

Europcar Mobility Group

**Statutory auditors' report on the Financial
Statements**

(For the year ended December 31, 2022)

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This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by French law, such as verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditors' report on the Financial Statements

(For the year ended December 31, 2022)

To the Shareholders,
Europcar Mobility Group
13 Ter Boulevard Berthier
75017 PARIS

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Europcar Mobility Group for the year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2022 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

Accounting estimates

Investment securities, which amounted to 1,426,205 thousand euros on the balance sheet as of December 31, 2022, are valued at their purchase price and impaired on the basis of their value in use in accordance with the procedures described in Note 2.3 to the annual financial statements.

Our work consisted of assessing the data and assumptions on which these estimates are based, in particular the cash flow forecasts prepared by the company's operating divisions, reviewing the company's calculations, and review the process for management approval of these estimates. As part of our assessments, we have verified the reasonableness of these estimates.

These assessments were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Management Board and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce).

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code (code de commerce).

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Management Board.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Neuilly-sur-Seine and Courbevoie, March 31, 2023

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

MAZARS

Romain Dumont

Guillaume Devaux

SEPARATE FINANCIAL STATEMENTS AT DECEMBER 31, 2022

EUROPCAR MOBILITY GROUP SA

13 ter Boulevard Berthier
75017 Paris

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Statement of financial position

ASSETS

(in thousands of euros)	Notes	Year ended 12/31/2022			Year ended 12/31/2021
		Gross carrying amount	Depreciation and provisions	Net	Net
Trademarks		28,500	-	28,500	28,500
Intangible assets		28,500	-	28,500	28,500
Investment securities		1,426,205	-	1,426,205	1,295,850
Loans	10	625,916	-	625,916	622,900
Other financial assets	10	14	-	14	14
Financial assets		2,052,135	-	2,052,135	1,918,763
Non-current assets	10	2,080,635	-	2,080,635	1,947,263
Advance payments on orders		621	-	621	190
Trade and other receivables	11	18,416	-	18,416	13,401
Other receivables	11	562,173	-	562,173	574,001
Marketable securities	14	64,107	(60,565)	3,542	4,335
Cash-in-hand and at bank		5,008	-	5,008	3,603
Prepaid and deferred charges		71	-	71	860
Deferred note issuance costs	15	48,934	(41,968)	6,966	2,207
Bond redemption premiums		3,116	(3,116)	-	-
Current assets		702,444	(105,649)	596,796	598,598
Foreign exchange differences - assets		153	-	153	1,264
TOTAL ASSETS		2,783,232	(105,649)	2,677,584	2,547,125

LIABILITIES

(in thousands of euros)	Notes	Year ended 12/31/2022	Year ended 12/31/2021
Share capital		50,156	50,156
Share, merger, contribution premiums		2,018,823	2,018,823
Legal reserve		16,388	16,388
Other reserves		162,245	162,245
Retained losses		(246,354)	(208,866)
Net profit/(loss) for the period		117,662	(37,487)
Regulated provisions		23,793	23,793
Shareholders' equity	18	2,142,715	2,025,053
Provisions for risks	19	153	1,720
Provisions		153	1,720
Borrowings from credit institutions	12	503,235	502,063
Current financial liabilities		503,235	502,063
Trade and other payables	12	23,645	6,368
Tax and social security liabilities	12	6,328	7,254
Other debt	12	-	793
Operating liabilities		29,973	14,415
Liabilities		533,207	516,478
Foreign exchange differences – liabilities		1,508	3,875
TOTAL LIABILITIES		2,677,584	2,547,125

Income statement

(in thousands of euros)	Notes	Fiscal year ended at 12/31/2022	Fiscal year ended at 12/31/2021
Sales of services	3	11,288	7,166
Reversals of provisions, amortization and transfers of expenses		-	-
Other income	4	2,635	4,095
Total operating revenue		13,924	11,261
Other purchases and external expenses		(30,488)	(26,766)
Taxes, levies and similar payments		(595)	(222)
Wages and salaries		(10,448)	(6,259)
Social security contributions		(3,044)	(2,911)
Other expenses		(612)	(595)
Total operating expenses		(45,189)	(36,753)
OPERATING INCOME		(31,265)	(25,492)
Income from equity interests		-	-
From other marketable securities and receivables on non-current assets		44,059	25,830
Other interest and similar income		10,204	2,000
Reversals of provisions and transfers of financial expenses		131,619	64,704
Foreign exchange gains		31,358	1,278
Net revenue from marketable securities		-	102
Financial revenue	6	217,239	93,914
Interest and similar expense		(33,640)	(29,854)
Depreciation, amortization, impairment and provisions		(2,483)	(75,118)
Foreign exchange losses		(33,959)	(1,589)
Net expense on disposal of marketable securities		-	(103)
Financial expenses	6	(70,082)	(106,665)
NET FINANCIAL RESULT		147,157	(12,751)
RECURRING PROFIT/(LOSS) BEFORE TAX		115,893	(38,243)
Non-recurring revenue from management transactions		356	122
Non-recurring revenue from capital transactions		-	-
Reversals of provisions, impairment and transfers of expenses		256	-
Non-recurring revenue	7	612	122
Non-recurring expenses on management transactions		(61)	(107)
Non-recurring expenses	7	(61)	(107)
NON-RECURRING PROFIT/(LOSS)		551	16
Income taxes	8	1,218	740
NET PROFIT (LOSS)		117,662	(37,487)

NOTE 1. SIGNIFICANT EVENTS

1.1 OVERVIEW AND DESCRIPTION OF THE ACTIVITY PERFORMED BY THE COMPANY

Europcar Mobility Group is one of the major operators in the mobility sector. The Group offers a wide variety of mobility solutions to serve all the needs of its clients. The Group operates under several brands, the main ones of which are Europcar®, Goldcar®, Buchbinder®, Fox Rent A Car® and Ubeeqo®. The Group is active worldwide through a network of 140 countries;

Europcar Mobility Group S.A. was registered on March 9, 2006, with an initial share capital of 235,000 euros, and was transformed into a French limited company on April 25, 2006. Europcar Mobility Group S.A. changed its corporate governance structure on January 20, 2021 to a single-tier structure with a Board of Directors governed by Articles L.225-17 to L.225-56 of the French Commercial Code. From March 9, 2015 to February 26, 2021, the Company was a limited company with a Management Board and a Supervisory Board. As of today, and since June 29, 2022, EMG is once again a limited company with a Management Board and a Supervisory Board.

Europcar Mobility Group's registered offices are located at 13 ter boulevard Berthier, 75017 Paris, France.

In the notes to the parent company financial statements below, the terms "Europcar Mobility Group" and "the Group" define Europcar Mobility Group S.A. and its consolidated subsidiaries, while the terms "Company" and "Europcar Mobility Group S.A." define the parent company of the Group.

1.2 SIGNIFICANT EVENTS DURING THE FISCAL YEAR

Proposed takeover bid for the Company's capital by the consortium led by Volkswagen

Volkswagen Group, Attestor Capital LLP and Pon Holdings BV have successfully completed a public tender offer for the acquisition of Europcar Mobility Group through a consortium called "Green Mobility Holding SA". The acquisition was effected by way of a cash tender offer at €0.50 per share, plus an additional price of €0.01 per share once the 90% squeeze-out threshold was reached. This acquisition led to the delisting of the Group on 13 July 2022. The breakdown of Europcar Mobility Group's share capital as at 31 December 2022 is presented in Note 18.

Refinancing of loans for corporate financing

On November 30, 2022, the group refinanced the bulk of its corporate debt (including that for fleet financing) consisting of a €500m term loan, a €170m senior revolving credit facility and a €225m Vehicle Fleet Financing Agreement.

The refinancing package took the form of a new €500m 5-year term loan maturing in November 2027 and a new €250m RCF maturing in August 2027.

Rating agencies

S&P - Corporate Rating

On April 12, 2022, S&P upgraded Europcar Mobility Group's long-term issuer rating from CCC+ to a positive B- "creditwatch" for its improved operating performance. S&P also upgraded the fleet bond rating from CCC+ to B.

On September 26, 2022, the agency again upgraded the group's rating from B- to B, stable outlook, in recognition of the improved credit profile following its acquisition by Green Mobility Holding, a company created by a consortium led by the Volkswagen group. S&P also upgraded the fleet bond rating from B to B+.

S&P - Fleet Debt Rating

On July 28, 2021, the Agency affirmed the BBB rating of SARF following the amendment of the terms and the extension of the maturity of the credit facility to January 2027 before withdrawing its rating. The facility is no longer publicly rated by the Agency.

Moody's

The agency upgraded the group's rating from Caa1 to B3 on 28 April 2022 based on the improved 2021 annual performance and the EC Finance Plc bond rating from B2 to B1.

Conflict between Ukraine and Russia

The Group indicates that it does not have direct operations in these two countries, its presence being through two franchisees. During the 2022 financial year, the Group suspended its contracts with its Ukrainian, Russian and Belarusian franchisees.

The consequences of the conflict on operations in 2022 are not significant, either directly in the countries affected or through the sanctions imposed by the international community in Russia and some of its nationals, as well as the counter-measures taken by Russia. The main consequences are the difficulties in supplying vehicles due to the impact on the supply chain.

1.3 SUBSEQUENT EVENTS

Rating

S&P

On 31 January 2023, S&P upgraded the Group's rating from B positive outlook to B+ stable outlook.

Moody's

On 3 February 2023, Moody's affirmed the Group's rating of B3 and raised the outlook from stable to positive.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements of Europcar Mobility Group S.A. are prepared in accordance with generally accepted accounting principles in France for separate financial statements pursuant to the French General Accounting Plan (ANC regulation No. 2016-07 of November 4, 2016 relating to the General Accounting Plan).

The accounting principles used in the preparation of the financial statements for the fiscal year ended December 31, 2022 are identical to those used for the fiscal year ended December 31, 2021.

They were prepared in accordance with the historical cost convention.

The figures in the Notes are in thousands of euros, unless otherwise stated.

2.1 INTANGIBLE ASSETS

This item comprises the Europcar trademark for the "long-term" vehicle rental activity (over one year), as well as the InterRent trademark for the low-cost business segment.

2.2 MEASUREMENT OF NON-AMORTIZED NON-CURRENT ASSETS

At each balance sheet date, Europcar Mobility Group S.A. conducts an impairment test to ensure that the fair value of the trademarks at this date is higher than their net carrying amount.

An impairment is recognized when the carrying amount exceeds the greater of the fair value and the value in use.

2.3 FINANCIAL ASSETS

Investments in subsidiaries and affiliates are recorded at purchase price, including costs directly attributable to their acquisition. Costs capitalized in this respect are amortised over five years.

Investments held are tested annually for impairment based on the value in use of the corresponding subsidiaries. If their value in use falls below their net book value, an equivalent impairment loss is recognized. Any subsequent recovery of the value in use of a previously impaired subsidiary can suffice to reverse the provision recorded to the extent that the updated value exceeds the net book value, up to the amount of the historical cost.

The value in use of each subsidiary is determined using the adjusted net asset value (NAV) method, under which the value of its equity and, where applicable, of the portfolio of subsidiaries it owns, is adjusted using an enterprise value as determined by discounting the future cash flows attributable to each asset ("DCF method"). Projected cash flows are derived from business plans approved by Europcar's management as established for the operating companies in the main countries where the Group operates.

2.4 RECEIVABLES AND PAYABLES

Receivables and payables are stated at their nominal value. An impairment is recognized when a risk of non-recovery exists.

Unrealized foreign exchange gains are recorded as translation gains, whereas unrealized foreign exchange losses are recorded as translation losses and are subject to a provision for risks and expenses.

2.5 TREASURY SHARES

The Company holds shares in its own capital, the main purpose of which was to animate trading in Europcar shares under the liquidity contract it had entered into, which was terminated in 2022 following the delisting of the company (see note 1). These shares are recorded at their acquisition price. When the Company was listed, a provision for impairment was recorded when this historical value exceeded the average share price for the last month of the fiscal year. These impairments, as well as gains or losses on disposal, were recognized in financial income or expense.

2.6 PROVISIONS

A provision is recorded in the statement of financial position when the Group has a present legal or implicit obligation as a result of a past event, it is probable that an outflow of resources with no counterpart will be required to settle the obligation, and the amount of this obligation can be reliably estimated.

If the effect is material, provisions are discounted on the basis of a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2.7 BORROWINGS AND BOND ISSUANCE COSTS

Borrowings are recorded at their nominal repayment amount. They are not discounted.

For bonds or notes issued above par and redeemable at the nominal amount, the difference constitutes an issue premium.

For bonds or notes issued below par and redeemable at a higher amount, the difference constitutes a redemption premium.

The redemption premium is recorded in the statement of financial position under “deferred expenses” and amortized over the term of the borrowing.

2.8 RETIREMENT AND POST-EMPLOYMENT BENEFITS

Europcar Mobility Group S.A. grants its employees end-of-service indemnities and supplementary pensions through defined-contribution or defined-benefit plans.

Europcar Mobility Group S.A. has opted not to record its employee benefit obligations. The Company's obligations are valued by independent actuaries and reported in the Notes (see Note 20).

2.9 CAPITAL INCREASE EXPENSES

Europcar Mobility Group S.A. has opted for the preferential method of charging the costs related to the capital increase against the share premium.

NOTES TO THE INCOME STATEMENT

NOTE 3. BREAKDOWN OF REVENUE

Europcar Mobility Group S.A's revenue excludes amounts derived from the rebilling costs to subsidiaries (see Note 4), and can be analyzed as follows:

<i>(in thousands of euros)</i>	Amounts at 12/31/2022			Amounts at 12/31/2021
	France	Excluding France	Total	Total
Management charges to subsidiaries	9,124		9,124	4,964
Franchise revenue	2,164		2,164	2,202
Total	11,288	-	11,288	7,166

NOTE 4. OTHER INCOME

Other income consists primarily of:

<i>(in thousands of euros)</i>	Amounts at 12/31/2022	Amounts at 12/31/2021
Rebiling of fees	15	2,019
Rebiling of insurance	1,592	1,719
Rebiling of various expenses	1,023	352
Foreign exchange gains	6	4
Total	2,635	4,095

NOTE 5. EXECUTIVE COMPENSATION

Members of the Management Board and the Board of Directors received the following compensation in 2022 and 2021:

<i>(in thousands of euros)</i>	At 12/31/2022	At 12/31/2021
Employee salaries and short-term benefits	4,495	974
Post-employment benefits	-	-
Termination indemnities	1,984	-
Total	6,479	974

In fiscal year 2022, Europcar Mobility Group paid compensation of €345 thousand to members of the Supervisory Board and the Board of Directors as Directors' fees and other compensation (compared with €463 thousand in the previous year).

NOTE 6. NET FINANCING COSTS

The Financial result amounted to €147,157 thousand, comprising:

<i>(in thousands of euros)</i>	Amounts at 12/31/2022	Amounts at 12/31/2021
Other interests & similar income, and receivables from non-current assets	44,059	25,830
Other interest and similar income	10,204	2,000
Provision for impairment of investments	130,355	-
Provision for impairment of marketable securities	-	57,678
Provision for foreign exchange risks	1,264	7,026
Net revenue from disposal of marketable securities	-	102
Others	31,358	1,278
Financial revenue	217,239	93,914
Interest on notes	-	(5,938)
Interest on the revolving credit facility	(29,302)	(19,388)
Interest on intra-group debt	(73)	-
Provision for impairment of investments	-	-
Provision for impairment of marketable securities	-	(60,565)
Provision for foreign exchange risks	(153)	(1,264)
Amortization of transaction costs	(2,330)	(13,290)
Net expense on disposal of marketable securities	-	(103)
Other	(38,224)	(6,118)
Financial expense	(70,082)	(106,665)
Net Financial result	147,157	(12,751)

NOTE 7. NON-RECURRING PROFIT/(LOSS)

Non-recurring income / (expenses) is primarily composed of:

<i>(in thousands of euros)</i>	Amounts at 12/31/2022	Amounts 12/31/2021
Other non-recurring revenue	612	122
Non-recurring revenue	612	122
Other non-recurring expenses	(61)	(107)
Non-recurring expenses	(61)	(107)
Non-recurring Profit/(Loss)	551	16

NOTE 8. CORPORATE INCOME TAX: BREAKDOWN AND TAX LIABILITIES

Breakdown <i>(in thousands of euros)</i>	Profit/(Loss) before tax, at 12/31/2022	Current Tax	Net Profit/(Loss) at 12/31/2022	Net Profit/(Loss) at 12/31/2021
Recurring profit/(loss)	115,893	1,218	117,111	(37,503)
Non-recurring profit/(loss)	551	-	551	16
Total	116,444	1,218	117,662	(37,487)

NOTE 9. TAX GROUP

Europcar Mobility Group is the parent company of the French tax group comprising Europcar International, Europcar Lab, Europcar Holding, Europcar Participations, Europcar France, Parcoto, EC4, Goldcar France, Goldcar FleetCo France, Ubeeqo France and Ubeeqo International.

Europcar Mobility Group is the only entity liable for tax for the entire consolidated tax group.

Each consolidated company is placed in the position it would have been in as regards tax if it had been taxed separately. Tax income and expense on consolidated companies are recognized in the financial statements of Europcar Mobility Group.

As the parent company, Europcar Mobility Group recognizes the gains resulting from the effects of the tax group in its financial statements. Accordingly, Europcar Mobility Group recognized tax group income of €1.5 million in 2022.

Tax loss carry forwards for the scope of the tax group amounted to €723.4 million at December 31, 2022. As the parent company, Europcar Mobility Group had no corporate income tax charge at December 31, 2022.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

NOTE 10. STATEMENT OF FIXED ASSETS

<i>(in thousands of euros)</i>	Amounts at 12/31/2021	Increasing during the period	Reductions during the period	Amounts at 12/31/2022
Trademarks ⁽¹⁾	28,500	-	-	28,500
Total Intangibles Assets	28,500	-	-	28,500
Investments ⁽²⁾	1,426,205	-	-	1,426,205
Loans and other financial assets ⁽³⁾	622,914	314,824	(311,808)	625,930
Total gross financial assets	2,049,118	314,824	(311,808)	2,052,135
Provision for impairment of investments ⁽³⁾	(130,355)	-	130,355	-
Total net financial assets	1,918,963	314,824	(181,453)	2,052,135

⁽¹⁾ Intangible assets consist of the Europcar trademark for the "long-term" vehicle rental activity (more than one year) for €25,000 thousand and the InterRent trademark for €3,500 thousand.

⁽²⁾ Investment securities correspond to the Europcar International SASU subsidiary which is wholly owned by Europcar Mobility Group, for €1,241,195 thousand, and the wholly owned subsidiary, Europcar Participations, for €185,010 thousand.

The investment securities of Europcar International SASU include incidental acquisition expenses (€23,793 thousand). These expenses were the subject of exceptional straight-line amortization over five years, and were fully amortized as of December 31, 2022.

⁽³⁾ The loans represent amounts made available for the benefit of the subsidiary Europcar Holding SAS for €503.045 thousand and for the benefit of the US subsidiaries, Europcar Mobility Group USA LLC and Fox Rent a Car Inc for €122,871 thousand.

As at December 31, 2022, impairment tests on investment securities were carried out as outlined in note 2.3 and gave rise to a reversal of the €130 million impairment previously accounted for over the value of the two investment securities held by the Company, namely Europcar International SASU and Europcar Participations SAS. The annual business plan used in the DCF calculation was approved by the Management Board in December, 2022.

NOTE 11. AMOUNTS AND MATURITIES OF RECEIVABLES

Receivables <i>(in thousands of euros)</i>	Net amounts at 12/31/2022	Up to 1 year	From 1 to 5 years	More than 5 years
Loans	625,916	625,916	-	-
Other financial assets	14	-	14	-
Trade and other receivables	18,416	18,416	-	-
Tax and social security receivables	3,095	3,095	-	-
Groups and Associates	559,077	559,077	-	-
Deferred note issuance costs	6,966	1,490	5,476	-
Total	1,213,485	1,207,995	5,490	-

NOTE 12. AMOUNTS AND MATURITIES OF PAYABLES

Operating liabilities :

Liabilities <i>(in thousands of euros)</i>	Gross amounts at 12/31/2022	Up to 1 year	Over 1 year
Trade and other payables	23,645	23,645	-
Tax and social security liabilities	6,328	6,328	-
Other debt	-	-	-
Group and Associates	-	-	-
Deferred income	-	-	-
Total	29,973	29,973	-

Financial Liabilities :

Aging of trade payables <i>(in thousands of euros)</i>	Gross amounts at 12/31/2022	Up to 1 year	Over 1 year
Other non-convertible notes	-	-	-
Share premium	-	-	-
Accrued interest not due	3,235	3,235	-
Borrowings from credit institutions	500,000	-	500,000
Total	503,235	3,235	500,000

NOTE 13. INFORMATION ON RELATED COMPANIES

Related parties are mainly companies over which Europcar Mobility Group SA has *de jure* or *de facto* control and which are therefore included in the Company's scope of consolidation. Since the change of ownership that took place in June 2022 as described in note 1, these related parties also include the Luxembourg holding company Green Mobility Holding SA (GMH), as the new controlling shareholder, as well as the members of the consortium holding the latter: Volkswagen Group, Attestor Capital LLP and Pon Holdings BV.

The information below relates to transactions with all related companies, in particular a loan of €500 million taken out in November 2022 with Volkswagen Bank

Gross values (in thousands of euros)	Amounts at 12/31/2022	Amounts at 12/31/2021
Assets		
Investments	1,426,205	1,426,205
Loans	625,916	622,900
Trade and other receivables	18,094	12,942
Other receivables	558,936	570,692
Liabilities		
Borrowings	503,235	-
Trade and other payables	19,427	3,243
Other debt	-	-
Income statement		
Operating revenue	13,918	11,257
Operating expenses	5,136	3,022
Non-recurring expenses	-	-
Financial expense	3,235	-
Financial revenue	54,190	27,830
Tax consolidation benefit	1,542	920

NOTE 14. MARKETABLE SECURITIES

The marketable securities recorded in the balance sheet correspond exclusively to treasury shares held by the Company (see note 2.5), i.e. 8,552,323 shares at December 31, 2022.

The net book value of these shares, taking into account the impairment losses previously recognized, amounted to €3.5 million at that date.

NOTE 15. DEFERRED EXPENSES AND PREMIUMS ON EARLY REDEMPTION OF NOTES

At December 31, 2022, the items “Deferred note issuance costs” and “Premium on early redemption of bonds,” representing a total net amount of €6,966 thousand, correspond to the costs relating to the refinancing of a €500 million term loan, due June 2027, effective November 2022 and the refinancing of the RCF, due June 2027, effective November 2022.

These expenses are amortized over the term of the borrowings.

The refinancing of these two facilities triggered an acceleration in the amortization of transaction costs associated with the debts being replaced, generating an expense of €1.1 million in the Company’s 2022 financial result.

NOTE 16. ACCRUED EXPENSES

<i>(in thousands of euros)</i>	Amounts at 12/31/2022	Amounts at 12/31/2021
Liabilities		
Interest accrued on bonds and other borrowings	3,235	2,063
Loans and borrowings	3,235	2,063
Non-corporate suppliers	4,704	2,125
Corporate suppliers	18,396	2,850
Trade and other payables	23,100	4,974
Provisions for wages	-	-
Provisions – Other personnel expenses	3,908	3,390
Provisions on accrued social security charges	1,611	1,644
Withholding tax on wages	97	46
Other taxes payable	124	69
Other accrued expenses	-	-
Tax and social security liabilities	5,741	5,150
Total accrued expenses	32,076	12,187

NOTE 17. ACCRUED INCOME

<i>(in thousands of euros)</i>	Amounts at 12/31/2022	Amounts at 12/31/2021
Assets		
Accrued interest – Loans	9,386	7,440
Financial assets	9,386	7,440
Interco – Corporate	12,167	10,991
Miscellaneous income receivable	322	460
Other receivables	1,401	-
Trade and other receivables	13,890	11,450
Total accrued income	23,276	18,890

NOTE 18. SHAREHOLDERS' EQUITY

Statement of changes in shareholders' equity

<i>(in thousands of euros)</i>	Share capital	Legal Reserve	Share premiums	Special reserve	Retained earnings (losses)	Net profit (loss)	Regulated provisions	Shareholders' equity
Balance at January 1, 2022	50,156	16,388	2,018,823	162,245	(208,866)	(37,487)	23,793	2,025,053
Net profit/(loss) for 2022	-	-	-	-	-	117,662	-	117,662
Allocation of earnings / Retained earnings	-	-	-	-	(37,487)	37,487	-	-
	50,156	16,388	2,018,823	162,245	(246,354)	117,662	23,793	2,142,715

Share capital and share premiums

As at December 31, 2022, the registered share capital of Europcar Mobility Group was €50,156,401 composed of 5,015,640,081 shares of €0.01 each, all of which correspond to ordinary shares.

As of December 31, 2022, the distribution of shareholders in the capital of the Company is as follows:

Shareholders	Total number of shares	% of share capital	Voting rights	% of voting rights
Green Mobility Group SA (Luxembourg)	5,006,993,062	99.83%	5,006,993,062	99.83%
Europcar Mobility Group SA (treasury shares)	8,552,323	0.17%	8,552,323	0.17%
Others	94,696	0.00%	94,696	0.00%
Total	5,015,640,081	100.00%	5,015,640,081	100.00%

Regulated provisions

<i>(in thousands of euros)</i>	Amounts at 12/31/2021	Accruals during the period	Provisions reversed during the period (used)	Provisions reversed during the period (unused)	Amounts at 12/31/2022
Accelerated depreciation (see Note 2.3)	23,793				23,793
Regulated provisions	23,793	-	-	-	23,793

NOTE 19. PROVISIONS

<i>(in thousands of euros)</i>	Amounts at 12/31/2021	Accruals during the period	Provisions reversed during the period	Reclass.	Amounts at 12/31/2022
Provisions for risks and expenses	1,720	153	1,720	-	153
Provisions	1,720	153	1,720	-	153

At December 31, 2022, Europcar Mobility Group S.A. recognized an unrealized foreign exchange loss on the loan granted to its US subsidiary EmobG US for €153 thousand, which was provisioned for risks and charges in the same amount.

TRADING STANDARDS INVESTIGATION INTO DAMAGE CHARGING PRACTICES

On June 23, 2017, Leicester City Council Trading Standards Department (“Leicester Trading Standards”) opened an inquiry into Europcar UK for a breach of Article 9 of the Consumer Protection from Unfair Trading Regulations 2008 (“the Regulations”), based on allegations according to which: Europcar UK (i) had billed its customers, without their consent, repair costs for damage caused to vehicles in cases where the damage was contested, and (ii) had billed excessive amounts, over and above the actual cost of the repairs. Europcar UK, along with Leicester Trading Standards, established a list of documents that had to be submitted by the company and Europcar appointed Deloitte to fulfil this task. The results of the inquiries conducted by Deloitte were presented to Leicester Trading Standards in November 2018.

The investigation by Leicester Trading Standards is still in progress and the Group continues to cooperate fully with the authorities. There has not been any recent contact from Trading Standards on this matter.

In its consolidated financial statements at December 31, 2017, the Group recognized a provision of £38 million (€43 million) in non-current expenses. This amount corresponded to the Group’s best estimate, at that very early stage of the investigation, based on a several assumptions, including an assumption that the charging practices would be found to be

misleading under the Regulations and potentially inappropriate behavior when charging repair costs to customers. A new risk assessment was performed as at December 31, 2018 and reviewed at the end of 2019. On the basis of the items analyzed at that date, the Group decided to retain the provision of £38 million recognized in the previous year.

At the date of writing, no changes have occurred regarding the assessment of the risk posed by this matter, conducted in 2018 and reviewed in 2019. At December 31, 2022 the provision of £38 million still appeared in the Groups accounts.

OFF-BALANCE SHEET ITEMS

NOTE 20. OFF-BALANCE SHEET COMMITMENTS

a) Guarantees

Pursuant to Article 4 of regulation 2010-02 of September 2, 2010 of the French Accounting Standards Authority, repealed and subsequently included in ANC 2014-03, amended by ANC regulation 2016-07 relating to related party transactions and transactions not recorded in the statement of financial position, the financial commitments of the Company, given and received, as of December 31, 2022 are as follows:

Endorsements, guarantees and sureties given

The Company has given various guarantees (mostly joint and several) to certain third parties (mainly in respect of fleet leasing transactions) in the normal course of its business, as well as specific guarantees including a guarantee of £26 million to Euler Hermes in respect of the performance of certain commitments under its self-insurance program (deductible agreement), which may have to be implemented in the very unlikely event that Europcar is unable to meet the commitments under the deductible agreement.

As security for the Senior Credit Facility (or SFA), dated November 30, 2022, the following collateral has been put in place by the Company in favor of the lenders and the hedging banks:

- Joint and several guarantee of the obligations of the borrowers and debtors (Obligors),
- Pledge of the shares of Europcar International S.A.S.U. and certain of its subsidiaries held directly or indirectly by the Company.

As security for the Indenture governing the EC Finance Plc Bonds (bonds issued for a principal amount of EUR 500 million and bearing interest at a rate of 3% repayable in 2026), dated October 7, 2021, the following guarantee has been put in place by the Company: joint and several guarantee of the obligations of EC Finance plc under the contract of issuance and the bonds.

As security for the \$225,000,000 Notes dated February 14, 2022, the following guarantee has been put in place: the guarantee by Europcar Mobility Group SA for the benefit of Bank of New York Mellon Trust Company, acting as Indebenture Trustee, to secure the obligations of Fox Rent a Car, Inc.

Guarantees and sureties received

ASSET AND LIABILITY GUARANTEE GRANTED BY THE VOLKSWAGEN GROUP

The Company is the beneficiary of a guarantee of liabilities and assets granted by Volkswagen when the Company acquired the Europcar Group in 2006. This guarantee has expired and can no longer be invoked except in very limited specific circumstances. However, the company may still receive compensation under previous or specific implementations, subject to the finalization of ongoing litigation or pre-litigation and agreement with Volkswagen on the final amount of such compensation.

OTHERS

PGE benefits from a 90% guarantee from the French State via Bpifrance Financement, a subsidiary of Bpifrance S.A., pursuant to the Order of March 23, 2020 granting the State guarantee to credit institutions and finance companies in application of Article 6 of the Amending Finance Act 2020- 289 of March 23, 2020.

b) Employee benefit financial obligations

The legal and contractual retirement indemnities amounted to €69 thousand (€159 thousand in 2021) based on the valuation method prescribed by ANC recommendation No. 2013-02.

The Company has commitments with respect to defined employee pension plans (PIDR). This commitment is measured by an independent actuary using the projected units of credit. This method requires the use of the specific actuarial assumptions set out below. These actuarial valuations are carried out at each balance sheet date by estimating the present value of the amount of the future benefits acquired by the members of the personnel in return for the services rendered during the current and previous years, and include the impact of future increases in wages.

The assumptions are:

- Discount rate: 3.75%;
- Long-term inflation rate: 1.90%;
- Return on the fund: 0.09%;
- Rate of increase in salaries: 4%

The cost of services rendered in 2022 was €14 thousand, and the financial cost was €1 thousand

c) Other commitments

None

ADDITIONAL INFORMATION

NOTE 21. HEADCOUNT

	Average headcount at 12/31/2022	
	Personnel employees	Personnel seconded to the company
Managers and similar	7	-
TOTAL	7	-

NOTE 22. FREE SHARES GRANTED

On 20 March 2019, the Supervisory Board reviewed and authorised the main terms and conditions of a free share allocation plan to be implemented in 2019 in favour of the members of the Management Board, senior executives as well as certain other executives of the Group (the "2019 AGM Plan").

Europcar's Annual General Meeting of Shareholders of 26 April 2019, in the 32nd resolution, authorised the implementation of a free performance share allocation plan for certain employees and managers of the Group.

The vesting of these performance shares, at the end of a three-year vesting period, is subject to a condition of presence in the Group on the vesting date and to the achievement of performance conditions for the financial years ending 31 December 2019, 31 December 2020 and 31 December 2021, linked to the cumulative Group Sales, the average Corporate EBITDA margin and a relative TSR (Total Shareholder Return).

Furthermore, following the three (3) year vesting period, no retention period for the free shares is foreseen.

The number of shares initially granted was 968,000. In 2022, the 792,000 free shares related to the AGA 19 Plan that were still vesting on 31 December 2021 were distributed.

The details of the free share plan are as follows:

	Type of plan	Date of award	Number of shares allocated	In the process of being acquired	Duration of the vesting period	Period vesting	Fair value of shares (in €) ^(*)
AGM 19	Free shares	22-May-19	573,000	573,000	3 years	22-May-22	5.92
AGM 19	Free shares	04-Nov-19	395,000	314,000	3 years	04-Nov-22	2.9

(*) Fair value at grant date

The employer's contribution at the rate of 20% was calculated on the basis of the fair value of the shares as estimated at the date of grant.

The movements relating to the vesting of free shares in the years 2022 and 2021, for which IFRS 2 "Share-based Payment" is applicable, are as follows:

	Number of shares
In the process of being acquired at 1 ^{er} January 2021	1 698 681
Granted	-
Cancelled	(698 467)
Delivered	(208 214)
Under acquisition at 1 ^{er} January 2022	792 000
Granted	-
Cancelled	-
Delivered	(792 000)
UNDER ACQUISITION AT 31 DECEMBER 2022	0

The weighted average fair value of the shares granted was determined at the date of grant using a Monte Carlo simulation model. The dividend rate was 3%. The grant date fair value was calculated by restating the amount of dividends discounted over the vesting period of the plan.

NOTE 23. SUBSIDIARIES AND AFFILIATES

<i>Dénomination</i>	Share capital	Percentage held	Gross value of shares	Loans, advances	Revenue
	Shareholders'equity*	Dividends received	Net value of shares	Guarantees	Net Profit*
FILIALES (more than 50%)					
Europcar International SASU (FRANCE)	110,000	100%	1,241,195	-	121,894
	27,607	-	1,241,195	-	(11,702)
EC Participations	18,510	100%	185,010	-	137
	8,226	-	185,010	-	(5,856)
AFFILIATES (10 à 50%)					
-	-	-	-	-	-

*Before recognition of impairment on investments 2022