria GmbH	Wien	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%	100%
Parking and Enforcement Agency Ltd	Belfast	100%	100%
APCOA Parking Italia S.p.A.	Mantua	100%	100%
Park & Control S.r.l.	Mantua	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 Parkeringsservice RPS AB	Stockholm	100%	100%
PS Park Smart AB	Stockholm	100%	100%
EPS Bevakning AB	Stockholm	100%	100%
XPERT Parkering Sweden AB	Malmö	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.	Warschau	100%	100%
APCOA Parking Nederland B.V.	Rotterdam	100%	100%
APCOA PARKING Belgium N.V.	Antwerpen	100%	100%
APCOA Parking Switzerland AG	Basel	51%	51%
APCOA Parking Service Switzerland AG	Biel	100%	100%
APCOA PARKING Luxembourg S.à r.l.	Luxemburg	100%	100%
Real Estate Schaffhausen GmbH	Schaffhausen	100%	100%

The following fully consolidated German Group companies utilised the exemption of Section 264 (3) of the German Commercial Code (HGB) in the 2020 financial year:

- 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 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% (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 the Supervisory Board of this company and thereby exercises significant influence over this associated



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company. With a balance sheet date of 31 March, the company's balance sheet date differs from the Group's balance sheet date.

(5) Other holdings

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

(6) Acquisitions

In 2020, APCOA made the following strategic acquisitions as part of the Group strategy:

a) XPERT Parkering Sweden AB

With effect as of 2 January 2020, APCOA PARKING Sverige AB acquired 100% of the shares in XPERT Parkering Sweden AB in order to strengthen its presence in Sweden and to drive growth. Xpert operates parking management with around 40,000 managed parking spaces in Sweden. The company was fully consolidated in APCOA PARKING Group on the acquisition date.

Since its initial consolidation on 2 January 2020, Xpert has contributed T€ 6,117 to consolidated revenue and T€ 1,238 to consolidated net profit.

The transaction costs for the acquisition of Xpert, which were recognised in other expenses for the 2020 financial year, amounted to T€ 275.

The transaction is classified as an acquisition in accordance with IFRS 3. The purchase price amounted to T€ 5,776 in cash, as well as a contingent purchase price payment depending on the future business development of Xpert, with a fair value of T€ 1,455. The maximum amount from the contingent purchase price is T€ 2,393. The goodwill arising from the acquisition amounting to T€ 6,851 consists mainly of components that cannot be separately identified, such as positive business prospects, synergies with existing operations and employee expertise.

In total, trade receivables from third parties with a gross value of T€ 99, which corresponds to the fair value and the expected fully recoverable receivables, were acquired.

	present value at acquisition date
Assets and liabilities	T€
Assets long-term	5
thereof other assets long-term	5
Assets short-term	1,725
thereof cash	1,437
thereof other assets short-term	289
Total assets	1,730
Liabilities short-term	(1,350)
Total liabilities	(1,350)
Net assets	380
Considerations transferred	7,231
thereof cash	5,776
thereof conditional	1,455
Goodwill	6,851

b) Security Park Group

With effect from 1 December 2020, APCOA Parking Norway AS has directly and indirectly acquired all shares in Security Park AS, Profectum AS and Automaten AS. The Security Park Group manages and markets parking facilities in Norway using technological solutions. The



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aim is to strengthen the presence in Norway and to accelerate growth. The companies were fully consolidated in APCOA PARKING Group on the acquisition date.

Since its initial consolidation on 1 December 2020, the Security Park Group has contributed T€ 546 to consolidated revenue and T€ 124 to consolidated net profit. If the acquisition had taken place on 1 January 2020, it would have contributed T€ 6,769 to revenue and a profit of T€ 601 to consolidated net profit.

The transaction costs for the acquisition of the Security Park Group, which were recognised in other expenses for the 2020 financial year, amounted to T€ 391.

The transaction is classified as an acquisition in accordance with IFRS 3. The acquisition price amounted to T€ 7,061 in both cash and contingent consideration. The contingent consideration depends on the future performance of the business; the fair value amounts to T€ 1,140, which corresponds to the maximum amount of the contingent purchase price obligation.

The goodwill arising from the acquisition amounted to T€ 7,298 and consists mainly of components that cannot be separately identified, such as positive business prospects, synergies with existing operations in Norway, and employee expertise.

In total, trade receivables from third parties with a gross value of T€ 346, which corresponds to the fair value and the expected fully recoverable receivables of T€ 326, were acquired.

As the acquisition occurred shortly before the balance sheet date, assets and liabilities were measured provisionally in accordance with IFRS 3.45; the finalisation of the measurement has not yet been completed. If this results in new information about facts and circumstances that existed at the time of the respective acquisition, the acquisition accounting will be adjusted accordingly.

	present value at acquisition date T€
Assets and liabilities	
Assets long-term	2,895
thereof customer contracts	1,028
thereof right of use assets	589
thereof other assets long-term	1,066
thereof deferred tax	212
Assets short-term	1,598
thereof cash	591
thereof other assets short-term	1,007
Total assets	4,494
Liabilities long-term	(1,330)
thereof deferred tax	(363)
thereof lease liabilities	(589)
thereof long-term financial liabilities	(379)
Liabilities short-term	(2,260)
Total liabilities	(3,590)
Net assets	903
Considerations transferred	8,201
thereof cash	7,061
thereof contingent	1,140
Goodwill	7,298



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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. APCOA PARKING Group controls an investee if it has power over the investee. In other words, 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. 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 APCOA PARKING Group holds less than the majority of voting rights, other facts and circumstances may mean that APCOA PARKING Group controls an investee (including contractual arrangements which give APCOA PARKING Group power over the investee). 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 APCOA PARKING Group acquires control and deconsolidated from the date when 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 at the time of acquisition. 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 recognised 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 recognised 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

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

The Group includes 23 (previous year: 19) 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 recognised in profit or loss.

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

Currency	ISO Code	Closing rate	Average rate	Closing rate	Average rate
		2020	2020	2019	2019
British pound	GBP	0.899030	0.889214	0.850800	0.877307
Danish krone	DKK	7.440900	7.454393	7.471500	7.466073
Norwegian krone	NOK	10.470300	10.724762	9.863800	9.849677
Polish zloty	PLN	4.559700	4.443177	4.256800	4.297529
Swedish krona	SEK	10.034300	10.488131	10.446800	10.586661
Swiss franc	CHF	1.080200	1.070309	1.085400	1.112672

(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 the notes to the consolidated financial statements. Actual developments may vary from the estimates and assumptions made.

Impact of the Covid-19 pandemic

Our business activities have been significantly affected by the pandemic and the associated uncertainties since March 2020. In particular, due to the still not fully foreseeable global consequences of the Covid-19 pandemic, the estimates and discretionary decisions made in connection with the assets and liabilities reported in 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. Furthermore, this information was taken into account in the tax planning prepared by the Norwegian subsidiary, as sufficient taxable income exists in the long term against which the loss carry forwards can be offset.

Trade receivables

All trade receivables are initially recognised 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 decline in the volume of receivables reduces such value adjustments on a portfolio basis accordingly, and



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vice versa. If individual receivables are at risk of default, estimates and assessments based on the respective customer's creditworthiness are included.

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 authorised 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 utilised 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 (21) Intangible assets.



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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 recognised 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. 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 utilisation.

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 recognised to the extent that sufficient taxable 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 assets 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 capitalisation 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 APCOA PARKING Group this is regularly the case if the exercise option lies within the detailed planning period and is reflected in planning.

For further information, please refer to note (10) Accounting and valuation methods, and (41) Information about leases.



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Adjustment according to IAS 8

On 1 January 2019, the company applied IFRS 16 Leases for the first time. In this context, rental payments for airports in Norway were classified as quasi-fixed under IFRS 16.B42(a)(ii). During 2020, APCOA determined that this classification is inaccurate as the payments are variable payments that are not included in the lease payments for purposes of calculating the lease liability and, subsequently, the right-of-use asset. Rather, variable lease payments that are not included in the measurement of the lease liability are recognised by the lessee in profit or loss in the period in which the event or condition that triggers these payments occurs (IFRS 16.38). As a consequence, the calculated deferred taxes also change.

Accordingly, the balance sheet as of 31 December 2019 overstates items of assets as well as liabilities. The change in revenue reserves is disclosed in the notes to the consolidated statement of comprehensive income, while the change in other reserves relates to currency translation effects in other comprehensive income. The following reconciliation summarises the effects on the consolidated balance sheet:

	As reported 31.12.2019	Adjustments 31.12.2019	adjusted 31.12.2019
Long-term assets	1,516,790	(54,906)	1,461,884
Property, plant and equipment and rights of use	983,742	(54,442)	929,300
Deferred tax assets	30,653	(464)	30,189
Total assets	1,640,701	(54,907)	1,585,794
	As reported 31.12.2019	Adjustments 31.12.2019	adjusted 31.12.2019
All that is attributable to the shareholders of the parent company Equity	40,337	1,646	41,983
Capital reserve	818,058	-	818,058
Other reserves	(9,963)	(3)	(9,966)
Revenue reserves	(767,862)	1,649	766,213
Total equity capital	40,345	1,646	41,991
Non-current liabilities	1,238,725	(45,100)	1,193,625
Financial liabilities	1,192,877	(45,100)	1,147,777
Current liabilities	361,631	(11,453)	350,178
Financial liabilities	176,059	(11,453)	164,606
Total liabilities	1,640,701	(54,907)	1,585,794

In the consolidated statement of comprehensive income, depreciation for rights of use assets and the interest expense for lease liabilities are reduced. Irrespective of the correction described above, a change in disclosure was made. Previously, lease expenses as well as expenses for materials and purchased services for office rent and incidental expenses were reported under other expenses. From 2020 onwards, expenses are reported directly in the corresponding items, and the previous year are adjusted accordingly. In summary, the changes in the reconciliation are as follows:



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	2019 reported	customized FRS16	Adjustments	2019 adjusted
	T€	T€	T€	T€
Sales revenues	720,620			720,620
Other income	15,108			15,108
Lease expense	(189,464)	(16,317)	(1,871)	(207,652)
Cost of material and of purchased services	(62,866)		(563)	(63,428)
Personnel expenses	(181,997)			(181,997)
Other expenses	(69,033)		2,434	(66,599)
Earnings before interest, taxes and depreciation / amortization (EBITDA)	232,368	(16,317)		216,052
property, plant and equipment as well as right of use asset	(160,198)	15,192		(145,006)
Earnings before interest and taxes (EBIT)	72,170	(1,125)		71,046
Financial income	2,183			2,183
Financial expenses	(77,765)	3,238		(74,526)
Result in associated companies accounted for by at equity method	2			2
Earnings before income taxes (EBT)	(3,410)	2,114		(1,296)
Income taxes	(2,058)	(465)		(2,523)
Net gain / (Net loss) for the year	(5,468)	1,649		(3,819)
thereof attributable to				
Shareholders of the parent company	(5,243)	1,649		(3,594)
Minority shares	(225)			(225)

Due to the adjusted EBITDA, the adjusted consolidated cash flow statement shows a reduced cash flow from operating activities, while the cash flow from financing activities is relieved of interest and repayments of the lease liability. The following reconciliation summarises the effects on the consolidated cash flow statement:

	2019 reported	Adjustments	2019 adjusted
	T€	T€	T€
Consolidated earnings before income taxes	(3,410)	2,114	(1,296)
Amortization and depreciation of intangibles Assets, property, plant and equipment and rights of use	161,643	(15,192)	146,451
Financial result	75,580	(3,238)	72,341
Cash flow from operating activities	225,452	(16,317)	209,136
Cash flow from investing activities	(65,982)	-	(65,982)
Repayment of debts from lease liabilities	(114,257)	13,078	(101,179)
Interest paid, bank fees, transaction costs	(71,332)	3,238	(68,094)
Cash flow from financing activities	(143,509)	16,316	(127,193)

(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 amortised 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 recognised impairment no longer apply, the asset is reinstated at the value it would have had if no impairment had been recognised in prior periods.

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

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In addition to goodwill, the balance sheet item intangible assets also includes licenses, rights of use assets, 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 amortisation 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

In the 2020 financial year, the contractual relationships were amortised over a remaining useful life of 15 years for the contractual relationships already existing in the previous year, and over 15 – 20 years for the contractual relationships acquired in the 2020 and 2019 financial years.

Service concession arrangements

IFRIC 12 draws a distinction between two types of service concession arrangements. In the first type, the operator records 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 recognises 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 recognising 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 records a corresponding intangible asset. The first-time application of this interpretation in the 2008 financial year had the effect that an intangible asset was capitalised 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 2020, will be written off over the contract period up to 2028. The carrying amount as of 31 December 2020 stands at T€ 1,942. The object of the association agreement is the building renovation of the parking area on the premises of Klinikum Augsburg (Augsburg Medical Clinic), on the one hand, and the related parking facilities management over a term of 20 years, on the other. 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. APCOA PARKING Group bears the operator risk. For this reason, the service concession arrangement is recognised 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€ 1,292 (previous year: T€ 1,790) were generated in this connection, and earnings of T€ 190 (previous year: T€ 486).

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



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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 recognised 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 a 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 owned assets.

Asset disposals are recognised 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. APCOA PARKING Group applies the following depreciation and amortisation 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 capitalised in accordance with IAS 38 "Intangible Assets".

Equity investments

All purchases and sales of equity investments are recognised 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 recognised 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 recognised 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 APCOA PARKING Group is country-based, the corresponding assets and goodwill were allocated to the respective countries as 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



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to determine recoverable value is the concept of fair value less costs to sell (net realisable value).

The Group is required to apply an appropriate measurement model to determine net realisable 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 2020

The periodic impairment test for APCOA PARKING Group's goodwill and brand marks was performed on 31 December 2020 (previous year: 31 December 2019). Updated financial plans approved by management form 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 5.09% and 6.52% (previous year: 5.11% and 7.42%). The pre-tax interest rate was between 6.04% and 8.49% (in the previous year between 5.14% and 7.63%). 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: 4 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 2021 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	2020	2019
	2020	2019		
Germany	5.09%	5.45%	1.00%	1.00%
United Kingdom	6.10%	7.05%	1.00%	1.00%
Norway	6.52%	-	1.00%	-
Italy	6.48%	7.42%	1.00%	1.00%
Belgium	5.54%	5.93%	1.00%	1.00%
Denmark	5.22%	5.33%	1.00%	1.00%
Sweden	5.75%	6.04%	1.00%	1.00%
Austria	5.39%	5.69%	1.00%	1.00%
Netherlands	5.20%	5.65%	1.00%	1.00%
Switzerland	5.12%	5.11%	1.00%	1.00%
Ireland	5.42%	5.94%	1.00%	1.00%

Based on the impairment test conducted as of 31 December 2020, no impairment losses were applied to the cash-generating units. It was also the case that in the previous year no impairment losses were recognised.

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 5.09% and 6.52% (previous year: 5.45% and 7.21%). The pre-tax interest rate lay between 6.77% and 8.01% (previous year: 5.53% and 7.35%). The detailed planning period was set at 5 years (previous year: 4 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



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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 recognised at cost (measured applying the weighted average cost method) or, to the extent required, at net realisable value, whichever is lower. Inventory risks due to limited saleability and excess inventories are adequately taken into consideration through valuation write-downs.

Trade receivables

Trade receivables are recognised 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 amortised 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 recognised 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 recognised through profit and loss when the contributions are due and are presented as a component of personnel expense. Contribution prepayments are capitalised if the prepayments will lead to a refund or a reduction of future payments.

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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 recognised 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 generally at fair value, with the exception of trade receivables, which are recognised at transaction price as a matter of principle. For purposes of the value measurement, IFRS 9 differentiates between the following categories of assets:

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

Financial liabilities are classified into two categories, by contrast:

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

Subsequent measurement is performed at fair value or amortised cost applying the effective interest rate method, depending on the categorisation 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. Amortised 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 recognised in other comprehensive income is transferred to retained earnings. Dividends are recognised 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 amortised cost or at fair value through equity. Under the general approach, expected losses are recognised as soon as the asset is recognised. 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 possible loan losses is recognised by recognising an impairment



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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.

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 recognised 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 amortised 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 utilisation 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 recognised 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 within 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 recognised through profit or loss. By contrast, if an effective hedge relationship pursuant to IFRS 9 exists, the hedge arrangement is recognised.

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 risk management objectives and strategies of the Group 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



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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 recognised directly in equity, net of deferred taxes, while the ineffective portion is recognised immediately in profit or loss. The amounts recognised 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 recognised 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 recognised in equity become part of the acquisition costs of the non-financial asset or non-financial liability as of the date of addition.

If a highly probable forecast transaction or firm commitment is no longer expected to occur, the amounts previously recognised 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 recognised 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 possible obligations or assets arising from past events whose existence or occurrence (or non-occurrence) depends on one or more uncertain future events, which 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 recognised at fair value if they are acquired as part of a corporate acquisition. Contingent receivables are not recognised. 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". This means that, with the exception of goodwill arising from consolidation, deferred taxes are formed for all temporary and quasi-permanent differences between the values recognised for assets and liabilities in the IFRS and tax balance sheet, 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 recognised directly in equity are recognised 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 carry forwards.

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.



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In principle, the lessee's rights and obligations for all leases must be recognised 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 utilisation 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.

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 amortised on a scheduled basis over the lease term.

With the exception of cleaning machines and parking space monitoring 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 recognised 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 (41) Information about leases.

Recognition and reporting of sales revenue

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 revenue 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 parking space monitoring in the event of corresponding violations. In accordance with IFRS 15, revenue is recognised 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 collective bargaining 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.

Revenues from short-term parkers comprise the short-term provision of parking space to customers. Revenue is realised 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 recognised at this time.



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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. Revenues from these leases are invoiced monthly, quarterly or annually, and recognised 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. Revenue from management contracts is also recognised 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 revenue in the Park&Guard and On-Street area, the Group generates revenue from the issuance of penalties on leased spaces with the parker as customer and similar services for management contracts. Revenue is recognised in relation to a point in time and depending on whether it is probable that the fines will be paid. If parking space monitoring is performed on behalf of the landowner, revenue is recognised 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 realised 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 recognised on an accrual basis as presented above.

Recognition of other income and interest income

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

Government grants

Government grants are recognised 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 recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs which the government grants are intended to compensate. The grants received are deducted from the corresponding expenses. If no corresponding expenses exist to offset the grants received, they are reported under other income.

Expense recognition

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



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3. Notes to the consolidated income statement

(11) Sales revenues

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

	2020	2019
	T€	T€
Sales revenues according to sales type		
Short-term parking	222,123	383,105
Management agreements	123,218	126,263
Contract parking	87,032	82,472
Parking facility monitoring and "On-Street"	65,894	76,829
Other services	38,159	57,697
Sales deduction	(4,489)	(5,745)
Total	531,937	720,620

Within the context of agency business and lease agreements, revenues from parking facilities monitoring are generated by the issuance of parking tickets for incorrect parking on private properties, while "On-Street" revenues are generated by issuing parking tickets for incorrect parking on public properties.

Other services mainly include income from the charging-on of operating costs as part of management agreements in the amount of T€ 10,602 (previous year: T€ 13,082), reimbursements of other administration and operating costs, and construction services in the amount of T€ 1,517 (previous year: T€ 6,832), 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€ 770 (previous year: T€ 7,917) and income from advertising activities in the amount of T€ 784 (previous year: T€ 1,068).

Revenues from Park&Guard and "On-Street" are recorded on the basis of a point in time, while revenues from management contracts and from long-term parking are recorded on a period-related basis. Revenues from other services are mainly recorded on a period-related basis.

Revenues by region are composed as follows:

	2020	2019
	T€	T€
Sales revenues according to region		
Region Central (Germany, Belgium, Luxembourg, Netherlands, Austria, Switzerland)	188,045	277,796
Region North (Norway, Sweden, Denmark)	191,483	249,446
Region West (United Kingdom, Ireland)	103,310	118,174
Region South/ East (Italy, Poland)	49,098	75,203
Total	531,937	720,620



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(12) Other income

	2020	2019
	T€	T€
Other income		
Income from negative variable rent payments according to IFRS 16 38(b)	6,751	-
Income from disposal of property, plant and equipment	1,535	1,812
Out-of-period income from adjusted trade receivables and other liabilities	807	1,974
Income from release of other provisions	442	1,637
Income from release of valuation allowance on trade receivables	379	60
Own work capitalized	259	3,080
Rental income	214	214
Foreign currency income	82	100
Income from admonition	5	194
Miscellaneous other income	5,435	6,037
Total	15,909	15,108

The income from negative variable rentals under IFRS 16.38(b) in the financial year under review is attributable to the amendments to IFRS 16: Covid-19-Related Rent Concessions. See also note 3 for further information.

Income from the disposal of property, plant and equipment in the 2019 financial year includes proceeds of T€ 377 from a sale and leaseback transaction.

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€ 278.

(13) Lease expenses

The company's lease expenses in the 2020 financial year are composed as follows:

	2020	adjusted 2019
	T€	T€
Lease expenses		
Variable	121,076	200,443
Fixed	5,685	7,075
Other lease expense	115	135
Incentive agreements	91	-
Government grants	(4,078)	-
Total	122,889	207,652

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 2020 relate to expenses for short-term leases or low-value leases. The other lease expense consists exclusively of lease instalments for advertising space.

The income from government grants received in the 2020 financial year relates to compensation for fixed lease expenses, which were issued on a country-specific basis in the context of the coronavirus crisis.



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(14) 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	2020	adjusted 2019
	T€	T€
Cost of maintenance and repair	21,478	19,386
Ancillary operating costs	16,491	14,830
External other services	12,892	19,233
Consumables	4,971	8,335
Other	1,795	1,645
Total	57,628	63,428

Maintenance repair costs rose year-on-year and include expenses for maintenance of T€ 14,299 (previous year: T€ 13,635) and expenses for the repair of technical equipment and buildings of T€ 7,179 (previous year: T€ 5,751).

External other services mainly relate to fees from external service providers in connection with parking space monitoring of T€ 4,552 (previous year: T€ 6,551), mainly in the United Kingdom. Significant further external services include expenses for payment cards of T€ 2,790 (prior year: T€ 5,186), T€ 1,522 (prior year: T€ 2,045) for cleaning services, T€ 884 (prior year: T€ 1,380) for cash management expenses in connection with customer payments received and T€ 614 (prior year: T€ 919) for snow removal.

The higher maintenance expenses (T€ 664) relate primarily to car parks in the UK and Ireland. The increase in expenses for maintenance and repairs (T€ 1,428) mainly relates to garages in Belgium and Denmark.

The decrease in external other services is mainly due to lower expenses for Park&Guard (T€ -1,998), especially in the United Kingdom, Norway, Italy and Belgium, and reduced transaction costs for payment cards (T€ -2,396), mainly in the United Kingdom. Furthermore, a decrease in expenses for cleaning services (T€ -523) as well as expenses for snow removal (T€ -305) is reported.

Ancillary operating costs comprise mainly energy costs of T€ 5,433 (previous year: T€ 5,513), other ancillary costs (e.g. water) of T€ 8,193 (previous year: T€ 6,194), and expenses for public charges in an amount of T€ 2,865 (previous year: T€ 3,119).

The decrease in energy costs of T€ -79 is primarily due to lower energy costs in car parks in Italy. The increase in other ancillary costs of T€ 1,999 arises mainly from the overall increase in operating costs in Germany.

Expenses for supplies mainly included the costs of general operating supplies required for sustaining operating activities and merchandise.

The year-on-year decrease of T€ -3,363 is mainly due to lower expenses in Poland and Denmark for Pay&Display (P&D) machines.

(15) Personnel expenses

The personnel expenses are composed as follows:

Personnel expenses	2020	2019
	T€	T€
Wages and salaries	139,667	152,830
Social security	19,500	24,222
Other short-term employee benefits	4,951	4,945
Total	164,119	181,997



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Wages and salaries for the financial year 2020 include bonus payments to the management in the amount of T€ 7,086 (previous year: T€ 5,103). In addition, the total includes severance payments incurred during the reorganisation in the amount of T€ 3,925 (previous year: T€ 502) made to employees who had left the company.

Pension expenses mainly comprise contributions to defined contribution pension plans in an amount of T€ 4,621 (previous year: T€ 4,824), as well as additions to pension provisions.

Further information about pension provisions can be found in note (36) Provisions for pensions and similar obligations.

In the financial year under review, government grants in the amount of T€ 8,374 were recognised as a reduction in personnel expenses. These are different governmental aid programs that were set up in the context of the coronavirus crisis in several countries where APCOA is active.

The number of employees reports the following changes as of 31 December 2020:

Staff	31.12.2020	31.12.2019
Workers	4,237	4,928
Employees	404	428
Management	109	111
Total	4,750	5,467

(16) Other expenses

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

	2020	adjusted 2019
Other expenses	T€	T€
Audit and consulting costs	11,725	10,107
IT expenses	7,313	6,186
Car pool (leasing, gasoline, etc.)	5,913	7,102
Expenses for temporary workers	5,494	7,947
Telecommunications	5,472	5,327
Insurance expenses	3,566	3,737
Marketing expenses	2,864	3,760
Addition to value adjustments concerning trade receivables	2,183	1,427
Expenses for office equipment	1,712	2,331
Expenses for business trips	1,554	3,715
Bank charges	511	562
Miscellaneous other expenses	12,220	14,400
Total	60,528	66,599

Other expenses decreased by T€ 6,071 in 2020, mainly due to the reduction in revenue in the context of the coronavirus crisis and the measures taken as a consequence. This is very clearly reflected in the decrease for temporary employees (T€ -2,453), business travel (T€ -2,161), vehicle fleet (T€ -1,189) and marketing expenses (T€ -896).

The increase in audit and consulting fees in the amount of T€ 1,619 is mainly due to higher expenses for M&A and auditing. The T€ 1,127 increase in IT expenses reflects increased digitalisation and flexibility to ensure the organisation's ability to operate.

Miscellaneous other expenses mainly include other administrative expenses of T€ 8,250 (previous year: T€ 2,633), public-sector levies of T€ 1,689 (previous year: T€ 1,932), and T€ 1,019 of costs for recruitment and further training (previous year: T€ 1,802).



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In the financial year under review, government grants in the amount of T€ 2,077 were recognised as a reduction in other expenses.

(17) 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 assets comprise both amortisation/depreciation and impairment losses, as well as reversals of impairment losses, and are comprised as follows as of 31 December 2020:

	2020	adjusted 2019
	T€	T€
Amortisation / depreciation		
Scheduled amortisation / depreciation	157,413	145,887
Non-scheduled amortisation / depreciation	16,786	564
Reversal of write-down	-	(1,445)
Total	174,199	145,006

Further details concerning amortisation, depreciation and impairment losses are provided in notes (21) Intangible assets, and (22) Property, plant and equipment and rights of use. The reversals of impairment losses in 2019 relate to lease usage rights impaired as part of the first-time adoption of IFRS 16 as of 1 January 2019.

(18) Financial income

	2020	2019
	T€	T€
Financial income		
Book value adjustment	12,645	-
Currency gains	3,821	1,864
Financial income from third parties and banks	171	208
Other financial income	-	111
Total	16,638	2,183

The increase in financial income is mainly due to the adjustment of carrying amounts and currency gains recognised in profit or loss.

The adjustment of the carrying amount through profit or loss was made in the context of the increase of the existing facility by T€ 94,000 in February 2020. The income is mainly due to the reduction in the interest rate.

Currency gains reported under financial income result from the periodic measurement of loans denominated in foreign currencies and the cash pool accounts in relation 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 (34) Financial liabilities, and (43) Group risk management.

(19) Financial expenses

	2020	adjusted 2019
	T€	T€
Financial expenses		
Interest expenses leasing	52,079	50,561
Financial expenses with banks	28,790	19,551
Book value adjustment	16,383	-
Currency losses	4,941	3,845
Other financial expenses	480	569
Total	102,673	74,526



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The increase in financial expenses is mainly due to the adjustment of the carrying amount recognised in profit or loss and the interest expenses for banks.

The higher financial expenses due to banks in 2020 in the year under review are due, firstly, to a regular drawdown of the revolving credit facility. In addition, the bank loan, which was taken out in March 2017 following the redemption of the existing syndicated loan, was increased by € 94 million nominal in February 2020, by a further € 68 million nominal in May 2020, and by € 10 million nominal in June 2020.

The adjustment to the carrying amount through profit or loss was made as part of the increase in the existing facility. The expense is mainly due to the increase in the agreed interest rate of Facility B from 3.25% to 3.75% as well as the newly borrowed Facility B2 with an interest rate of 7.25%.

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 2020 financial year, mainly at the subsidiaries in Norway and the UK.

Please refer to the comments in the note (43) Group risk management, for more information about financial income and expenses.

(20) 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 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 2020 was 31% (previous year: 31%).

The inventory of deferred tax assets and deferred tax liabilities as of 31 December 2020 was allocable to the following balance sheet items and losses carried forward:



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	Deferred tax assets		Deferred tax liabilities	
	2020	adjusted 2019	2020	adjusted 2019
	T€	T€	T€	T€
Allocation of deferred taxes				
Intangible assets	1,727	2,677	33,640	35,422
Property, plant and equipment	318	255	2,809	3,194
Assets in accordance with IFRS 16	-	-	195,946	213,850
Other financial assets	113	396	995	843
Financial liabilities	2,130	2,485	1,610	2,034
Other provisions	954	485	-	-
Provisions for pensions and similar obligations	482	495	-	-
Liabilities in accordance with IFRS 16	208,269	222,491	-	-
Other liabilities	44	103	107	281
Tax losses carried forward	7,717	6,087	-	-
Tax interests losses carried forward	6,050	12,106	-	-
Other	2,395	1,285	504	594
Sub-total	230,199	248,865	235,611	256,218
Netting *	(201,847)	(218,676)	(201,847)	(218,692)
Deferred taxes acc. to consolidated balance sheet	28,352	30,189	33,764	37,526
thereof from netting with equity	532	519	-	-

* According to IAS 12, deferred tax assets and deferred tax liabilities recorded for the same taxation authority must be netted if they satisfy certain criteria.

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

The interest carry forward of APCOA Parking Holdings GmbH amounts to T€ 51,106 (previous year: T€ 32,578), of which T€ 2,933 (previous year: T€ 8,771) was recognised as it is probable that it can be utilised in future periods.

The deferred tax liabilities allocable to intangible assets in the amount of T€ 33,640 (previous year: T€ 35,422) are attributable mainly to intangible assets, contractual relationships and brand marks identified in connection with the corporate acquisitions realised 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€ 25,800 (previous year: T€ 28,405) are non-current. Deferred tax liabilities in an amount of T€ 32,158 (previous year: T€ 35,808) 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:

	adjusted	
	2020	2019
	T€	T€
Current and deferred taxes		
Current tax expense	(764)	9,152
Deferred tax income	(2,201)	(6,629)
Total tax expense / (income)	(2,965)	2,523

Current tax income is attributable to the financial year under review. Tax income of T€ 427 (previous year: tax expense of T€ 531) arose from prior periods.

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) was determined by multiplying earnings



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before taxes by the corporate tax rate of 31% valid for the 2020 financial year (previous year: 31%).

	2020	adjusted 2019
	T€	T€
Tax reconciliation		
Earnings before taxes	(117,415)	(1,296)
Group tax rate (%)	31%	31%
Expected tax expense / (income)	(36,034)	(398)
Tax rate differences	585	(1,705)
Taxes relating to prior financial years	(427)	534
Non-recognition of deferred tax assets on losses carried forward	16,404	209
Use of losses carried forward without recognition of deferred taxes in prior years	(25)	(529)
Write off of activated losses carried-forward	6,182	-
non-recognized deferred tax assets on temporary differences	1,864	-
Non-deductible expenses	8,563	4,920
thereof		
tax effects from add-ons and reductions respecting local taxes	8,563	4,917
Other differences	(76)	(505)
Total tax expense / (income)	(2,965)	2,523

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 carry forwards exist in an amount of T€ 165,207 (previous year: T€ 93,414). Today's 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 carry forwards that existed in 2020, no deferred tax assets were formed for an amount of T€ 132,245 (previous year: T€ 64,817), as realisation 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 carry forward in Luxembourg (here: 17 years), the reported tax loss carry forwards can be carried forward indefinitely in accordance with IAS 12.81 (e).

	Unused tax loss carryforwards for the not active deferred taxes were formed		Expiration date within
	31.12.2020	31.12.2019	
	T€	T€	
APCOA Parking UK Ltd., United Kingdom	55,186	35,542	can be carried forward indefinitely
APCOA Parking Holdings GmbH, Germany	36,270	-	can be carried forward indefinitely
APCOA Parking Holdings UK Ltd., United Kingdom	18,972	16,558	can be carried forward indefinitely
APCOA Parking Services UK Ltd., United Kingdom	13,120	12,034	can be carried forward indefinitely
APCOA Parking Luxembourg S.à.r.l., Luxembourg	3,534	-	More than 5 years
APCOA Parking Ireland Ltd.	1,420	-	can be carried forward indefinitely
APCOA Parking Austria GmbH, Austria	1,318	-	can be carried forward indefinitely
APCOA Parking Switzerland AG, Switzerland	1,089	-	can be carried forward indefinitely
APCOA Parking Services Switzerland AG, Switzerland	794	-	can be carried forward indefinitely
APCOA PARKING Belgium N.V., Belgium	485	683	can be carried forward indefinitely
Nationwide Controlled Parking Systems Ltd.	35	-	can be carried forward indefinitely
APCOA Facilities Management (UK) Ltd., United Kingdom	22	-	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.

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4. Notes to the consolidated balance sheet

(21) Intangible assets

	01.01.2020		Addition to scope of consolidation	Additions		Disposals	Reclassifications	Currency translation		31.12.2020	
	T€	T€		T€	T€			T€	T€	T€	T€
Acquisition costs											
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											
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	
Trademarks	-	-	-	-	-			-		-	
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											
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	



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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	Additions	FX effects	Goodwill	Impairment
	31.12.2019 T€	2020 T€	2020 T€	31.12.2020 T€	2020 T€
Germany	137,369	-	(75)	137,294	-
United Kingdom	9,268	-	(497)	8,771	-
Norway	-	7,292	44	7,336	-
Italy	44,708	-	-	44,708	-
Belgium	10,978	-	-	10,978	-
Denmark	72,011	-	296	72,307	-
Sweden	40,134	6,845	1,938	48,917	-
Austria	5,617	-	-	5,617	-
Netherlands	11,166	-	-	11,166	-
Switzerland	4,693	-	23	4,715	-
Ireland	4,122	-	-	4,122	-
Total	340,066	14,137	1,729	355,931	-

As in the previous year, no impairment losses were recognised in relation to the goodwill acquired in the 2020 financial year.



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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					
	31.12.2020			31.12.2019		
	WACC	WACC +1%	WACC -1%	WACC	WACC +1%	WACC -1%
T€	T€	T€	T€	T€	T€	
Germany	496,098	296,250	823,774	657,313	502,445	902,040
United Kingdom	126,047	98,330	167,222	93,325	79,666	112,389
Norway	143,891	118,065	181,049	-	-	-
Italy	78,129	41,358	131,255	75,332	57,642	99,545
Belgium	9,327	2,176	20,511	33,403	23,928	47,722
Denmark	142,491	92,359	223,653	271,630	205,486	377,530
Sweden	77,969	52,717	116,883	127,588	99,117	170,182
Austria	60,562	41,348	91,280	37,949	28,393	52,683
Netherlands	5,254	(6,434)	24,003	7,420	2,783	14,626
Switzerland	28,557	19,302	43,339	34,697	26,476	48,216
Ireland	74,779	56,505	103,657	37,534	28,765	50,774

The overall decrease in the surplus compared to the previous year, especially in Germany and Denmark, is due to the reduction in planning assumptions due to the Covid-19 pandemic.

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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					
	31.12.2020			31.12.2019		
	Growth +/-0% T€	Growth +1% T€	Growth -1% T€	Growth +/-0% T€	Growth +1% T€	Growth -1% T€
Germany	496,098	788,893	318,453	657,313	868,818	523,484
United Kingdom	126,047	160,574	102,841	93,325	109,076	82,039
Norway	143,891	175,840	121,741	-	-	-
Italy	78,129	123,569	46,707	75,332	95,078	60,906
Belgium	9,327	19,103	3,082	33,403	45,652	25,288
Denmark	142,491	214,413	98,113	271,630	363,262	214,371
Sweden	77,969	111,974	55,792	127,588	163,843	103,331
Austria	60,562	88,200	43,175	37,949	50,660	29,703
Netherlands	5,254	21,929	(5,008)	7,420	13,817	3,289
Switzerland	28,557	42,559	20,022	34,697	46,548	27,484
Ireland	74,779	99,926	58,910	37,534	48,794	30,066

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€ 3,071 as of the reporting date (previous year: T€ 3,260). 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.



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

	01.01.2020		Addition to scope of consolidation		Additions		Disposals		Reclassifications		Currency translation		31.12.2020	
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Acquisition costs														
Land, land rights and buildings and buildings on third party land	16,606	-	-	388	-	(7)	378	(583)	16,781					
Technical equipment and machines	91,698	801	10,543	3,755	(2,566)	3,755	(1,007)	103,224						
Other equipment, operating and office equipment	37,825	58	3,431	1,261	(2,389)	1,261	(444)	39,742						
Right of use assets IFRS 16	970,902	578	104,631	104,631	(15,689)	(6,448)	(6,448)	1,053,480						
Advance payments and assets under construction	6,619	-	5,065	-	-	-	(6,342)	(309)	5,034					
Total	1,123,650	1,437	124,068	124,068	20,653	(8,789)	(1,432)	(8,789)	1,218,281					
Accumulated amortization														
Land, land rights and buildings and building on third party land	5,642	-	1,036	8	-	(7)	-	(365)	6,486					
Technical equipment and machines	48,840	338	10,113	2,938	-	(2,560)	260	(643)	59,106					
Other equipment, operating and office equipment	23,818	30	5,100	-	(2,334)	159	(390)	26,383						
Right of use assets IFRS 16	115,851	-	127,154	11,955	-	(14,089)	-	(533)	240,357					
Advance payments and assets under construction	-	-	-	-	-	-	-	-	-					
Total	194,351	368	143,405	14,901	-	(18,971)	439	(2,151)	332,342					
Carrying amounts														
Land, land rights and buildings and buildings on third party land	10,764	-	-	-	-	-	-	-	10,285					
Technical equipment and machines	42,858	14,007	13,359	13,359	-	-	-	-	44,118					
Other equipment, operating and office equipment	14,007	855,051	813,133	813,133	-	-	-	-	13,359					
Right of use assets IFRS 16	6,619	6,619	5,034	5,034	-	-	-	-	5,034					
Advance payments and assets under construction	929,300	-	885,939	885,939	-	-	-	-	885,939					
Total	929,300	885,939	885,939	885,939	-	-	-	-	885,939					



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The property, plant and equipment are subject to reservations of ownership and restraints on disposal in the amount of T€ 1,037 as of 31 December 2020 (previous year: T€ 1,171). Moreover, debts were collateralised through assigning property, plant and equipment in an amount of T€ 6,156 (previous year: T€ 5,844). As of the balance sheet date, contractual obligations concerning purchases of property, plant and equipment were reported in the amount of T€ 843 (previous year: T€ 221). This mainly relates to contractual obligations in Italy for the purchase of technical equipment.

The impairment losses of T€ 11,955 (prior year: T€ 515) on rights of use assets 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 17 rights of use from leased parking spaces impaired in 2020 stands at T€ 33,623 as of the end of the financial year under review. 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€ 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. An amount of T€ 8 (previous year: T€ 50) relates to buildings on land owned by a subsidiary in Sweden. In the previous year, write-ups of T€ 1,445 were recognised.

(23) Investments in equity accounted companies

APCOA holds a 13.33% interest in AGILE PARKING SOLUTIONS PRIVATE LIMITED (associated company) and a 50% interest in ParcBrux BVBA (joint venture). Both equity accounted investments are non-significant associates or joint ventures in the meaning of IFRS 12.

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

	2020	2019
	T€	T€
Not material investment in associates accounted for by at equity method		
Book value of investment	1,425	1,435
APCOA share of result	(10)	(109)
Other result	-	-
	2020	2019
	T€	T€
Not material investment in joint ventures accounted for by at equity method		
Book value of investment	358	211
APCOA share of result	147	111
Other result	-	-

(24) 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 recognised directly in other comprehensive income as these investments are not part of the core business but are held for strategic purposes.



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	Fair Value	Dividends received
	31.12.2020	
	T€	T€
Designated equity instruments at present value - not affecting net income		
Airport Parking Graz GmbH, Austria	90	-

(25) Other financial assets

Other long-term liabilities are composed as follows:

	31.12.2020	31.12.2019
	T€	T€
Other (long-term) financial assets		
Long-term trade receivables third parties	932	1,245
Receivables against associated companies accounted for by at equity method	9,533	2,028
Collateral provided	855	944
Other financial assets	-	183
Total	11,320	4,400

Non-current receivables relate to loan receivables from the joint venture in Belgium (T€ 9,533) 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.

(26) Other assets

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

	31.12.2020	31.12.2019
	T€	T€
Other non-current assets		
Accrued amounts and prepayments	2,388	798
Total	2,388	798

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

	31.12.2020	31.12.2019
	T€	T€
Other current assets		
Accrued amounts and prepayments	18,040	12,819
VAT receivables	2,328	1,328
Remaining other assets	2,544	3,369
Total	22,912	17,517

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

(27) Inventories

Inventories amounted to T€ 1,417 as of the balance sheet date (previous year: T€ 1,393). The inventories in the Group relate primarily to spare parts for car park ticketing machines, parking tickets, attire and other consumables.

(28) Trade receivables and other financial assets

Trade receivables and other financial assets are composed as follows:



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	31.12.2020	31.12.2019
	T€	T€
Trade receivables and other (current) financial assets		
Trade receivables from third parties	35,089	48,305
Other financial assets	2,588	1,539
Total	37,677	49,844

Other financial assets consist mainly of creditor accounts with debit balances in the amount of T€ 1,837 (previous year: T€ 1,008) and security deposits in the amount of T€ 421 (previous year: T€ 418).

In the 2020 financial year, trade receivables and other financial assets include receivables in the amount of T€ 1,318 from government grants that have not yet been paid to the Norwegian subsidiary.

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

Analysis of value-adjusted trade receivables and other financial assets	Carrying amount		not overdue				
	31.12.2020	31.12.2020	1 - 30 days	31 - 90 days	thereof overdue		
	T€	T€	T€	T€	91 - 180 days	181 - 360 days	> 360 days
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

Analysis of value-adjusted trade receivables and other financial assets	Carrying amount		not overdue				
	31.12.2019	31.12.2019	1 - 30 days	31 - 90 days	thereof overdue		
	T€	T€	T€	T€	91 - 180 days	181 - 360 days	> 360 days
Trade receivables from third parties	53,513	30,552	7,402	4,896	2,944	4,792	2,927
Value adjustments	(5,207)	(759)	(699)	(865)	(601)	(1,224)	(1,059)
Other financial assets	1,539	1,539	-	-	-	-	-
Total	49,845	31,332	6,704	4,031	2,343	3,568	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 is taken into consideration in this context. Furthermore, macroeconomic inputs such as country ratings are included to take future developments into consideration. These are utilised 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 realisable 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 year-on-year increase in impairment adjustments of T€ 373 was reported in the year under review. This can be attributed to the expansion of business operations in previous years and a slight increase in risk provisions in the financial year.

Of the receivables for leased parking spaces, T€ 1,452 (previous year: T€ 1,732) 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	2020	2019
	T€	T€
As of 31.12.2019	5,207	4,791
Additions (expenses for value adjustments)	4,019	3,833
Additions / releases due to credit improvements / deteriorations long-term claims	-	28
Utilisation	(636)	(1,269)
Reversal	(3,015)	(2,175)
Currency translation	4	-
As of 31.12.2020	5,580	5,207



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Trade receivables in the amount of T€ 890 (previous year: T€ 584) are subject to enforcement measures.

(29) Cash and cash equivalents

	31.12.2020	31.12.2019
	T€	T€
Cash and cash equivalents		
Bank	60,383	40,008
Bank balances subject to restraint on disposal	1,976	1,797
Cash in parking facilities	1,303	2,994
Cash on hand	786	2,994
Cash in transit	583	6,009
Total	65,030	53,803

Cash and cash equivalents were comprised of 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€ 55,467 (previous year: T€ 26,158) were pledged as security for the credit agreement. However, these accounts are freely available for the financial arrangements of APCOA PARKING Group. The bank balances that are subject to disposal restrictions include bank credit balances in the amount of T€ 1,976 (previous year: T€ 1,797), which the Group may only use for specific purposes owing to statutory provisions or contractual obligations.

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	Book value less allowance
			%	31.12.2020	31.12.2020
				T€	T€
A	AAA - BBB-	0 - 0,4	expected defaults till 12 month	60,476	60,383
B	BB+ - B-	n/a	expected defaults till 12 month	-	-
C	CCC - D	n/a	expected defaults over whole maturity	-	-
Other				4,647	4,647
Total				65,123	65,030

The classification of the credit risk of the payment instruments into the individual risk classes was based on the rating of the individual banks. The expected credit loss was approximated using CDS spreads, which already include forward-looking information.



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(30) Subscribed capital

The subscribed capital amounted to € 103,896 as of 31 December 2020 (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.

(31) Capital reserve

The capital reserve amounted to T€ 768,058 as of 31 December 2020 (previous year: T€ 818,058). 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.

(32) 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 recognise differences from the currency translation of the foreign subsidiaries' financial statements.

(33) Revenue reserves

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

In the previous year, as a consequence of the first-time application of IFRS 16, an amount of T€ 1,623 was recognised as of 1 January 2019, as well as deferred taxes of T€ 320 recognised in relation to this.

(34) Financial liabilities

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

Financial liabilities	31.12.2020	Residual term	Residual term	Residual term
	T€	< 1 year	1-5 years	> 5 years
Liabilities to banks	587,828	271	587,557	-
Liabilities from finance leases	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



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

Financial liabilities	adjusted	Residual term < 1 year	Residual term 1-5 years	Residual term > 5 years
	31.12.2019 T€			
Liabilities to banks	412,256	201	409,901	2,154
Liabilities from finance leases	892,836	159,532	441,791	291,513
Collateral received	2,688	2,286	402	-
Other financial liabilities	3,101	2,586	515	-
Derivative financial instruments	1,502	-	-	1,502
Total	1,312,382	164,606	852,608	295,169
Original financial instruments	1,310,881	164,606	852,608	293,667
Derivative financial instruments	1,502	-	-	1,502

The derivative financial instruments are comprised exclusively of 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 mainly financed by a syndicated loan. The syndicated loan comprises a bullet loan of T€ 514,000 (Facility B, previous year: T€ 420,000) and a bullet loan of T€ 78,000 (Facility B2) maturing in March 2024, a guarantee facility of T€ 30,000 maturing in March 2023 and a revolving credit facility of T€ 35,000 maturing in March 2023. As of 31 December 2020, the guarantee line had been drawn in the amount of T€ 19,431, and the revolving credit facility in the amount of T€ 1,003. The revolving credit facility was utilised by drawing on a bank guarantee.

Covenants based on the consolidated figures of APCOA PARKING Group before IFRS 16 were agreed in the syndicated lending agreement. The management of APCOA PARKING Group and the syndicate banks regularly review compliance with these covenants.

The following table shows the contractually agreed (undiscounted) interest and redemption payments for the primary financial liabilities and the derivative financial instruments of the Group. The values shown 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 2020 were composed as follows:



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This includes all instruments held on 31 December 2020 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 2020. 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	31.12.2020 Pledged shareholding	31.12.2019 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, third-party receivables (including trade receivables) and receivables from consolidated subsidiaries have been assigned under the relevant national law (for example, 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 receivables assigned to third parties amounted to T€ 26,651 as of the balance sheet date (previous year: T€ 39,045). Furthermore, bank deposits have also been assigned as collateral to credit agreements. The carrying amount of the assigned deposits stands at T€ 55,467 as of the balance sheet date (previous year: T€ 26,158).

	31.12.2020 T€	31.12.2019 T€
Secured financial liabilities to banks	602,293	422,355
Net carrying amounts of loaned assets	82,119	65,203

A cross-guarantee system exists between the borrowers and other significant Group companies, which have provided guarantees as personal securities. The lender is entitled to realisation if the credit lines are cancelled, which for example is possible if the borrowers do not satisfy 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.



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(35) Other provisions

Other provisions report the following changes:

Other provisions	Anticipated	Rents	Personnel	Other	Total
	losses				
	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

Other provisions	Anticipated	Rents	Personnel	Other	Total
	losses				
	T€	T€	T€	T€	T€
As of 01.01.2019	15,131	1,083	2,343	14,336	32,893
Change in accounting principles IFRS 16	(15,119)	-	-	(1,953)	(17,072)
Additions	-	2,328	1,472	835	4,635
Utilisation	(12)	(1,179)	(1,858)	(3,938)	(6,987)
Reversal	-	(477)	-	(1,036)	(1,513)
Interest expense from compounding and int. rate changes	-	-	-	5	5
Reclassification	-	-	-	6	6
Currency differences	-	1	3	68	73
As of 31.12.2019	-	1,756	1,960	8,323	12,039
thereof current	-	1,756	1,960	4,621	8,337
thereof non-current	-	-	-	3,703	3,703

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 reorganisation of APCOA PARKING Group for severance and redundancy payments of T€ 2,314 and for restructuring of T€ 1,442.

Furthermore, miscellaneous other provisions mainly relate to the Italian company APCOA Parking Italia S.p.A. in an amount of T€ 2,391 (previous year: T€ 3,492).

The Italian subsidiary has received tax assessments from the municipal authorities in Palermo for garbage 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 2020 and capitalised a recourse claim in the same amount.

(36) Provisions for pensions and similar obligations

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

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



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incurs no further performance obligations or risks. The current contribution payments are recognised as expenses for the current year in the operating result and amounted to a total of T€ 4,605 in the 2020 financial year (previous year: T€ 4,545).

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. Pension obligations in Belgium are included in the presentation of defined benefit plans for the first time in the financial year under review. 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 old-age retirement and benefits for surviving dependants according to beneficiary, and benefits in the event of the beneficiary's death through an occupational accident. The benefit is contingent on the professional status, years of company service and the salary of the beneficiaries.

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 Real Estate Schaffhausen 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.

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



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Reconciliation of pension obligation	Cash value of defined contribution plans		Recognised net value of pension obligation	
	T€	Fair value of plan assets T€	T€	T€
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	

Reconciliation of pension obligation	Cash value of defined contribution plans		Recognised net value of pension obligation	
	T€	Fair value of plan assets T€	T€	T€
As of January 1, 2019*	5,619	(2,499)	3,120	
Current service expense	164	-	164	
Interest expense / income	85	(15)	70	
Pension payments	(324)	134	(190)	
Contributions of plan participants (employer)	-	(94)	(94)	
Contributions of plan participants	87	(94)	(7)	
Remeasurement of defined benefit plans	550	-	550	
thereof due to changes in financial parameters	687	-	687	
thereof due to changes in demographic assumptions	(2)	-	(2)	
thereof for experience adjustments	(135)	-	(135)	
Actual income / expenses of plan assets (without amounts already included in interests)	-	41	41	
Foreign currency changes	176	(100)	76	
Deficit / (surplus)	6,357	(2,628)	3,729	
Effect of asset ceiling / minimum funding requirement	-	-	679	
As of December 31, 2019	6,357	(2,628)	4,408	

* before asset ceiling / effect from the capitalization limit

The main benefit obligations exist in Germany in the amount of T€ 2,274 (previous year T€ 2,256), in Switzerland in the amount of T€ 2,254 (previous year T€ 2,145), in Austria in the amount of T€ 1,074 (previous year T€ 1,258) and in Belgium in the amount of T€ 2,520 (previous year € 0).

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:

	2020 T€	2019 T€
United Kingdom		
Equities	403	303
Corporate bonds	261	345
Gilts	185	167
Property	-	-
Cash	240	230
Total	1,089	1,045

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In Switzerland, the plan assets are invested up to an amount of T€ 1,750 (previous year: T€ 1,590) 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 reinsured insurance contracts.

For the 2021 financial year, the Group anticipates contributions to defined benefit pension plans amounting to a total of T€ 160 (previous year: T€ 166), and outgoing payments of T€ 155 (previous year: T€ 97).

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	2020	2019
Discounting factor		
Germany	0.40%	0.70%
Austria	0.50%	0.80%
Switzerland	0.20%	0.10%
Belgium	0.90%	1.10%
Italy	0.35%	0.60%
United Kingdom	1.90%	2.70%
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%	0.10%
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%

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

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€ 688 or lead to an increase of T€ 256, 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€ 119 or lead to a decrease of T€ 219, 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



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impact of other actuarial assumptions is insignificant. For this reason, the company has refrained from making a related presentation.

The revaluation gains in the financial year under review of T€ 98 (previous year: T€ 550) are offset with the other reserves. The total gains from revaluation of pensions reported under consolidated equity amount to T€ 3,121 (previous year: T€ 3,024). Deferred taxes recognised directly in the consolidated equity amounted to T€ 532 (previous year: T€ 519).

(37) Other liabilities and contract liabilities

The other non-current liabilities are composed as follows:

	31.12.2020	31.12.2019
	T€	T€
Other non-current liabilities		
Amounts accrued and prepayments received	26	41

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

	31.12.2020	31.12.2019
	T€	T€
Other short-term liabilities		
Personnel liabilities	16,186	16,583
Contract liabilities	13,224	10,195
Amounts accrued and prepayments received	3,814	5,333
Liabilities relating to social security	6,660	2,568
VAT liabilities	3,046	7,274
Other liabilities	5,927	2,902
Total	48,857	44,856

Personnel liabilities mainly include expenses related to bonus payments in an amount of T€ 8,396 (previous year: T€ 5,722), vacation not taken in an amount of T€ 6,513 (previous year: T€ 7,205), wage and salary obligations and wage taxes.

Development of contract liabilities

T€	01.01.2020	Transfer in revenues	Addition	31.12.2020
Contract liabilities	10,195	(10,195)	13,224	13,224

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.

(38) Trade payables and other financial liabilities

Trade payables and other financial liabilities are composed as follows:

	31.12.2020	31.12.2019
	T€	T€
Trade payables and other liabilities		
Trade payables to third parties	94,577	123,313
Other liabilities	969	875
Total	95,546	124,188



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5. Notes to the consolidated statement of cash flows

(39) Consolidated statement of cash flows

The cash flow statement shows the changes in cash and cash equivalents of the Group resultant 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 29). This includes bank credit balances in the amount of T€ 1,976 (previous year: T€ 1,797), which the Group may only use for specific purposes owing to statutory provisions or contractual obligations.

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



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Change in liabilities from financing activities	01.01.2020		Cash effective changes of book value		Non-cash changes of book value			31.12.2020	
	T€		Fair value changes	Currency translation	Fair value changes	Additions scope of consolidation	Other changes	T€	
Liabilities to banks	412,256	141,887	-	(122)	-	1,108	32,698	587,827	
Liabilities from leases	892,836	(158,119)	-	(6,707)	-	578	156,330	884,917	
Other financial liabilities	515	-	-	3	-	-	-	518	
Derivative financial instruments	1,502	-	(185)	6	-	-	-	1,322	
Total	1,307,108	(16,232)	(185)	(6,820)	(185)	1,686	189,028	1,474,584	
	adjusted							adjusted	
	01.01.2019							31.12.2019	
Change in liabilities from financing activities	T€		Fair value changes	Currency translation	Fair value changes	Additions scope of consolidation	Other changes	T€	
Liabilities to banks	368,707	24,330	-	(564)	-	-	19,782	412,256	
Liabilities from leases	866,473	(151,449)	-	2,980	-	27,505	147,327	892,836	
Other financial liabilities	498	-	-	17	-	-	-	515	
Derivative financial instruments	1,553	-	(50)	(1)	-	-	-	1,502	
Total	1,237,230	(127,119)	(50)	2,432	(50)	27,505	167,110	1,307,108	

The change in liabilities to banks derives from a cash change of T€ 141,887 and a non-cash change of T€ 33,684. The cash change derives from interest and bank fees paid in the amount of T€ -24,201 and transaction costs paid in the amount of T€ -4,257, as well as net proceeds from borrowings of T€ 170,346. The non-cash change arises from the deferring of interest and bank fees as well as transaction fees in the amount of T€ 32,698, additions from company acquisitions in the amount of T€ 1,108 and from a change in foreign currency in the amount of T€ -122.

The changes in liabilities from leases are commented on in note (41).

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.



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6. Other disclosures

(40) Contingent liabilities

Contingent liabilities are possible 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 utilisation 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 2020 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 second instance. The company has appealed this decision.

The management currently assumes that the risk of utilisation 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 2020.

(41) 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 have extension and/or termination options. Such contractual conditions are utilised 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 2020 may result in significant future cash outflows. No significant renewal options on the part of the lessors exist. Rental conditions are negotiated individually and include a large number of different terms. This includes, in particular, variable payments depending on one and/or several different factors such as revenue and the frequencies of the respective rental space. For some leased spaces, up to 100% of the lease payments are contingent on the revenue generated. Variable payment terms are used for a variety of reasons, including to minimise 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 2020 financial year, the ratio of fixed lease payments to variable lease expenses was 133% (prior year: 80%), with the fixed components thereby outweighing the volume-dependent variable lease payments. Given the expected decrease in the coronavirus epidemic (see notes 43 and 46) and associated increase in frequency, management expects the ratio to shift significantly in favour of variable rents in 2021. In the 2019 financial year, prior to the coronavirus pandemic, the expense for variable leases amounted to € 200,482. The average remaining term of the leases based on the existing plan is approximately 8 years. In order to optimise 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 2020, it was assumed that an amount of T€ 59 (previous year: T€ 235) will have to be paid, which is recognised accordingly in the lease liabilities.



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In the 2020 financial year, financial liabilities from leases amounting to T€ 106,040 (previous year: T€ 101,179) were repaid and T€ 52,079 (previous year: T€ 50,270) was paid in interest in connection with leases.

The rights of use under leases are recognised in property, plant and equipment at carrying amounts of T€ 813,133 (previous year: T€ 855,051), which are analysed by class as follows:

	2020	adjusted 2019
	T€	T€
Right-of-use assets by class		
Land, land rights and buildings and buildings on third party land	802,420	844,684
thereof within the reporting period recognised expenses for scheduled depreciation	122,980	113,592
Technical equipment and machines	10,713	10,366
thereof within the reporting period recognised expenses for scheduled depreciation	4,172	4,477
Other equipment, operating and office equipment	-	1
thereof within the reporting period recognised expenses for scheduled depreciation	1	5

The income statement includes the following amounts relating to leases:

	2020	adjusted 2019
	T€	T€
Expenses related to short-term lease agreements	6,624	6,663
Expenses related to lease agreements regarding assets with low value	1,230	1,190
Expenses related to lease agreements with variable lease payments	121,076	200,482
Expenses/income related to extraordinary allowances/value recoveries on right of use assets	11,955	(930)

Further information concerning interest expenses for leases is provided in note (19) Financial expenses and concerning rights of use in note (22) Property, plant and equipment and rights of use.

(42) 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 (34) and (43).

(43) Group risk management

The Group's risk management covers different levels and risk types. At the Group level, risk management is a significant component of the business planning and controlling processes. Material risks are monitored and discussed periodically with the Advisory Board. The Group has established upper limits for certain risks. 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 authorisation by the Management Board.

Financial risk management

The Group is exposed to various financial risks that arise from the operating business activity and the financial activities of the Group. The most important financial risks for the Group derive from changes in 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 syndicated credit agreement (covenants). Compliance with the covenants is monitored on a regular basis.



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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.



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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 level 1 ¹⁾	Fair value level 2 ²⁾	Fair value level 3 ³⁾	
		31.12.2020	T€	31.12.2020	T€						31.12.2020
Available-for-sale financial assets	FV/OCI	215				215					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								
thereof 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	FV/PL	2,661	2,661				884,917				2,661
thereof lease liabilities	n.a.	884,917									
thereof derivative financial instruments	n.a.	1,322				1,322					
in hedge relationship (hedge accounting)	n.a.	1,322				1,322					
thereof collateral received	FLAC	2,422	2,422								
Trade payables and other financial liabilities	FLAC	95,964	95,964								
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 (FV/OCI)		215				215					
Financial Liabilities Measured at Amortised Cost (FLAC)		689,388	689,388								
Financial Liabilities Measured at Fair Value through Profit and Loss (FV/PL)		2,661				2,661					



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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		thereof	
			Amortized acquisition costs	Fair value rec. in profit/loss			31.12.2019	31.12.2019	level 1 ¹⁾	level 2 ²⁾
		adjusted 31.12.2019	31.12.2019	31.12.2019	31.12.2019	31.12.2019	31.12.2019	31.12.2019	31.12.2019	31.12.2019
		T€	T€	T€	T€	T€	T€	T€	T€	T€
Available-for-sale financial assets	FVOCI	220			220					220
Other financial assets	FAAC/n.a.	4,400	3,155			1,245				
Trade receivables and other receivables	FAAC	49,844	49,844							
Cash and cash equivalents	FAAC	53,803	53,803							
Financial liabilities	FLAC/n.a.	1,312,382	1,312,382							
thereof liabilities to banks	FLAC	412,296	412,296					435,977	435,977	
thereof other financial liabilities	FLAC	3,101	3,101							
thereof lease liabilities	n.a.	892,836				892,836				
thereof derivative financial instruments	n.a.	1,502				1,502				1,502
in hedge relationship (hedge accounting)	FLAC	2,688								
thereof collateral received	FLAC	124,188								
Trade payables and other financial liabilities										
thereof aggregated according to measurement categories IFRS 9										
Financial Assets Measured at Amortised Cost (FAAC)		106,802	106,802							
Financial Assets Measured at Fair Value through OCI (FVOCI)		220			220					
Financial Liabilities Measured at Amortised Cost (FLAC)		542,233	542,233							

- 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.



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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 to their respective fair values.

The fair values of financial instruments that do not approximate to 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.

	2020 T€	At fair value valuated financial instrument			Total
		Step 1	Step 2	Step 3	
Derivative financial instruments in hedge relationship	-	-	(1,322)	-	(1,322)

	2019 T€	At fair value valuated financial instrument			Total
		Step 1	Step 2	Step 3	
Derivative financial instruments in hedge relationship	-	-	(1,502)	-	(1,502)

The fair value of investments categorised at fair value with no effect on income is determined utilising recognised 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 see 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 (28) Trade receivables and other financial assets. Receivables management has the goal of improving the Group's liquidity through the optimised 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 characterised 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€ 2,422 (previous year: T€ 2,689) 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€ 33,997 can be drawn from the revolving credit facility as required. A further line of the Guarantee Facility in an amount of T€ 10,569 can be utilised for



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bill guarantees. In the 2019 financial year, the Group had free lines of T€ 33,997 available from the Revolving Credit Facility and T€ 31,729 from the Guarantee Facility. For further details, please see note (34) Financial liabilities.

APCOA PARKING Group's liquidity risk has increased due to the Covid-19 pandemic arising from March 2020 and its impact on revenue. The management 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, investment reductions, and the use of government measures such as short-time working allowances. On 30 March 2020, the Swiss companies APCOA Parking Switzerland AG and APCOA Parking Service Switzerland AG took out government-guaranteed loans totalling TCHF 800 with a term of five years. The owner made a cash capital contribution of T€ 40,000 to the capital reserve on 27 May 2020, and a further financing facility (Facility B2) of T€ 78,000 (T€ 68,000 on 27 May 2020 and T€ 10,000 on 18 June 2020) was drawn down by the company. This bullet facility has the same seniority and maturity as the existing bullet facility of T€ 514,000 (Term Loan Facility B). The interest rate on this new facility is 7.25% p.a., while the interest rate on Term Loan B is currently 3.75%.

Going concern

At the end of 2020, the Group's debt financing was mainly provided by a syndicated loan. These include bullet loans of T€ 592,000 (Facility B, Facility B2) with a term until March 2024, a guarantee facility of T€ 30,000 (Guarantee Facility) with a term until March 2023 and a revolving credit facility of T€ 35,000 (Revolving Credit Facility) with a term until March 2023. As of 31 December 2020, the guarantee line had been drawn in the amount of T€ 19,431, and the revolving credit facility in the amount of T€ 1,003.

The liquidity ratios currently required under the syndicated loan were met by the Group.

Due to the Covid-19 pandemic that occurred in 2020, APCOA Parking Group has been significantly impacted in economic terms. In order to reflect the ongoing impact of Covid-19 on operations for 2021, the management adjusted the budget planning at the beginning of the 2021 financial year to reflect the new conditions based on a so-called "worst case" scenario. This worst case scenario serves as the starting point for the analyses in the going concern review, and is applied as a "stress test". On the basis of available data (e.g. in relation to the vaccination programs), the management considers a renewed wave of infections of the assumed magnitude from the third quarter onwards to be unlikely. In the worst case scenario, management initially plans a gradual easing of the lockdown measures due to the successive increase in vaccination rates throughout Europe, and an accompanying recovery in the revenue trend. Possible further lockdown measures in the wake of a resurgence in Covid-19 infection numbers after the summer months of 2021 (beginning in the fall of 2021) have been considered in "worst case" planning by the management for the period from October 2021 through to March 2022. The "Airport" and "Trade Fairs and Events" segments are particularly volatile. Starting in the fourth quarter of 2021, the management expects a greater level of reductions in revenue to occur again in the worst case scenario due to a possible further Covid-19 infection wave, especially for the "Airport" and "Trade Fairs and Events" segments. In the Management Board's opinion, the package of measures described under liquidity risk 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 outlook, are secured according to the management'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.



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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 operating result, financial result and equity of the Group. 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 at the balance sheet date. It is assumed that the portfolio at 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 financial results and equity of the Group. A currency risk arises when amounts paid or received for transactions in local currencies fluctuate as a consequence of changes in the currency exchange rates (transaction risk). In addition, currency risk may arise through the translation into euros of consolidated subsidiaries' financial statements 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 minimise 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 resultant 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 original 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 recognised directly in the functional currency for the most part. In the 2020 and 2019 financial years, the currency sensitivity analysis showed no effects from liabilities to banks, as the newly arranged syndicated lending agreement is 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, pounds sterling, Norwegian kroner, Swedish kroner, Danish kroner, Polish zloty and Swiss francs. The sensitivity analysis is shown in the following table.

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Interest-bearing debt not denominated in the functional currency	Effects on the result of an appreciation or depreciation of the euro			
	31.12.2020		31.12.2019	
	+10% T€	-10% T€	+10% T€	-10% T€
GBP	n/a	n/a	(214)	261
NOK	(1,528)	(1,868)	(1,290)	1,577
SEK	(580)	709	(78)	96
DKK	(1,228)	1,500	1,223	(1,494)
PLN	(153)	187	(23)	28
CHF	(75)	101	(74)	100

Interest rate risk

Interest rate risks arise from changes in interest rates, which can impact negatively on the financial result and equity of the Group. 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:

- Changes in the market interest rate of original 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 amortised 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 original 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 higher by 100 basis points in the 2020 financial year, other comprehensive income would have been lower by T€ 238 (previous year: T€ 334) and the result for the year would have been lower by T€ 2,576 (previous year: T€ 2,308). Had the level of market interest rates been lower by 100 basis points, other comprehensive income would have been higher by T€ 260 (previous year: T€ 368) and the result for the year would have been higher by T€ 0 (previous year: T€ 0).

Hedging measures – cash flow hedges

In the financial year under review, the Group had two DKK interest rate swaps (amortising; previous year: 2) to hedge variable interest from lease liabilities. A variable-interest financial lease liability was designated as the hedged item for the amortising 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 amortising interest rate swaps denominated in DKK with



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a nominal value of T€ 4,527 (previous year: T€ 5,288) have a residual term until June 2032.

The effectiveness of the hedging relationship is assessed prospectively using 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.

	Interest hedge	
	Average net investment	Fixed interest rate of hedge instrument
Maturity	T€	
Due within one year	3,678	6.2%
Due between one and five years	2,765	6.2%
Due after five years	1,212	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€ -1,322 within the Group as of 31 December 2020 (previously: T€ -1,502). The fair value is reported under non-current financial liabilities. In the 2020 financial year, the realisation with neutral effect on profit/loss led to a value change of the hedging transactions in the amount of T€ +180 (previous year: T€ +51). Under Danish tax law, the negative market value of the DKK swaps is tax deductible. Due to this, no deferred taxes are to be recognised in connection with the DKK interest rate swaps, and the recognition in equity is at the net value. The change in value from the underlying transaction amounted to T€ -180.

In connection with the DKK interest rate swaps, other comprehensive income is reduced by T€ 124 in 2020 (previous year: T€ 296) and a reclassification of T€ 269 (previous year: T€ 347) was made to net interest income, resulting in a change in equity of T€ 145 (previous year: T€ 39). 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.
- to be able 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.

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 have been agreed for the Group in the syndicated loan agreement, which are calculated on the basis of the consolidated figures of APCOA PARKING Group without taking into account the effects of IFRS 16. For this purpose, the available liquidity of APCOA PARKING Group is calculated, including both cash and cash equivalent investments (excluding restricted bank balances) and available unused credit line. This available liquidity may not be less than T€ 10,000. The management of APCOA PARKING Group and the syndicate banks regularly review compliance with these covenants. In the 2020 financial year, all externally imposed capital requirements were met.



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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:

Net result according to measurement category	Fair value (rec. in profit/loss)		from subsequent measurement		from disposals 2020 T€	Net result 2020 T€
	from interest		Currency translation	Value adjustment		
	2020 T€	2020 T€	2020 T€	2020 T€		
Financial Assets measured at Amortised Costs (FAAC)	-	n.a.	(24)	(1,004)	(140)	(1,168)
Financial Assets Measured at Fair Value through OCI (FVOCI)	-	-	-	-	-	-
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)

Net result according to measurement category	Fair value (rec. in profit/loss)		from subsequent measurement		from disposals 2019 T€	Net result 2019 T€
	from interest		Currency translation	Value adjustment		
	2019 T€	2019 T€	2019 T€	2019 T€		
Financial Assets measured at Amortised Costs (FAAC)	-	n.a.	-	(417)	-	(417)
Financial Liabilities at Fair Value through Profit or Loss (FVIPL)	-	119	n.a.	-	-	119
Financial Liabilities Measured at Amortised Cost (FLAC)	(19,801)	n.a.	(1,981)	n.a.	-	(21,782)
Total	(19,801)	119	(1,981)	(417)	-	(22,081)

(44) 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, and from 2019 the joint venture ParcBrux, Ghent, were also identified as related parties.

Other identified companies with controlling influences over the company were Centerbridge Partners Holding LLC, New York and Centerbridge Partners Europe, LLP, London, who 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

For the background to the incoming and outgoing payments with the shareholder Park LuxCo 3 S.C.A., see note (31) Capital reserves.

Receivables from ParcBrux consist mainly of loans receivable in addition to trade receivables from services provided by the Belgian subsidiary (see note 25).

Expenses in relation to Agile Parking Solutions arise mainly 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:

Transactions with related parties 2020	Income	Expense	Disbursements	Deposits	Receivables	Liabilities
	2020 T€	2020 T€	2020 T€	2020 T€	2020 T€	2020 T€
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



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	Income 2019	Expense 2019	Receivables 2019	Liabilities 2019
	T€	T€	T€	T€
Transactions with related parties 2019				
ParcBrux	415	155	2,028	-
AGILE PARKING SOLUTIONS PRIVATE LIMITED	77	331	6	7
Centerbridge Partners Europe, LLP	-	215	-	14
Total	492	700	2,034	21

Disclosures concerning key management personnel

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

Management members in key positions

Management

Philippe Op de Beeck (CEO)

Steffen Bätjer (CFO)

Advisory board

Nick Buckles (Chairman)

John Brantl

Erik Brenneis

Gregory Marsh

Robert Orr

Alex Stirling

Oliver Stork

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

	2020 T€	2019 T€
Short-term employee benefits	1,551	1,698
Benefits after termination of employment relationship	78	98

Short-term employee benefits include not only salaries but also the variable management compensation granted on an annual basis.

As of 31 December 2020, provisions were recognised for the compensation of management members from short-term payments in an amount of T€ 663 (previous year: T€ 751). The provision for the pension obligations for the management members amounted to T€ 479 as of the end of the reporting year (previous year: T€ 541).

The termination benefits relate to the addition to the pension provision 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€ 2,274 were formed for this group of individuals as of 31 December 2020 (previous year: T€ 2,256).

The existing co-investment program is presented on page 8.

Expenses of T€ 492 were recognised for the Advisory Board members for the financial year under review (previous year: T€ 484). All salaries and reimbursements of expenses are due short-term.

(45) Auditor's fee

On 25 June 2020, the Audit Committee of APCOA Parking Holdings GmbH elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to be the auditor of the



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

	2020	2019
	T€	T€
Auditor's fee		
Audit of the financial statements	1,325	849
thereof pertaining to Germany	728	500
Other assurance services	94	42
thereof pertaining to Germany	32	32
Tax advisory services	34	31
thereof pertaining to Germany	-	-
Other services	55	55
thereof pertaining to Germany	-	-
Total	1,507	977



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(46) Events after the balance sheet date

APCOA continues to be heavily affected by pandemic coronavirus containment measures in early 2021, 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 (continuation of mobility restrictions in the first quarter of 2021), the Management Board expects that the spread of coronavirus and the necessary containment measures and associated reductions in frequencies will have a significant negative impact on the Group's business compared to the pre-coronavirus period and on its financial position and performance in 2021. For further information, please see note (10) Accounting and measurement principles, note (43) Group risk management, as well as the Group management report.

No further events of particular significance occurred after the end of the financial year under review.

The consolidated financial statements as of 31 December 2020 were approved by the Management Board on 26 March 2021.

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

Leinfelden-Echterdingen, 26 March 2021

Philippe Op de Beeck

Managing Director

Steffen Bätjer

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 statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2020, 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 2020.

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 § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] 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 2020, and of its financial performance for the financial year from 1 January to 31 December 2020, 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.

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 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

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appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

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.

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.

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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 control.
- 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 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,

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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.

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, 26 March 2021
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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

sgd. ppa. Carsten Dewald
Wirtschaftsprüfer
(German Public Auditors)

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[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*) [Translator's 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.

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(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 of 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.